MAHINDRA FORGINGS LIMITED

Registered Office: Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra;
Tel: +91 22 2490 1441; Fax: +91 22 2490 5890

Advertisement under Regulation 18(7) in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

This Advertisement is being issued by Kotak Mahindra Capital Company Limited ("Manager to the Offer"), for and on behalf of Participaciones Internacionales Autometal Dos, S.L., ("Acquirer") along with Autometal S.A., ("AUTOMETAL") and CIE Automotive S.A., ("CIE"), hereinafter referred to as persons acting in concert with the Acquirer ("PACs"), pursuant to and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations") in respect of the open offer ("Offer") to acquire upto 24,502,193 equity shares of Mahindra Forgings Limited ("Target Company"). The detailed public statement ("DPS") with respect to the Offer was made on June 21, 2013 (Friday) in The Financial Express, Jansatta and Mumbai Lakshadeep.

1. Offer Price is ₹ 81/- (Rupees Eighty One Only) per Share. There has been no revision in the Offer Price.
2. Committee of independent directors (hereinafter referred to as "IDC") of the Target Company recommends that the Offer Price of ₹ 81/- per Equity Share is fair and reasonable. The IDC`s recommendation was published on September 25, 2013 (Wednesday) in the same newspapers where the DPS was published.
3. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The Letter of Offer dated September 13, 2013 has been dispatched to all the Eligible Shareholders by September 19, 2013.
5. Please note that a copy of the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will also be available on SEBI's website (www.sebi.gov.in) during the Tendering Period and Eligible Shareholders can also apply by downloading such form from SEBI's website. Further, in case of non-receipt/non-availability of the Form of Acceptance-cum-Acknowledgement, the application can be made on plain paper along with the following details:
   - **a. In case of Shares held in physical form**: Name(s) and address(es) of joint holder(s) (if any), number of Shares held, number of Shares tendered, distinctive numbers, folio number, original share certificate(s), original broker contract note of a registered broker (in case of unregistered shareholders) and valid share transfer form(s). The details of the Acquirer should be kept blank.
   - **b. In case of Shares held in dematerialized form**: Name, address, number of Shares held, number of Shares tendered, depository participant ("DP") name, DP ID, beneficiary account number, and a photocopy or counterfoil of the delivery instructions in "Off-Market" mode, duly acknowledged by the DP in favor of the special depository account. The details of the special depository account are as under:

DP Name	:	Kotak Mahindra Bank Limited
DP ID Number	:	IN303173
Beneficiary Account Number	:	20008369
ISIN	:	INE536H01010
Account Name	:	KARVY-ESCROW A/C-MAHINDRA FORGINGS LIMITED OPEN OFFER
Depository Name	:	National Securities Depository Limited (NSDL).

6. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, the Draft Letter of Offer was submitted to SEBI on June 28, 2013. SEBI vide its letter bearing reference number CFD/DCR/SKS/23138/2013 dated September 12, 2013 issued its comments on the draft Letter of Offer in terms of regulation 16(4) of SEBI (SAST) Regulations. These comments have been incorporated in the Letter of Offer and a corrigendum to the DPS ("Corrigendum") was published on September 17, 2013 in the same newspapers where the DPS was published.
7. On September 13, 2013, parties to the Implementation Agreement have executed an amendment agreement to the Implementation Agreement and parties to the SHA have executed an amendment agreement to the SHA.
8. The status of statutory approvals is as follows:

   Statutory Approvals

   a. Relevant parties (including the Acquirer) filed the requisite notification with the CCI under the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, seeking its approval for the Consolidated Transaction, on July 12, 2013. This approval was received on August 21, 2013.

   b. Relevant parties (including the Acquirer) filed the requisite notification with the *Bundeskartellamt* (German Anti-Trust Authority) seeking its approval for the Consolidated Transaction. This approval was received on August 02, 2013.

   c. The Acquirer filed the requisite notification with the *Conselho Administrativo de Defesa Econômica* (Brazilian anti-trust authority), seeking its approval for the Consolidated Transaction, on August 12, 2013. This approval was received on September 09, 2013.

   d. The Acquirer filed an application with the RBI, seeking its 'no objection' for the purchase of the equity shares of MCL at the negotiated price agreed under the SPA - MCL, on July 16, 2013. This approval was received on September 20, 2013.

   e. The Acquirer filed an application with the RBI, seeking its 'no objection' for the completion of the Underlying Transaction at the negotiated price agreed under the SPA - MFL, on July 16, 2013. This approval was received on September 20, 2013.

   f. Pursuant to the application referred to under paragraph 8.e above, the Acquirer also sought the approval of the RBI for the acquisition of the Shares tendered by NRIs in the Offer. The RBI, by its letter dated September 20, 2013, has granted this approval, subject to the conditions stated in its letter, which include the Acquirer being required to seek further approval from the RBI if any NRI other than those who were on the list of shareholders of the Target Company as on June 30, 2013 (being the list of NRI shareholders submitted to the RBI along with the application seeking approval) or any erstwhile OCBs tender their Shares under the Offer.
9. **Schedule of Activities**

Activity	Date	Day
Public Announcement (PA) Date	June 15, 2013	Saturday
Detailed Public Statement (DPS) Date	June 21, 2013	Friday
Identified Date*	September 13, 2013	Friday
Last date for making a competing offer	July 12, 2013	Friday
Date when Letter of Offer was dispatched	September 19, 2013	Thursday
Date of commencement of tendering period	**September 27, 2013**	**Friday**
Date of closure of tendering period	**October 11, 2013**	**Friday**
Last Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate for rejected shares will be dispatched	October 28, 2013	Monday
Last Date by which the underlying transaction which triggered open offer will be completed**	April 28, 2014	Tuesday

** "Identified Date" is only for the purpose of determining the shareholders of the Target Company as on such date to whom the Letter of Offer would be mailed. It is clarified that all the shareholders of the Target Company (registered or unregistered) of the equity shares of the Target Company (except the Seller and persons acting in concert with the Seller) who own the equity shares of the Target Company are eligible to participate in this Offer at any time before the closure of this Offer.*

*** As per Regulation 22(3) of the SEBI (SAST) Regulations*

Capitalised terms used but not defined in this Advertisement shall have the meanings assigned to such terms in the Public Announcement and/or DPS and/or Letter of Offer and/or Corrigendum. The Acquirer and the PACs accept full responsibility for the information contained in this Advertisement and also accept responsibility for the obligations of the Acquirer and the PACs laid down under the SEBI (SAST) Regulations.

This Advertisement is expected to be available on the SEBI website at http://www.sebi.gov.in

Issued by the Manager to the Offer on behalf of the Acquirer and PACs:

kotak® Investment Banking

Kotak Mahindra Capital Company Limited
Bakhtawar, 1st Floor, 229, Nariman Point, Mumbai - 400 021
Tel: +91 22 6634 1100, Fax: +91 22 2284 0492
Contact Person: Mr. Ganesh Rane
Email: project.mflopenoffer@kotak.com

Place : Mumbai
Date : September 26, 2013

PRESSMAN

Size: 12 (w) X 30 (h)