# LETTER OF OFFER

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*This Letter of offer (LOO) is sent to you as shareholder(s) of **MAHESH AGRICULTURAL IMPLEMENT AND STEEL FORGINGS LIMITED**. If you require any clarification about the action to be taken, you may please consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in Mahesh Agricultural Implement And Steel Forgings Limited, please hand over this Letter of offer and the accompanying Form of Acceptance cum Acknowledgement ("Acceptance Form") and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.*

**OPEN OFFER ("Offer") BY**


| **Mr. Chandrashekhar B. Panchal,** | **Mr. Balkrishna J. Panchal,** | **Ms. Nehal C. Panchal,** |
|---|---|---|
| 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015 | 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015 | 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015 |
| Email: shekhar@archonengicon.com | Email: bjpanchal@archonengicon.com | Email: nehal@archonengicon.com |
| Tele Fax: +91-79-2743 1072 | Tele Fax: +91-79-2743 1072 | Tele Fax: +91-79-2743 1072 |


**To acquire up to 3,14,470 equity shares of Rs. 10 each at an Offer Price of Rs. 22 per equity share of Rs 10 each payable in cash, representing 26% of the total equity share capital / voting capital**

Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof

**OF**

**MAHESH AGRICULTURAL IMPLEMENT AND STEEL FORGINGS LIMITED**

**Registered Office:** Old Motor Stand, Itwari, Nagpur-440008, Maharashtra

**Tel:** +91-712-2768743/44; **Fax:** +91-712-2760463; **Email Id**: maheshagriculture@hotmail.com

**ATTENTION:**

1. This Offer is being made by the Acquirers pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations.
2. As on date of this LOO, no statutory approvals are required, however, it will be subject to all statutory approvals that may become applicable at a later date as mentioned in Point 8.16.
3. **This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations** and is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations
4. Upward revision/withdrawal, if any, of the Offer would be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Acquirers are permitted to revise the Offer Size and/or Offer Price upwards only at any time prior to the commencement of the last three working days before the commencement of the Tendering Period i.e. till **Tuesday, June 4, 2013**. The same price will be payable by the Acquirers for all the shares tendered anytime during the Tendering Period.
5. **There is no competing offer.**
6. **A copy of Public Announcement ("PA"), Detailed Public Statement ("DPS") and this Letter of Offer (LOO) along with Form of Acceptance cum Acknowledgement is also available on SEBI website: www.sebi.gov.in**

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|---|
| **Chartered Capital And Investment Limited**<br>711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad – 380006<br>**Tel**: +91-79-2657 7571/2657 5337,<br>**Fax**: +91-79-2657 5731<br>**Email**: info@charteredcapital.net<br>**Contact Person**: Mr. Manoj Kumar Ramrakhyani/ Mr. Sagar Bhatt<br>**SEBI Registration No**.: INM000004018 | **Purva Sharegistry (India) Private Limited**<br>9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400 011<br>**Tel**: +91-22-2301 6761/2301 2518<br>**Fax**: +91-22- 2301 2517<br>**Email**: busicomp@vsnl.com<br>**Contact Person**: Ms. Purva Shah<br>**SEBI Registration No**.: INR000001112 |

**SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER**

| Sr. No. | Activity | Original Day and Date | Revised Day and Date |
|---|---|---|---|
| 1. | Date of Public Announcement | Thursday, March 28, 2013 | Thursday, March 28, 2013 |
| 2. | Date of publication of the DPS | Friday, April 5, 2013 | Friday, April 5, 2013 |
| 3. | Last date for a Competitive Bid / Offer | Thursday, May 2, 2013 | Thursday, May 2, 2013 |
| 4. | Identified Date* | Monday, May 13, 2013 | Monday, May 27, 2013 |
| 5. | Date by which Letter of offer will be dispatched to the Shareholders | Monday, May 20, 2013 | Monday, June 3, 2013 |
| 6. | Last date for upward revision of Offer Price and/or Offer Size | Tuesday, May 21, 2013 | Tuesday, June 4, 2013 |
| 7. | Last date by which Board of the Target Company shall give its recommendation | Thursday, May 23, 2013 | Thursday, June 6, 2013 |
| 8. | Offer opening Advertisement releasing date | Friday, May 24, 2013 | Friday, June 7, 2013 |
| 9. | Date of commencement of tendering period | Monday, May 27, 2013 | Monday, June 10, 2013 |
| 10. | Date of closing of tendering period | Friday, June 7, 2013 | Friday, June 21, 2013 |
| 11. | Date by which all requirements including payment of consideration would be completed | Friday, June 21, 2013 | Friday, July 5, 2013 |

*(*) Date for the purposes of determining the public shareholders of the Target Company to whom the Letter of Offer shall be sent.*

## RISK FACTORS

### i. Risk in association with the Transaction

The preferential allotment of 5,60,000 Equity Shares to Acquirers and other persons is subject to the receipt of approval from the shareholders of MAISFL in accordance with section 81 (1A) of the Companies Act, 1956, Chapter VII of the SEBI (ICDR) Regulations and other applicable laws and rules and receipt of 'in-principle' approval from BSE under clause 24(a) of the Listing Agreement. However, both the approvals have been received.

### ii. Risk in association with the Offer

- To the best of knowledge of the Acquirers, no statutory approvals are required. However, it will be subject to all statutory approvals that may become applicable at a later date. The Acquirers reserve the right to withdraw the Offer in accordance with Regulation 23 (1) (a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
- In the event that (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the offer; or (c) SEBI instructs the Acquirers not to proceed with the offer or to comply with certain conditions before proceeding the offer, then the offer process may be delayed beyond the schedule of activities indicated in this Letter of offer. Consequently, the payment of consideration to the public shareholders of MAISFL, whose shares have been accepted in the offer as well as the return of shares not accepted by the acquirers, may be delayed. The tendered equity shares and documents will be held by the Registrar to the Offer, until such time as the process of acceptance of such equity shares and the payment of consideration thereto is completed.
- In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- The equity shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer (in accordance with the Regulations and other applicable laws, rules and regulations), and the shareholders will not be able to trade, sell, transfer, exchange or otherwise dispose of such equity shares until the completion of the Offer or withdrawal of the Offer in accordance with Regulation 23 (1) of the SEBI (SAST) Regulations. During such period there may be fluctuations in the market price of the equity shares. Accordingly, the Acquirers do not make any assurance with respect to the market price of the equity shares at any time, whether during or upon or after the completion of the Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- Shareholders should note that the Shareholders who tender the Equity Shares in the Offer shall not be entitled to withdraw such acceptances during the Tendering Period.
- In the event of over-subscription to the offer, the acceptance will be on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- This Offer is subject to completion risks as would be applicable to similar transactions**.**

### iii. Risk in association with the Acquirers

- The Acquirers make no assurance with respect to financial performance of the Target Company.
- The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
- The Acquirers make no assurance of market price of shares of the Target Company during or after the offer.

- The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOO)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk
- The Acquirers do not accept the responsibility with respect to the information contained in PA or DPS or LOO that pertains to the Target Company and has been compiled from publicly available resources and/or provided by the company.

The risk factors set forth above, pertain to the Transactions, offer & the acquirers and not in relation to the present or future business or operations of MAISFL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the offer. Shareholders of MAISFL are advised to consult their stockbrokers or investment consultants, if any for further risk with respect to their participation in the offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choice, if any, for further risks with respect to each such Shareholder's participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirers.

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## 1. DEFINITIONS/ABBREVIATIONS

| Sr. No | Term | Definition/Abbreviation |
|---|---|---|
| 1. | Acquirers or The Acquirers | Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal and Ms. Nehal C. Panchal |
| 2. | Board of Directors | Board of Directors of the Target Company |
| 3. | BSE | Bombay Stock Exchange Limited |
| 4. | Book Value Per Share | [Equity Capital + Free Reserve (excluding Revaluation Reserve) - Debit balance in Profit & Loss A/c – Misc expenditure not written off] / No. of Equity Shares |
| 5. | CDSL | Central Depository Services (India) Limited |
| 6. | Closure of the Tendering Period | Friday, June 21, 2013 |
| 7. | Depositories | CDSL and NSDL |
| 8. | DLOO | The draft letter of offer filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations |
| 9. | DPS or Detailed Public | Detailed Public Statement which appeared in the newspapers |

| | | |
|---|---|---|
| | Statement | on Friday, April 5, 2013 |
| 10. | Earnings Per Share / EPS | Profit After Tax available to Equity Shareholders / Weighted Average No. of Equity Shares |
| 11. | EGM | Extra-Ordinary General Meeting |
| 12. | Equity Share | Fully paid up Equity shares of Rs. 10 each of Target Company |
| 13. | Form of Acceptance or FOA | Form of Acceptance - cum - Acknowledgement |
| 14. | Identified Date | Monday, May 27, 2013 |
| 15. | Insider Trading Regulations | SEBI (Prohibition of Insider Trading) Regulations, 1992 and subsequent amendments thereof |
| 16. | LOO or Letter of offer | The Letter of Offer dated May 30, 2013**,** including the Form of Acceptance-cum-Acknowledgement |
| 17. | Manager to the Offer or Merchant Banker | Chartered Capital And Investment Limited |
| 18. | MAISFL / Target Company | Mahesh Agricultural Implement And Steel Forgings Limited |
| 19. | Networth | Equity Capital + Free Reserve (excluding Revaluation Reserve) –Debit balance in Profit & Loss A/c – Misc expenditure not written off |
| 20. | NRI | Non Resident Indian |
| 21. | NSDL | National Securities Depository Limited |
| 22. | Offer or The Offer or Open Offer | Offer for acquisition up to 3,14,470 equity shares of Rs. 10 each of MAISFL representing 26% of the total equity share capital / voting capital of Target Company at a price of Rs. 22 per equity share of Rs 10 each payable in cash. |
| 23. | Offer Period | Period from the date of Extra-ordinary General Meeting of the Target Company i.e. March 28, 2013 (/Public Announcement for the open offer) till payment of consideration to the Shareholders who have accepted the open offer or the day on which the open offer is withdrawn, as the case may be. |
| 24. | Offer Price | Rs.22 per equity share of Rs 10 each of the Target Company payable in cash |
| 25. | PAC | Person Acting in Concert |
| 26. | PAN | Permanent Account Number |
| 27. | Preferential Allotment | Issue and allotment of 5,60,000 Equity Shares of Rs.10 each for cash at a price of Rs.22 each per equity share on a preferential basis to Acquirers and other persons |
| 28. | Public Announcement or **"PA"** | Public Announcement of the Open Offer by the Acquirers, made as per SEBI (SAST) Regulations dated Thursday, March 28, 2013. |
| 29. | RBI | Reserve Bank of India |
| 30. | Registrar or Registrar to the Offer | Purva Sharegistry (India) Private Limited |
| 31. | Return on Net worth | [(Profit after Tax available for Equity Shareholders) / (Equity Capital + Free Reserves excluding Revaluation reserve – Debit balance in Profit & Loss A/c – Misc expenditure not written off)]X100 |
| 32. | Rs/ Rupee | Indian Rupee |
| 33. | SEBI | Securities and Exchange Board of India |
| 34. | SEBI (SAST) Regulations, 2011 / Takeover Regulation/ SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof |
| 35. | SEBI Act | Securities and Exchange Board of India Act, 1992 |
| 36. | SEBI (ICDR) Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment thereto |
| 37. | Stock Exchanges | Bombay Stock Exchange Limited & The Calcutta Stock Exchange Limited |

| | | |
|---|---|---|
| 38. | Tendering Period | Period commencing from Monday, June 10, 2013 and closing on Friday, June 21, 2013 (both days inclusive) |
| 39. | Total equity share capital | Total Equity Share Capital of the target company as of tenth working day from the closure of the tendering period including the allotment of 5,60,000 Equity Shares on a preferential basis |
| 40. | Working Day | A working day of SEBI |

*Note: All terms used in this Letter of Offer, and not specifically defined herein, shall have the same meanings ascribed to them in the SEBI (SAST) Regulations.*

## 2. DISCLAIMER CLAUSE

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MAHESH AGRICULTURAL IMPLEMENT AND STEEL FORGINGS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FRIDAY, APRIL 12, 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.**

## 3. DETAILS OF THE OFFER

### 3.1 Background of the Offer

3.1.1 This Open Offer is being made by Acquirers to the equity shareholders of Target Company in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations for substantial acquisition of equity shares and voting rights, accompanied with a change in management control of the Target Company.

3.1.2 The special resolution has been passed by the Shareholders of the target company at its Extra-ordinary General Meeting (EGM) held on March 28, 2013 for preferential allotment of 5,60,000 Equity Shares (5,00,000 Equity Shares to the acquirers, Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal & Ms. Nehal C. Panchal and 60,000 to other persons) of Rs.10 each for cash at a price of Rs.22 each per equity share (including premium of Rs.12 per equity share). This offer is being made by the acquirers due to the allotment of 5,00,000 Equity Shares to the acquirers representing 41.34% of post preferential allotment Equity Share Capital of the Target Company which triggered the regulation 3(1) of SEBI (SAST) Regulations making it necessary for the acquirers to make an open offer. Upon completion of the preferential allotment and this open offer, the acquirers will acquire the controlling stake in the company and will be termed as “promoters” of the target company in place of existing promoters of the Company and will trigger the regulation 4 of SEBI (SAST) Regulations.

The Target Company has allotted 5,00,000 Equity Shares to the acquirers as mentioned below on May 13, 2013 in terms of proviso to regulation 22(2A) read with regulation 22(2) and 17 of SEBI (SAST) Regulations, 2011 and regulation 74(3) of SEBI (ICDR) Regulations, 2009.

| Sr. No. | Name of acquirer | No of shares allotted |
|---|---|---|
| 1 | Mr. Chandrashekhar B. Panchal | 2,50,000 |
| 2 | Mr. Balkrishna J. Panchal | 1,50,000 |
| 3 | Ms. Nehal C. Panchal | 1,00,000 |
| | Total | 5,00,000 |

In addition to this, 60,000 Equity Shares have been allotted by the Target Company to other persons on May 13, 2013.

3.1.3 By the above acquisitions, the Acquirers will be holding substantial stake and will be in control of the Target Company. Accordingly, this offer is being made in terms of regulation 3(1) and 4 read with regulation 13(2)(g) and other applicable provisions of the SEBI (SAST) Regulations.

3.1.4 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.5 None of the Acquirers and the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction u/s 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.6 The Acquirers have deposited Cash in Escrow account under Regulation 17 of SEBI (SAST) Regulations, which is more than 100% of the consideration payable under the Offer assuming full acceptance of the Offer.

3.1.7 In terms of proviso to the Regulation 24(1), the Acquirers are entitled for appointment of their representatives on the Board of Directors of the Target Company after an initial period of fifteen working days from the date of Detailed Public Statement. Accordingly, Mr. Chandrashekhar B. Panchal and Ms. Nehal C. Panchal, who are acquirers in the open offer, have been appointed as additional directors of the target company w.e.f. May 13, 2013.

3.1.8 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of Director of the Target Company will constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

3.1.9 As on date, the Acquirers do not hold any equity share in the Target Company, except the shares allotted to the acquirers on May 13, 2013 as mentioned in para 3.1.2 above.

## 3.2 Details of the Offer

3.2.1 The Acquirers have made DPS in the following newspapers, namely i) Business Standard (English) (all editions), (ii) Business Standard (Hindi) (all editions), (iii) Mumbai Lakshadeep (Marathi) (Mumbai) and (iv) Mahasagar (Marathi) (Nagpur) which published on Friday, April 5, 2013. The Public Announcement and the DPS are also available on the SEBI website at www.sebi.gov.in.

3.2.2 The Acquirers are making this Open Offer in terms of Regulations 3(1) and 4 of SEBI (SAST) Regulations to acquire up to 3,14,470 equity shares of Rs. 10 each representing 26% of the total equity share capital / voting capital subject to the terms and conditions set out in DPS and this Letter of Offer, at a price of Rs. 22 each (Rupees Twenty Two Only) payable in cash. These equity shares which are to be acquired by the Acquirers should be free from liens, charges and encumbrances of any kind whatsoever.

3.2.3 This Offer is not subject to the receipt of any Statutory Approval however it will be subject to the receipt of such other statutory approvals that may become applicable at a later date as mentioned in Point 8.16 of this Letter of Offer.

3.2.4 There are no outstanding warrants or convertible securities in the Target Company. However, there are 150 partly paid-up shares in the Target Company. Shareholders who are holding partly paid-up equity shares will be eligible to participate in the Offer provided they pay the allotment money of 5.00 per partly paid-up equity share along with the interest @ 12% per annum.

3.2.5 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as on the date of this Letter of Offer.

3.2.6 This Offer is not subject to any minimum level of acceptance. Further there is no differential pricing for this Offer.

3.2.7 Except the shares allotted to the acquirers on May 13, 2013 as mentioned in para 3.1.2 above, the Acquirers have not acquired any equity shares of the Target Company after the date of Public Announcement ***i.e.*** **Thursday, March 28, 2013**, till the date of this Letter of Offer.

3.2.8 Upon completion of the Open Offer, assuming full acceptances, the public shareholding of the Target Company will not fall below minimum level of public shareholding as required to be maintained as per Rule 19A(1) of the Securities Contract (Regulation) Rules, 1957 as amended and Clause 40A of the Listing Agreement. Hence, the provisions of regulation 7(4) of the SEBI (SAST) Regulations are not applicable.

### 3.3 Object of the acquisition/Offer

3.3.1 The Acquirers shall achieve substantial acquisition of equity shares and voting capital, accompanied with effective management control over the Target Company after completion of Preferential Allotment and Open Offer.

3.3.2 The Acquirers' objective and intent for acquiring substantial acquisition and control of the Target Company is primarily to revive the business performance and to strengthen the competence of the Target Company with its experience, expertise and by way of infusing capital into it. The Acquirers will continue existing line of business of the Target Company and may diversify its business activities in future only with the prior approval of shareholders. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Memorandum and Articles of Association of MAISFL and all applicable laws, rules and regulations, the Board of Directors of MAISFL will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirers cannot ascertain the repercussions, if any, on the employees and locations of the business place of Target Company.

3.3.3 In terms of Regulation 25(2) of SEBI (SAST) Regulations, as on date of this LOO, the Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next 2 years, except (i) in the ordinary course of business, or (ii) with the prior approval of the shareholders by way of a special resolution passed by postal ballot, in terms of regulation 25(2) of SEBI (SAST) Regulations.

## 4. BACKGROUND OF THE ACQUIRERS

### 4.1 Mr. Chandrashekhar B. Panchal

4.1.1. Mr. Chandrashekhar B. Panchal**,** s/o Mr. Balkrishna J. Panchal, aged 39 years is an Indian Resident individual residing at 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015.

4.1.2. Mr. Chandrashekhar B. Panchal is an engineer having 17 years of experience in telecom infrastructure & power transmission sector. He is Promoter and Managing Director of Archon Engicon Pvt. Ltd., which is an engineering company in the field of Telecom, Power Transmission, Renewable energy, infrastructure, EPC Contracts & turnkey solution provider. He does not belong to any Group.

4.1.3. Networth of Mr. Chandrashekhar B. Panchal as on February 28, 2013 is Rs. 1172.73 Lacs as per certificate from CA Dipesh Sangawat (Membership No. 142151), Partner of M/s. Kothari Sangawat & Associates, Chartered Accountants (FRN. 132985W), having their office at 406-408, Pratibha-1, B/h. Sakar-1, Opp. Gandhigram Rly Station, Ashram Road, Ahmedabad-380006.

4.1.4. As on the date of this LOO, except the directorship of the Target Company, Mr. Chandrashekhar B. Panchal does not hold any position on the Board of Directors of any Listed Company. Further, he is Managing Director in M/s Archon Engicon Pvt. Ltd.

**4.2 Mr. Balkrishna J. Panchal**

4.2.1 Mr. Balkrishna J. Panchal, s/o Mr. Joitaram M. Panchal, aged 71 years is an Indian Resident individual residing at 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015.

4.2.2 Mr. Balkrishna J. Panchal is a B.Sc. (Chemistry) and started his career from ACRON Pharmaceuticals, Ahmedabad as Marketing Representative, served there for 36 years and retired as its All India Marketing Manager. After retirement, he has joined Archon Engicon Pvt. Ltd. and working as President HR of the Company for last 6 years. He does not belong to any Group.

4.2.3 Networth of Mr. Balkrishna J. Panchal as on February 28, 2013 is Rs. 116.48 Lacs as per certificate from CA Dipesh Sangawat (Membership No. 142151), Partner of M/s. Kothari Sangawat & Associates, Chartered Accountants (FRN. 132985W), having their office at 406-408, Pratibha-1, B/h. Sakar-1, Opp. Gandhigram Rly Station, Ashram Road, Ahmedabad-380006.

4.2.4 As on the date of this LOO, he does not hold any position on the Board of Directors of any Listed Company and is not whole time director (s) in any Listed/unlisted Company.

**4.3 Ms. Nehal C. Panchal**

4.3.1 Ms. Nehal C. Panchal, w/o. Mr. Chandrashekhar B. Panchal, aged 33 years is an Indian Resident individual residing at 14, Unique Park Society, Opp. ISRO, Jodhpur Tekra, Ahmedabad – 380 015.

4.3.2 Ms. Nehal C. Panchal is an Executive Director, heading Banking and Administrative department, of Archon Engicon Pvt. Ltd for last 6 months. She does not belong to any group.

4.3.3 Networth of Ms. Nehal C. Panchal as on February 28, 2013 is Rs. 45.43 Lacs as per certificate from CA Dipesh Sangawat (Membership No. 142151), Partner of M/s. Kothari Sangawat & Associates, Chartered Accountants (FRN. 132985W), having their office at 406-408, Pratibha-1, B/h. Sakar-1, Opp. Gandhigram Rly Station, Ashram Road, Ahmedabad-380006.

4.3.4 As on the date of this LOO, except the directorship of the Target Company, Ms. Nehal C. Panchal does not hold any position on the Board of Directors of any Listed Company. She is an Executive Director in M/s Archon Engicon Pvt. Ltd.

**4.4** Mr. Chandrashekhar B. Panchal is husband of Ms. Nehal C. Panchal and son of Mr. Balkrishna J. Panchal.

**4.5** There is no person acting in concert (PAC) with the acquirers for this open offer.

**4.6** As the Acquirers do not hold any Shares and have never held Shares of the Target Company in the past, except the shares allotted to the acquirers on May 13, 2013 as mentioned in para 3.1.2 above, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto are not applicable to the Acquirers till May 13, 2013, as far as the Target Company is concerned. Except the shares allotted to the acquirers on May 13, 2013 as mentioned in para 3.1.2 above, the Acquirers have not acquired any Shares of Target Company after the date of PA i.e. Thursday, March 28, 2013 and up to the date of this Letter of Offer. For the aforesaid allotment of shares to the acquirers on May 13, 2013, the acquirers have complied with the applicable provisions of chapter V of the SEBI (SAST) Regulations, 2011 within the time specified in the SEBI (SAST) Regulations, 2011.

## 5. BACKGROUND OF THE TARGET COMPANY - MAHESH AGRICULTURAL IMPLEMENT AND STEEL FORGINGS LIMITED

5.1 **MAHESH AGRICULTURAL IMPLEMENT AND STEEL FORGINGS LIMITED** was originally incorporated on August 28, 1974 as Mahesh Agricultural Implement And Steel Forgings Private Limited with Registrar of Companies, Maharashtra. Due to conversion of company from private limited company to public limited company, the name of the company was changed from Mahesh Agricultural Implement And Steel Forgings Private Limited to Mahesh Agricultural Implement And Steel Forgings Limited and certificate for change of name was granted by Registrar of Companies, Maharashtra vide its certificate dated October 29, 1981. The Corporate Identification Number (**"CIN"**) of MAISFL is L29210MH1974PLC017728.

5.2 The Registered Office of the Target Company is situated at Old Motor Stand, Itwari, Nagpur-440008, Maharashtra. (Source: www.bseindia.com)

5.3 The Authorized Share Capital of the Target Company is Rs.1,50,00,000 (Rupees One Crores Fifty Lacs Only) comprising of 15,00,000 equity shares of Rs. 10 each. The total Paid-up Equity Share Capital of the Target Company is Rs.1,20,94,250 (Rupees One Crore Twenty Lacs Ninety Four Thousand Two Hundred and Fifty Only) comprising of 12,09,350 equity shares of Rs 10 each fully paid up and 150 equity shares of Rs 10 each partly paid up to the extent of Rs.5 per share. The partly paid-up equity shares do not carry any voting rights in the Target Company. (Source: Annual Report of MAISFL for the year 2011-12 and Announcement made by the Target Company to BSE as available on www.bseindia.com)

5.4 The Share Capital Structure of the Target Company is as follows:

| Paid-up equity shares of Target Company | No. of Equity Shares/ Voting Rights | % of Voting Rights | % of Share Capital |
|---|---|---|---|
| Fully paid-up equity shares | 12,09,350 | 100 | 99.99 |
| Partly paid-up equity shares | 150 | Nil | 0.01 |
| Total paid-up equity shares | 12,09,500 | - | 100.00 |
| Total Voting Rights in Target Company | 12,09,350 | 100 | - |

5.5 The equity shares (ISIN: INE119D01014) of the Target Company are currently listed at Bombay Stock Exchange Limited, ("BSE") (Scrip Code: 506041) under "T" group and are frequently traded on BSE. In addition, Equity Shares of the company are also listed on The Calcutta Stock Exchange Limited ("CSE") (Scrip Code: 23092) where there is no trading in its Equity Shares and is infrequently traded on CSE. (Source: www.bseindia.com)

5.6 There are no outstanding warrants or convertible securities in the Target Company. However, there are 150 partly paid-up shares in the Target Company.

5.7 Except 5,60,000 equity shares allotted to the acquirers and others on May 13, 2013, there are no existing equity shares which are not listed with Stock Exchanges. These shares of the Company are not yet listed as these were allotted recently and the Company is in process of taking necessary steps for listing of these shares.

5.8 The composition of the Board of Directors of MAISFL is as follows:

| Name of Director | Director Identification Number (DIN) | Date of Appointment |
|---|---|---|
| Mr. Chandrakant Dahale | 00306606 | 06.12.1994 |
| Mr. Naval Kishore Purohit | 00291072 | 10.04.1997 |
| Mr. Pravinkumar A. Khanna | 00296306 | 01.09.2003 |
| Mr. Rakesh R. Shah | 01759623 | 15.10.2012 |

| | | |
|---|---|---|
| Mr. Chandrashekhar B. Panchal | 01231766 | 13.05.2013 |
| Ms. Nehal C. Panchal | 00839599 | 13.05.2013 |

(Source: www.mca.gov.in)

5.9 Mr. Chandrashekhar B. Panchal and Ms. Nehal C. Panchal, who are acquirers in this open offer, have been appointed as additional directors of the target company w.e.f. May 13, 2013 in terms of proviso to the Regulation 24(1) of SEBI (SAST) Regulations.

5.10 Audited financial information of MAISFL for the Financial Year ended on March 31, 2010, 2011, 2012 and 2013 are given below:

(Rs. In lacs)

| Profit & Loss Statement | FY 2009-10 (Audited) | FY 2010-11 (Audited) | FY 2011-12 (Audited) | FY 2012-13 (Audited) |
|---|---|---|---|---|
| Income from Operations | 566.88 | 518.34 | 160.75 | 8.12 |
| Other Income | 24.37 | 0.70 | 2.51 | 6.21 |
| Total Income | 591.26 | 519.03 | 163.26 | 14.33 |
| Total Expenditure | 568.92 | 515.67 | 163.18 | 14.72 |
| Profit Before Depreciation Interest and Tax | 22.34 | 3.37 | 0.07 | -0.39 |
| Depreciation | 0.38 | 0.28 | 0.21 | 0.13 |
| Interest | 21.48 | 6.95 | 0.00 | 0.00 |
| Profit Before Tax | 0.48 | -3.86 | -0.14 | -0.52 |
| Provision for Tax | 0.03 | -0.02 | 0.01 | 0.00 |
| Profit after Tax | 0.45 | -3.84 | -0.15 | -0.52 |

(Rs. In lacs)

| Balance Sheet Statement | FY 2009-10 (Audited) | FY 2010-11 (Audited) | FY 2011-12 (Audited) | FY 2012-13 (Audited) |
|---|---|---|---|---|
| **Sources of funds** | | | | |
| Paid up share capital | 64.94 | 64.94 | 64.94 | 64.94 |
| Reserves and Surplus (excluding revaluation reserve) | 71.49 | 67.65 | 67.50 | 66.98 |
| Networth | 136.43 | 132.59 | 132.44 | 131.92 |
| Secured loans | 0.00 | 0.00 | 0.00 | 0.00 |
| Unsecured loans | 10.25 | 10.25 | 10.19 | 10.19 |
| **Total** | **146.68** | **142.84** | **142.63** | **142.11** |
| **Uses of funds** | | | | |
| Net fixed assets | 2.89 | 2.61 | 2.05 | 2.02 |
| Investments | 6.64 | 5.27 | 4.03 | 4.03 |
| Net current assets | 137.07 | 134.87 | 136.45 | 135.95 |
| Deferred Tax | 0.08 | 0.10 | 0.11 | 0.11 |
| Total miscellaneous expenditure not written off | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **146.68** | **142.84** | **142.63** | **142.11** |

| Other Financial Data | FY 2009-10 (Audited) | FY 2010-11 (Audited) | FY 2011-12 (Audited) | FY 2012-13 (Audited) |
|---|---|---|---|---|
| Net Worth (Rs. in lacs) | 136.43 | 132.59 | 132.44 | 131.92 |
| Dividend (%) | - | - | - | - |
| Earnings Per Share (Rs.) | 0.07 | -0.59 | -0.02 | -0.08 |
| Return on Networth (%) | 0.33 | -2.90 | -0.11 | -0.39 |
| Book Value Per Share (Rs.) | 21.01 | 20.41 | 20.39 | 20.32 |

(Source: Annual Reports and Financial Results as available on www.bseindia.com)

5.11 Pre and Post Offer shareholding pattern of the Target Company is as per the following table:

| Sr. No | Shareholders' category | Shareholding & voting rights prior to the Preferential Allotment and offer^ | | Shares/voting rights acquired through Preferential Allotment which triggered off the Regulations[#] | | Shares/Voting rights to be acquired in the open offer (assuming full acceptance)[#] | | Shareholding/voting rights after the Preferential Allotment and Offer i.e.[#] | |
|---|---|---|---|---|---|---|---|---|---|
| | | (A) | | (B) | | (C) | | (D)=A+B+C | |
| | | No. | % | No. | % | No. | % | No. | % |
| 1 | **Promoter Group** | | | | | | | | |
| a | Allottees to Preferential Allotment | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| b | Promoters other than (a) above | 32,500 | 5.00 | 0 | 0.00 | 0 | 0.00 | 0* | 0.00 |
| | **Total 1 (a+b)** | **32,500** | **5.00** | **0** | **0.00** | **0** | **0.00** | **0*** | **0.00** |
| 2 | **Acquirers** | | | | | | | | |
| a1 | Mr. Chandrashekhar B. Panchal | 0 | 0.00 | 2,50,000 | 20.67 | 1,06,920 | 8.84 | 3,56,920 | 29.51 |
| a2 | Mr. Balkrishna J. Panchal | 0 | 0.00 | 1,50,000 | 12.40 | 1,03,775 | 8.58 | 2,53,775 | 20.98 |
| a3 | Ms. Nehal C. Panchal | 0 | 0.00 | 1,00,000 | 8.27 | 103775 | 8.58 | 2,03,775 | 16.85 |
| | **Total 2 (a1+ a2+ a3)** | **0** | **0.00** | **5,00,000** | **41.34** | **3,14,470** | **26.00** | **814470** | **67.34** |
| 3 | **Allottees to Preferential Allotment other than (1)(a) & (2)** | **0** | **0.00** | **60,000** | **4.96** | | | | |
| 4 | **Public (other than parties to Preferential Allotment, acquirers)** | | | | | (3,14,470) | (26.00) | **3,95,030*** | **32.66** |
| a | FIs/MFs/FIIs/Banks, SFIs | 0 | 0.00 | 0 | 0.00 | | | | |
| b | Others | 6,17,000 | 95.00 | 0 | 0.00 | | | | |
| | **Total 4 (a+b)** | **6,17,000** | **95.00** | **60,000** | **4.96** | **(3,14,470)** | **(26.00)** | **3,95,030** | **32.66** |
| | **Grand Total (1+2+3+4)** | **6,49,500** | **100.00** | **5,60,000** | **46.30** | | | **12,09,500** | **100.00** |

^Calculated based on the pre preferential allotment Equity Share Capital of the Target Company and the shareholding is as on April 5, 2013

[#] Calculated based on the post preferential allotment Equity Share Capital of the Target Company

*The promoters will be part of the public after the completion of the open offer

***Notes:*** (1) The data within bracket indicates sale of equity shares.
(2) The total number of shareholders in public category is 447.

5.12 There is no merger, de-merger and spin off in the last three years in the Target Company.

## 6. OFFER PRICE

### 6.1 JUSTIFICATION OF OFFER PRICE

6.1.1 The equity shares of the target company are presently listed on BSE & CSE. On the basis of information received from the target company, there is no trading in the equity share of the target company on CSE. However, the equity shares of the Target Company are listed and traded at BSE and are frequently traded in terms of regulation 2(1)(j) of SEBI (SAST) Regulations. The annualized trading turnover of the equity shares traded during the twelve calendar months preceding March 2013, the month in which the PA was made, is as given below:

| Sr. No. | Name of the Stock Exchange | Total no. of equity shares traded during the 12 calendar months preceding March 2013 | Total no. of equity shares | Traded Turnover (in terms of % to total shares) |
|---|---|---|---|---|
| 1 | BSE | 424876 | 649500 | 65.42% |

6.1.2 The Offer Price of Rs. 22 (Rupees Twenty Two Only) per fully paid up equity share of face value of Rs. 10 each is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, after considering the following facts:

| | | |
|---|---|---|
| a. | Highest Negotiated Price for the acquisition under the agreement attracting the obligation to make an Open Offer (The price at which the equity shares were allotted to the Acquirers on May 13, 2013 pursuant to the preferential allotment of equity shares as approved by the equity shareholders in the EGM held on March 28, 2013) | Rs. 22 |
| b. | Volume weighted average price paid or payable by the Acquirers for acquisition during 52 weeks immediately preceding the date of Public Announcement | Not Applicable |
| c. | Highest Price paid or payable by the Acquirers for any acquisition during 26 weeks immediately preceding date of Public Announcement. | Not Applicable |
| d. | Volume weighted average market price calculated for a period of 60 trading days immediately preceding the date of Public Announcement, if shares are frequently traded | Rs. 21.64 |
| e. | The price determined by taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies | Not Applicable |

6.1.3 The highest of the above is Rs. 22 (Rupees Twenty Two Only) per Equity Share and therefore the Offer Price of Rs. 22 per equity share is justified as it is not lower than the Price in terms of Regulations 8(2) of SEBI (SAST) Regulations. The Offer Price is denominated and payable in Indian Rupees only.

6.1.4 As on the date there are 150 partly paid-up equity shares in the Target Company. Shareholders who are holding partly paid-up equity shares will be eligible to participate in the Offer provided they pay allotment money due along with the interest as detailed below:

| Particulars | Amount in Rupees |
|---|---|
| Amount due on Allotment (per partly paid-up equity share) | 5 |
| Add Interest @ 12% p.a. from the date of allotment i.e. June 25, 1982 till the date of PA i.e. March 28, 2013 | 18.46 |
| Total Amount to be paid on each partly paid-up equity share by the shareholders holding partly paid-up equity shares to become eligible to participate in the Offer. | 23.46 |

6.1.5 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters.

6.1.6 The Acquirers shall disclose during the tendering period every acquisition made by them of any equity shares of the Target Company to the stock exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).

6.1.7 In case the Acquirers acquire or agree to acquire any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer price, the offer price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations. However, the Acquirers shall not acquire any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

6.1.8 There has been no revision in the Offer Price or to the size of this Offer as on the date of this Letter of Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases/ competing Offer or otherwise, may be done at any time prior to the commencement of the last 3 working days before the date of commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers shall (i) make further deposit into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, CSE, SEBI and the Target Company at its Registered Office of such revision.

6.1.9 If the Acquirers acquire Equity Shares during the period of 26 weeks after the tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Shares of the Target Company whether by way of bulk deals, block deals or in any other form.

## 7. FINANCIAL ARRANGEMENTS

7.1 The total requirement of funds for this Offer is Rs 69,18,340 (Rupees Sixty Nine Lacs Eighteen Thousands Three Hundred and Forty only), assuming full acceptance of this Offer. **("Offer Consideration"**).

7.2 The Acquirers have adequate financial resources and have made firm financial arrangements for implementation of the Open Offer, in terms of regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirers through their own funds and no borrowings from any bank and/or financial institution are envisaged.

7.3 CA Dipesh Sangawat (Membership No. 142151), Partner of M/s. Kothari Sangawat & Associates, Chartered Accountants (FRN. 132985W), having their office at 406-408, Pratibha-1, B/h. Sakar-1, Opp. Gandhigram Rly Station, Ashram Road, Ahmedabad-380006 has vide its certificates dated March 25, 2013 confirmed that the acquirers have adequate and firm financial resources to fulfil all the obligations under the offer.

7.4 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account which is in the name and style of **"CCIL MAISFL OPEN OFFER ESCROW ACCOUNT"** with Corporation Bank, having its Branch at **Shop No.15/A, Campus Corner-II, Opp. AUDA Garden, Prahlad Nagar, Ahmedabad-380015** ("**Escrow Banker**") and have deposited Rs. 69,21,000 (Rupees Sixty Nine Lacs Twenty One Thousands Only) in cash which represents more than 100% of the Offer Consideration.

7.5 Based on the above, the Manager to the Offer is satisfied that firm arrangements for fund and money for payment through verifiable means are already in place to fulfil the obligations of the Acquirers under the Offer.

7.6 Acquirers have authorized the Manager to the Offer to operate and realize the value of the Escrow account in terms of SEBI (SAST) Regulations.

7.7 In case of any upward revision in the Offer Price or the size of this Offer, the Cash Escrow amount shall be increased by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

## 8. TERMS AND CONDITIONS OF THE OFFER

8.1 All public shareholders of the Target Company, except the Acquirers and promoters, whether holding Equity shares in dematerialized form or physical form, registered or unregistered are eligible to participate in the Offer any time before closure of the tendering period. The Offer is subject to the terms and conditions set out in this LOO, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

8.2 The Letter of Offer (LOO) along with the Form of Acceptance shall be sent to all eligible Equity Shareholders / Beneficial Owners whose names appear in the register of members of the Target Company as on Identified Date i.e. **Monday, May 27, 2013**.

8.3 This Offer is also open to those persons who acquire the Equity Shares in the Target Company any time prior to the date of the Closure of the Tendering Period but are not registered Shareholders.

8.4 Accidental omission to dispatch the Letter of Offer to any Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Shareholder shall not invalidate this Offer in any way.

8.5 Applications in respect of tendered Shares that are the subject matter of litigation, wherein the Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under this Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirers) to the concerned statutory authorities for further action by such authorities.

8.6 The Acquirers shall acquire the Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

8.7 Consideration for equity shares accepted would be paid in the name of first shareholder/ unregistered shareholder and will be intimated by the registered post/Speed Post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

8.8 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations and is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.

8.9 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Equity Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance.

8.10 **Locked in Equity Shares**: Regarding acceptance of Lock-in Shares, the same can be acquired to the Acquirers subject to continuation of the residual lock-in period in the hands of the Acquirers and there shall be no discrimanation in the acceptance of locked-in and not locked-in shares. To the best of our knowledge, the Target Company has no Equity Shares which are locked in as on date except 5,60,000 Equity Shares alloted by the Company on May 13, 2013 as mentioned in clause 3.1.2.

8.11 The Public Announcement, Detailed Public Statement and LOO along with Form of Acceptance will be available on the SEBI's website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date i.e. **Monday, May 27, 2013**, but before the Closure of Tendering Period, if they so desire, can also download the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI website at www.sebi.gov.in, or obtain it from the Registrar to the Offer and send in their acceptances to the Registrar to the Offer by filling the same.

8.12 Incomplete acceptances, including non submission of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

8.13 The acceptance of this offer is entirely at the discretion of the eligible Equity Shareholder(s) /Beneficial owner(s) of the Target Company.

8.14 In the event that the aggregate of the Equity Shares tendered in this Offer by the Shareholders are more than the Equity Shares to be acquired in this Offer, the acquisition of the Equity Shares from each Shareholder will be on a proportionate basis.

8.15 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss in transit or delay in receipt of Equity Share Certificates, Offer Acceptance Forms, Share Transfer Deed & other relevant enclosures, and the Equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.16 **STATUTORY AND OTHER APPROVALS**

8.16.1 To the best of knowledge and belief of the Acquirers, as on the date of this LOO, there are no statutory approvals and/or consent required to acquire the equity shares tendered pursuant to this Offer. However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

8.16.2 If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.

8.16.3 Subject to the receipt of statutory and other approvals, if any, the Acquirers shall complete all requirements relating to this Offer including payment to the shareholders who have accepted the open offer within 10 working days from the date of Closure of the Tendering Period.

8.16.4 In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant extension of time for the purpose of making the payments, subject to the Acquirers agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

8.16.5 If any of the statutory approval set out above, are not met for reasons outside the reasonable control of the Acquirers, or in the event the statutory approvals are refused, the Acquirers, in terms of Regulation 23 of SEBI (SAST) Regulations, shall have a right to withdraw this Offer. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS is published and such announcement will also be sent to SEBI, the Stock Exchanges and the Target Company at its Registered Office.

## 9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

9.1 The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement will be mailed to, except the Acquirers and Promoters, (i) all the Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; and (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business hours on the Identified Date. The Equity Shares and all other relevant documents should be sent to the Registrar to the Offer and not to the Acquirers or to MAISFL or to the Manager to the Offer.

**9.2 Shareholders who are holding Equity Shares in physical form:**

9.2.1 Shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post/ courier, as the case may be, so as to reach them on or before 1700 hours upto the date of Closure of the Tendering Period i.e. **Friday, June 21, 2013**:

- Form of Acceptance along with self attested copy of PAN Card of all the transferor (s), duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with MAISFL.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of MAISFL or on the Share Certificate issued by MAISFL) as per the specimen signature(s) lodged with MAISFL and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognised stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a

shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.

- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.
- Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company/Registrar or are not in the same order, such Equity Shares are liable to be rejected in this Offer.
- In case of registered Shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed transfer form(s) have been received, the Offer shall be deemed to have been accepted.

**9.3 Shareholders who are holding Equity Shares in dematerialised form:**

9.3.1 Beneficial owners and shareholders holding shares in the dematerialised form, will be required to send following documents to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on or before 1700 hours up to the date of Closure of the Tendering Period i.e. **Friday, June 21, 2013** along with:

- A Form of Acceptance cum Acknowledgement, duly completed and signed in accordance with the instructions contained therein by sole/all shareholders whose names appear (in case of joint holdings) in the same order in which their names appear in their beneficiary account;
- A photocopy of the delivery instructions in "**Off-market**" mode or counterfoil of the delivery instruction in "**Off-market**" mode, duly acknowledged by the Depository Participant ("DP"), for transferring the Equity Shares to the special depository account ("Escrow Demat Account") filled in as per the details given below:

| | |
|---|---|
| **DP Name** | BCB Brokerage Private Limited |
| **DP ID** | 12010400 |
| **Client ID** | 00039771 |
| **Account Name** | PSIPL ESCROW A/C MAHESH AGRI OPEN OFFER PSIPL |
| **Depository** | Central Depository Services (India) Limited ("CDSL") |

*Note: The Shareholders having their beneficiary account in NSDL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with CDSL.*

9.3.2 **Delivery Instructions: Special attention should be paid to the following**:

- Beneficial owners, who hold equity shares of MAISFL in dematerialized form, are required to execute an **"off-market"** trade by tendering the Delivery Instruction for debiting their beneficiary account with their concerned depository participant and crediting the above-mentioned account. The credit in the Escrow Demat Account should be received on or before the Closure of the Tendering Period; i.e. **Friday, June 21, 2013**, else the application would be rejected.
- In case of non-receipt of the aforesaid documents, but receipt of the equity shares in the Escrow Demat Account, the Offer shall be deemed to be accepted.
- The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Escrow Demat Account before the Closure of the Tendering Period is liable to be rejected.
- For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

9.4 **Procedure for tendering the shares in case of non receipt of letter of offer/ Unregistered Shareholders**

Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. Alternatively, such holders of the Equity Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in) and Purva Sharegistry (India) Private Limited ("Registrar to the Offer"). The application is to be sent to the Registrar to the Offer, so as to reach the Registrar to the Offer during business hours on or before 17:00 hours on the date of closure of the tendering period of this Offer, together with:

- In the case of the Equity Shares held in physical form, the name, address, number of the Equity Shares held, number of the Equity Shares offered, distinctive numbers and folio number together with the original Equity Share certificate(s) and valid transfer deed(s), the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and / or such other documents, as may be specified in the Letter of Offer; or
- In the case of the Equity Shares held in dematerialized form, the depository participant ("DP") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares to the special depository account ("Escrow Demat Account"), as per the details given below:

| | |
|---|---|
| **DP Name** | BCB Brokerage Private Limited |
| **DP ID** | 12010400 |
| **Client ID** | 00039771 |
| **Account Name** | PSIPL ESCROW A/C MAHESH AGRI OPEN OFFER PSIPL |
| **Depository** | Central Depository Services (India) Limited ("CDSL") |

*Note: The Shareholders having their beneficiary account in NSDL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with CDSL.*

9.5 No indemnity is required from the unregistered shareholders.

9.6 In case the equity shares are held by a Company / Body Corporate, then a Certified True Copy of a valid Board Resolution giving authority and Certified True Copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

9.7 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarised copy of death certificate and the legal representation obtained from a Competent Court should also be enclosed.

9.8 **Special Note for shareholders who have sent their Shares for Dematerialisation:** Shareholders who have sent their physical shares for dematerialisation need to ensure that the process of getting shares dematerialised is completed well in time so that the credit in the Escrow Demat Account can be received on or before 1700 hours up to the Closure of the Tendering Period i.e. **Friday, June 21, 2013** else the application would be rejected. Alternatively, if the Equity Shares sent for dematerialization are yet to be processed by the Shareholder's DP, the Shareholder can withdraw its dematerialization request and tender the share certificate (s) in this Offer as per the procedure mentioned in paragraph 9.2 above.

9.9 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with MAISFL, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by MAISFL to individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by MAISFL. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by MAISFL.

9.10 The following collection centre would be accepting the documents as specified above both in case of shares in physical and dematerialised form

| | |
|---|---|
| **Name and Address of Registrar to Offer** | **Purva Sharegistry (India) Private Limited**<br>9, Shiv Shakti Ind. Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011 |
| **Contact Person** | Ms. Purva Shah |
| **Phone No.** | +91-22-23016761/2301 2518 |
| **Fax No.** | +91-22-23012517 |
| **E-mail** | busicomp@vsnl.com |
| **Mode of Delivery** | Hand Delivery, Registered Post & Courier |

**Timings:** **Monday to Saturday** **11:00 to 17:00 hours**

**Holidays:** **Sunday and Bank Holiday (s)**

9.11 All communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

9.12 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

9.13 The Registrar to the Offer will hold in trust the Shares / Share Certificates, shares lying in credit of the Escrow Demat account, Form of Acceptance-cum-Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of MAISFL who have accepted the Offer, until the payment for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

9.14 The securities transaction tax will not be applicable on shares accepted in the Open Offer.

9.15 Non-resident shareholders (**NRIs / OCBs / FIIs )** who wish to tender their Equity Shares must submit the following information along with the Form of Acceptance-cum-Acknowledgement:

- Self attested copy of PAN Card
- Appropriate No Objection Certificate (NOC) or Tax Clearance Certificate (TCC) from the Income Tax Authorities under sections 195(3) or 197 of the Income Tax Act, for deduction of tax at a lower or nil rates. **In case the aforesaid No Objection Certificate / Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.**
- Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident (containing the particulars as prescribed under the Income Tax Act)
- Self attested declaration in respect of residential status, status of Shareholders (e.g. Individual, Firm, Company, FII, Trust, or any other-please specify)
- In case of FII, FII Certificate(i.e. self attested declaration certifying that the investment in the Equity Shares has been made under the FII regime as per the SEBI (Foreign Institutional Investors) Regulations, 1995 and that the nature of income arising from the sale of Equity Shares as per the Income Tax Act is capital gains.
- SEBI registration certificate for FII
- RBI and other approval (s) obtained for acquiring and holding the Equity Shares of the Target Company, if applicable.

9.16 Acquirers will acquire up to 3,14,470 equity shares of Rs. 10 each tendered in the Offer with valid applications.

9.17 The Acquirers shall endeavour to complete all procedures relating to the Offer within ten working days from the closure of the Tendering Period (i.e. **Friday, July 5, 2013**), including payment of consideration to the shareholders of MAISFL whose equity shares are accepted.

9.18 **Method of Settlement**

- Payment to those Shareholders whose Equity Shares and other documents are found valid and in order and are approved by the Acquirers, will be by way of a bankers‟ cheque/pay order/ demand draft/ direct credit/ NECS/ NEFT/ RTGS, so as to avoid fraudulent encashment in transit. In case of the Shareholder(s) holding the Equity Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/first named holder at his registered address (at its own risk). <u>For Equity Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars and not from any details provided in the Form of Acceptance cum Acknowledgement.</u> The intimation regarding the acquisition (in part or full), or rejection of, the Equity Shares tendered in this Offer and (i) any corresponding payment for the acquired Equity Shares; and/or (ii) the Equity Share certificates for any rejected Equity Shares, will be dispatched to the Shareholders by registered / speed post as the case may be, at the Shareholders' sole risk. The Equity Shares held in dematerialized form to the extent not acquired will be credited back to the same account from which they were tendered.

- For Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through NECS / NEFT / RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered/speed post at the Shareholders' sole risk. Such payments will be made by Banker's cheques or pay orders or demand drafts.

- All bankers' cheques/pay order/ demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Equity Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the Shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the bankers' cheque/demand draft.

## 10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad – 380006 from 11:00 hours to 17:00 hours on any working day, until the Closure of the Tendering Period.

10.1 Copy of the Public Announcement dated March 28, 2013 and Detailed Public Statement published in the newspapers on April 5, 2013.
10.2 Resolution passed by the shareholders of MAISFL in the EGM dated March 28, 2013 and Resolution passed by the Board of Directors of the Company on May 13, 2013 for allotment of 5,60,000 equity shares to the acquirers and other persons.
10.3 CA certificates dated March 25, 2013 certifying the networth and adequacy of the financial resources with acquirers to fulfil the open offer obligations.
10.4 Audited Annual Reports of MAISFL for years ended on March 31, 2010, 2011 and 2012 and Audited Financial Results for the year ended March 31, 2013.
10.5 Certificate from Corporation Bank dated March 26, 2013 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulations.
10.6 A copy of agreement entered into between DP and Registrar to the offer for opening Escrow Demat account and copy of the client master of Escrow Demat Account for Shares.
10.7 Memorandum and Articles of Association of MAISFL.
10.8 A copy of recommendations made by the Target Company's committee of independent directors in compliance with Regulation 26(7) of SEBI (SAST) Regulations.
10.9 A copy of the comments letter from SEBI dated May 23, 2013 on the Draft Letter of offer.

## 11. DECLARATION BY THE ACQUIRERS

11.1 The Acquirers accept full responsibility, severally and jointly, for the information contained in this Letter of offer (except for the information regarding the Target Company which has been compiled from the publicly available information and information provided by the Target Company) and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof. The Acquirers are responsible for ensuring compliance with the SEBI (SAST) Regulations.

| | | |
|---|---|---|
| **Mr. Chandrashekhar B. Panchal**<br>**(Acquirer)** | **Mr. Balkrishna J. Panchal**<br>**(Acquirer)** | **Ms. Nehal C. Panchal**<br>**(Acquirer)** |

**Place: Ahmedabad**
**Date:** May 30, 2013

## 12. ENCLOSURES

1. Form of Acceptance- cum- Acknowledgement
2. Blank Share Transfer Deed(s) for physical share holders only

**FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT**

**(All terms & expressions used herein shall have same meaning as ascribed thereto in the Letter of offer)**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

| (Please send this Form of Acceptance with enclosures to the Registrar to the Offer) | | |
|---|---|---|
| **OFFER OPENS ON** | **:** | **Monday, June 10, 2013** |
| **OFFER CLOSES ON** | **:** | **Friday, June 21, 2013** |
| **Please read the Instructions overleaf before filling-in this Form of Acceptance** | | |

**From:**

| FOR OFFICE USE ONLY |
|---|
| Acceptance Number |
| Number of equity shares offered |
| Number of equity shares accepted |
| Purchase consideration (Rs.) |
| Cheque/Demand Draft/Pay Order No. |

Tel. No.: Fax No.: E-mail:

**To,**

**Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal and Ms. Nehal C. Panchal**

**C/o. Purva Sharegistry (India) Private Limited**

9, Shiv Shakti Ind. Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011

Dear Sirs,

Sub: Open Offer to acquire up to 3,14,470 equity shares of Rs. 10 each representing 26% of the total equity share capital / voting capital of Target Company at a price of Rs. 22 per equity share by Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal and Ms. Nehal C. Panchal pursuant to SEBI (SAST) Regulations.

I/We, refer to the PA, DPS, the Letter of offer dated May 30, 2013 for acquiring the equity shares held by me / us in **Mahesh Agricultural Implement And Steel Forgings Limited**

1. I/We, the undersigned have read the PA, DPS and the Letter of offer and understood its contents including the terms and conditions as mentioned therein.
2. I/We, unconditionally offer to sell to Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal and Ms. Nehal C. Panchal (hereinafter referred to as the "Acquirers") the following equity shares in **Mahesh Agricultural Implement And Steel Forgings Limited** (hereinafter referred to as "MAISFL"), held by me / us, at price of Rs. 22 per equity share.
3. **For shares held in physical form:**
   I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my/ our equity shares as detailed below (please enclose additional sheet(s), if required).

| **Sr. No.** | **Folio No.** | **Share Certificate No.** | **Distinctive Nos.** | | **No. of equity shares in the share certificate** | **No. of equity shares offered** |
|---|---|---|---|---|---|---|
| | | | **From** | **To** | | |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| **Total no. of Equity Shares** | | | | | | |

4. **For shares in Demat Form:**

| **DP Name** | **DP ID** | **Client ID** | **No of Shares offered** | **Name Of Beneficiary** |
|---|---|---|---|---|
| | | | | |

I/We have done an off market transaction for crediting the equity Shares to the special depository account in CDSL styled "PSIPL ESCROW A/C MAHESH AGRI OPEN OFFER PSIPL" ("Escrow Demat Account") details are as under:

| | |
|---|---|
| DP Name | : BCB Brokerage Private Limited |
| DP ID | : 12010400 |
| Client ID | : 00039771 |
| Depository | : Central Depository Services (India) Limited ("**CDSL**") |
| Account Name | : PSIPL ESCROW A/C MAHESH AGRI OPEN OFFER PSIPL |

Note: *Shareholders having their beneficiary account in NSDL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Depository Escrow Account with CDSL*

5. I/We confirm that the Equity Shares, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever and are also not the subject matter of litigation, whereunder the transfer of Equity Shares may be prohibited during the pendency of such litigation.
6. I/We authorize the Acquirers to accept the Equity Shares so tendered by me/us or such lesser number of Equity Shares offered which it may decide to accept in consultation with the Manager to the Offer and in terms

of the Letter of Offer. I/We further authorize the Acquirers to return to me/us, Equity Share certificate(s)/Equity Shares to the extent that the Equity Shares tendered by me /us are not accepted without specifying the reasons thereof, at my/our sole risk. I/We authorize the Acquirers/ Registrar to the Offer to split / consolidate the Equity Share certificates comprising the Equity Shares that are not acquired or accepted to be returned to me/us and for the aforesaid purposes the Acquirers / Registrar to the Offer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

7. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of offer.
8. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers make payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.
9. I/We note and understand that the Shares would lie in the Escrow Demat Account until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of offer.
10. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
11. I/We authorize the Acquirers, the Registrar to the Offer and the Manager to the Offer to send by Registered / Speed Post, as may be applicable (as described in the Letter of Offer) at my/our sole risk, the "bankers cheque/ demand draft/ direct credit/ NECS/ NEFT/ RTGS as consideration, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below. In case I have tendered my Equity Shares in dematerialized form, I authorize the Acquirers, the Registrar to the Offer and the Manager to the Offer to use my details regarding my address and bank account details as obtained from my DP for the purpose of mailing the aforementioned instruments
12. **Bank Details:**

    So as to avoid fraudulent encashment in transit, the Shareholder(s) holding Equity Shares in physical form should provide details of bank account of the first/sole Shareholder and the consideration payment will be drawn accordingly. For Equity Shares that are tendered in demat form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the consideration payment will be issued with the said bank particulars, and not any details provided herein:

| Sr. No. | Particulars Required | Details |
|---|---|---|
| I. | Name of the Bank | |
| II. | Name of the Branch with address | |
| III. | Account Type (Current Account/ Saving Bank/Others – please mention) | |
| IV. | Account No. | |
| V. | 9 Digit MICR Code | |
| VI. | IFSC Code (for RTGS/NEFT/NECS transfers) | |

. The Permanent Account No. (PAN/ GIR No.) allotted under the Income Tax Act, 1961 is as under:

| | 1st Shareholder | 2nd Shareholder | 3rd Shareholder |
|---|---|---|---|
| PAN / GIR No. | | | |

Yours faithfully,

Signed and Delivered:

| | **FULL NAME(S) OF THE HOLDERS** | **SIGNATURE(S)** |
|---|---|---|
| First/Sole Shareholder | | |
| Joint Holder 1 | | |
| Joint Holder 2 | | |

***Note:*** *In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.*

## ACKNOWLEDGEMENT SLIP FOR FORM OF ACKNOWLEDGEMENT

Open Offer of MAISFL at a price of Rs. 22 per equity share by Mr. Chandrashekhar B. Panchal, Mr. Balkrishna J. Panchal and Ms. Nehal C. Panchal pursuant to SEBI (SAST) Regulations

Received from Mr. / Ms. / Mrs. ……………………..…………………………………………….. Ledger Folio No/ Client ID. ……………………………DP ID…………………....Number of shares.…………… under the Letter of offer dated May 30, 2013, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

| Sr. No. | Share Certificate No. | Distinctive Nos. | | No. of equity shares |
|---|---|---|---|---|
| | | From | To | |
| 1. | | | | |
| 2. | | | | |
| Total no. Of Equity Shares | | | | |

Stamp

Authorised Signatory Date

**Note**: All future correspondence, if any, should be addressed to

**Registrar to the Offer: Purva Sharegistry (India) Private Limited**

9, Shiv Shakti Ind. Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011

Tel: +91-22-23016761/23012518, Fax: +91-22-23012517, E-mail: busicomp@vsnl.com**, Contact Person: Ms. Purva Shah**

**------------------------------------------------------------------------TEAR HERE------------------------------------------------------------------**

## INSTRUCTIONS

1. **Please note that equity shares / form of acceptance-cum-acknowledgement should not be sent to the acquirers / the target company/ the manager to the offer**
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. **Enclosures for shareholders holding Equity Shares in physical form:**
   - Duly attested power of attorney, if any person apart from the Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)
   - Original Equity Share certificates
   - Valid Equity Share transfer deed(s)
   - In case the equity shares are held by a Company / Body Corporate, then a Certified True Copy of a valid Board Resolution giving authority and Certified True Copy of the Memorandum and Articles of Association of such Company / Body Corporate
   - Duly attested death certificate and the legal representation obtained from a Competent Court (in case of single Shareholder), in case the original Shareholder has expired;
   - Self attested copy of PAN card of all the transferor(s)
   - Other relevant documents (please specify)
4. **Enclosures for shareholders holding Equity Shares in Demat form:**
   - Photocopy or counterfoil of the delivery instructions in “off market” mode duly acknowledged by the Shareholders‟ DP, in favour of the Escrow Demat Account
   - Duly attested power of attorney, if any person apart from the Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)
   - In case the equity shares are held by a Company / Body Corporate, then a Certified True Copy of a valid Board Resolution giving authority and Certified True Copy of the Memorandum and Articles of Association of such Company / Body Corporate
   - Duly attested death certificate and the legal representation obtained from a Competent Court (in case of single Shareholder), in case the original Shareholder has expired
   - Other relevant documents (please specify)
5. **In case of Equity Shares held in joint names**, names should be filled up in the same order in the Form of Acceptance-cum-Acknowledgement and in the Equity Shares transfer deed(s) as the order in which they hold Equity Shares in the Target Company and should be duly witnessed.
6. **In case where the signature is subscribed by thumb impression,** the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.
7. Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. Alternatively, such holders of the Equity Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in) and Purva Sharegistry (India) Private Limited (“Registrar to the Offer”). The application is to be sent to the Registrar to the Offer, so as to reach the Registrar to the Offer during business hours on or before 17:00 hours on the date of closure of the tendering period of this Offer, together with:
   - <u>In the case of the Equity Shares held in physical form</u>, the name, address, number of the Equity Shares held, number of the Equity Shares offered, distinctive numbers and folio number together with the original Equity Share certificate(s) and valid transfer deed(s), the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and / or such other documents, as may be specified in the Letter of Offer; or
   - <u>In the case of the Equity Shares held in dematerialized form</u>, the depository participant (“DP”) name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in “off-market” mode duly acknowledged by the DP for transferring the Equity Shares to the Escrow Demat Account.

# BOOK POST

**To,**

*If undelivered, please return to :*

**Purva Sharegistry (India) Private Limited**
9, Shiv Shakti Ind. Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011
Tel: +91-22-23016761/23012518, Fax: +91-22-23012517, E-mail: busicomp@vsnl.com,
**Contact Person: Ms. Purva Shah**