DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

"This Letter of Offer is being sent to you as a Shareholder(s) of PAN Electronics (India) Limited (hereinafter referred to as **"PEIL"** or the **"Target Company"** or **"TC"**). If you require any clarification about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in **"PEIL"**, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, and transfer deed to the member of the Stock Exchanges through whom the said sale was effected**."**

Open Offer ("Offer")

BY

Gullu Gellaram Talreja (Alias Prakash Gellaram Talreja) **("Acquirer")**

residing at 122 & 123, Tower 4, Pebble Bay, A-11, 1 Main Road, RMVII Stage, Dollars Colony, Bangalore -560 094,

Tel No. (080)28396229, Email: gullu@geminidyeing.com

TO

THE SHAREHOLDERS OF

PAN Electronics (India) Limited ("PEIL" or the "Target Company" or "TC")

having its registered office at: 69, 3rd Cross Cubbonpet, Bangalore, 560002, Karnataka,

Tel. No. (080) 2278929 Fax No.: (080) 2278940 Email: house@venlon.com

Website :www.venlon.com

TO ACQUIRE

up to 10,40,000 (Ten Lakhs Forty Thousand) Fully Paid Up Equity Shares of face value of Rs. 10/- each **"Equity Share")** representing 26% of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights of PEIL, at a price of Rs.7.88 (Rupees Seven and Paise Eighty Eight Only) per Fully Paid Up Equity Share **("Offer Price")**, payable in cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **("SEBI (SAST) Regulations")**.

Note :

- This Offer is being made by the Acquirer pursuant to the Regulations 3(1) and 4 of SEBI (SAST) Regulations and subsequent amendments thereto.
- This Offer is not conditional upon any minimum level of acceptance by the Shareholders of the Target Company.
- As on the date of Draft Letter of Offer, there are no statutory approvals required by the Acquirer to complete this Offer. However, in case of any statutory approvals being required at a later date, this Offer will be subject to such approvals.
- Non-resident holders of the Equity Shares, must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the Reserve Bank of India) and submit such approvals, along with the Form of Acceptance-cum- Acknowledgement (as defined below) and other documents required to accept this Offer.
- This Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations.
- **There has been no competing offer or revision of Offer Price as on date of this Draft Letter of Offer.**
- Shareholders who have tendered shares in acceptance of the Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the Tendering Period.
- If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last three Working Days before the commencement of the Tendering Period the same will be informed by way of a public announcement in the same newspapers in which the Detailed Public Statement in relation to this Offer was published. The Acquirer shall pay such revised price for all shares validly tendered at any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, the same would be communicated within two Working Days by an announcement in the same newspapers in which the Detailed Public Statement appeared.
- Consideration at the same rate will be paid by the Acquirer for all equity shares tendered at any time during the Offer.
- If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer and Target Company, no competitive bid has been announced as of the date of this Draft Letter of Offer.
- A Copy of the Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance-cum-Acknowledgement) are also available on SEBI website at (http://www.sebi.gov.in).
- All correspondence relating to this Offer, if any, should be addressed to the Registrar to the Offer viz. Integrated Enterprises (India) Limited.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
VIVRO **Vivro Financial Services Private Limited** 607,608 Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai-400 013 **Tel No.:** 022 – 6666 8040 to 6666 8046 **Fax No.:** 022 – 6666 8047 **Email:** investors@vivro.net **Website:** www.vivro.net **SEBI Registration No.** INM000010122 **CIN:** U67120GJ1996PTC029182 **Contact Person:** Mr. Keval Gandhi / Ms. Shashi Singhvi	Integrated since1974 Investments Simplified **Integrated Enterprises (India) Limited** 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003. **Tel. No.:** 080- 23460815 to 080- 23460818 **Fax No.:** 080-23460819 **E-mail:** irg@integratedindia.in **Website:** www.integratedindia.in **SEBI Registration No.** INR000000644 **CIN:** U65993TN1987PLC014964 **Contact Person:** Mr. S Vijaya Gopal
OFFER OPENS ON : December 03, 2014	**OFFER CLOSES ON : December 16, 2014**

SCHEDULE OF MAJOR ACTIIVITIES RELATING TO THE OFFER

Activity	Day and Date
Issue of Public Announcement (PA)	Tuesday, October 07, 2014
Publication of Detailed Public Statement (DPS)	Tuesday, October 14, 2014
Last date for public announcement for competing offer(s)	Monday, November 10, 2014
Identified Date (for the purpose of determining the name of Shareholders to whom the Letter of Offer will be sent)	Wednesday, November 19, 2014
Date by which Letter of Offer to be dispatched to the Shareholders	Wednesday, November 26, 2014
Last date for upward revision of the Offer Price and/or the Offer Size	Friday, November 28, 2014
Last date by which the committee of independent directors of the Target Company shall give its recommendations	Monday, December 01, 2014
Advertisement of schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company at its registered office	Tuesday, December 02, 2014
Commencement of Tendering Period (Offer Opening Date)	Wednesday, December 03, 2014
Closure of Tendering Period (Offer Closing Date)	Tuesday, December 16, 2014
Date by which all requirements including payment of consideration would be completed	Wednesday, December 31, 2014
Issue of post offer advertisement and last date for filing of final report with SEBI	Wednesday, January 07, 2015

*"Identified Date" is only for the purpose of determining the names of the Shareholder(s) as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirer and the Sellers under the SPA) are eligible to participate in the Offer any time before the Closure of the Tendering Period.

RISK FACTORS

The risk factors set forth below pertain to the Transaction, this Offer and are not intended to be a complete analysis of all risks in relation to the Offer or in association with the Acquirers or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholder in the Offer, but are merely indicative. Shareholders are advised to consult their stock brokers, tax advisers and/ or investment advisers/consultants, for analysing all the risks with respect to their participation in the Offer

The following risk factors relate to the transaction, the proposed offer and probable risk involved in associating with the acquirer.

A. Relating to the Transaction:

1. The Offer is subject to the compliance of terms and conditions as mentioned under the Share Purchase Agreement ("SPA") dated October 07, 2014.The transaction contemplated under the SPA shall be completed upon fulfillment of the conditions precedent agreed between the Acquirer and Sellers. If such conditions precedent and other conditions are not satisfactorily fulfilled, the Offer would stand withdrawn, subject to SEBI's approval.

2. If, at a later date, any other statutory or regulatory or other approvals / no objections are required, the Offer would become subject to receipt of such other additional statutory or regulatory or other approvals/ no objections.

B. Relating to the Offer:

1. The shares tendered in the Offer will lie to the credit of a designated Escrow Account till the completion of the Offer formalities. Accordingly, the Acquirer makes no assurance with respect to the market price

of the Equity Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

2. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Shareholders in the Offer will be accepted.

3. In the event that either (a) regulatory approval is not received in a timely manner or (b) there is any litigation leading to stay of the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of "PEIL", whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

4. Shareholders should note that the Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period.

5. The Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe the applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers, or the Manager to the Offer to any new or additional registration requirements.

6. The Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the Draft Letter of Offer.

C. Relating to the Acquirer:

1. The Acquirer makes no assurance with respect to the financial performance of the Target Company.

2. The risk factors set forth above pertains to the Offer and not in relation to the present or future business operations of the "Target Company" 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 PEIL are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in the offer.

3. The Acquirer cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims 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.

4. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLOF)/ Detailed Public Statement (DPS)/Public Announcement(PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Legal Advisor to the Acquirer
P. H. Bathiya & Associates
2, Tardeo AC Market, 4^{th} Floor,
Tardeo Road,
Mumbai – 400034.

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1 ABBREVIATIONS/ DEFINITIONS

Acquirer/ Purchaser	Gullu Gellaram Talreja (Alias Prakash Gellaram Talreja) residing at 122 & 123, Tower 4, Pebble Bay, A-11, 1 Main Road, RMVII Stage, Dollars Colony, Bangalore -560 094 .
BSE	BSE Limited
BgSE	Bangalore Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act , 1956 or The Companies Act, 2013 as applicable, as amended or modified from time to time
CIN	Corporate Identification Number
Closure of Tendering Period	Tuesday, December 16, 2014
Consideration	Shall mean a sum of Rs. 7.50 (Rupees Seven and Paise Fifty Only) subject to applicable taxes, to be paid by the Purchaser to the Sellers in consideration of the Sale Shares
Depository Escrow Account	The Depository Account opened by the Registrar to the Offer with Integrated Enterprises (India) Ltd.
Depositories	CDSL and NSDL
DIN	Director Identification Number
DP	Depository Participant
DLOF	This Draft Letter of Offer dated October 21, 2014
DPS / Detailed Public Statement	Detailed Public Statement relating to the Offer published on Tuesday, October 14, 2014 on behalf of the Acquirer in all editions of Business Standard (English & Hindi), Navshakti - (Marathi) and Samyukta Karnataka (Kannada)
Eligible Person(s) / Shareholders for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Tendering Period, except the Acquirer and the existing Promoters/Sellers under the SPA
Encumbrance	Means any encumbrance including without limitation any claim, debenture, mortgage, pledge, charge (fixed or floating), hypothecation, lien, deposit by way of security, bill of sale, option or right of pre-emption, right to acquire, right of first refusal, right of first offer or similar right, assignment by way of security or trust arrangement for the purpose of providing security or other security interest of any kind (including any retention arrangement), beneficial ownership (including usufruct and similar entitlements) or any agreement to create any of the foregoing.
EPS	Earnings per share derived by dividing the Profit after Tax less preference dividend by Number of issued, subscribed and fully paid-up equity shares.
Equity Shares	Fully paid up equity shares of the Target Company, having face value of Rs. 10/- each.
Escrow Account	Escrow Account No. 00600350131764 opened by the Acquirer in relation to this Offer with Escrow Bank.
Escrow Agreement	The Escrow Agreement dated October 07, 2014 entered into amongst the Acquirer, the Manager to the Offer and the Escrow Bank.
Escrow Bank	HDFC Bank Limited, having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013, acting through its branch at Fort
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in

	India.
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement.
Identified Date	Wednesday, November 19, 2014, being the date for the purpose of identifying Eligible Shareholders to whom the Letter of Offer will be sent.
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961 as amended from time to time.s
ISIN	International Securities Identification Number
Letter of Offer (LOF)	Letter of Offer including the Form of Acceptance-cum-Acknowledgement to be dispatched to the shareholders of the Target Company.
Listing Agreement	The equity Listing Agreement entered into by PEIL with BSE and BgSE.
Manager / Manager to the Offer / Merchant Banker /Vivro	Vivro Financial Services Private Limited, 607,608 Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai-400 013
Maximum Consideration	The maximum consideration payable under this Offer, assuming full acceptance, i.e. Rs. 81,95,200/- (Rupees Eighty One Lakhs Ninety Five Thousand Two Hundred Only)
MICR	Magnetic Ink Character Recognition
Negotiated Price	Rs. 7.50 (Rupees Seven and Paise Fifty Only) per Fully Paid-up Equity Share of face value of Rs. 10/- each
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
N.A.	Not Applicable
Non-Resident Shareholders	Non-Resident Indians and OCBs holding Equity Shares of "PEIL"
NRI	Non Resident Indians as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Body as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/ Open Offer	Open Offer being made by the Acquirer to the Shareholders of PEIL (other than the promoters and parties to the SPA) to acquire up to 10,40,000 Fully Paid Up Equity Shares of Rs. 10/- each, representing 26% of the Issued, Subscribed and Paid up Equity Share Capital having Voting Rights of the TC at an Offer Price of Rs.7.88 (Rupees Seven and Paise Eighty Eight Only) per Equity Share payable in cash.
Offer Price	Rs.7.88 (Rupees Seven and Paise Eighty Eight Only) per Fully Paid Up Equity Share of Rs. 10/- each.
Offer Size	Up to 10,40,000 Equity Shares, representing 26% of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights of the TC, as of the 10th Working Day from the Closure of the Tendering Period.
Offer / Offering period	Period from the date of release of Public Announcement to the date of payment of consideration to the Shareholders whose Equity Shares are validly accepted under this Open Offer or the date on which this Offer is withdrawn.
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on Tuesday, October 07, 2014 in accordance with the SEBI (SAST) Regulations.
Public Shareholders	All shareholders of the Target Company, other than the Acquirer and parties to the Share Purchase Agreement.
Registrar / Registrar to the Offer	**M/s. Integrated Enterprises (India) Limited** appointed by the Acquirer in relation to this Offer, having its office at: 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003. Contact Person: Mr. S. Vijaya Gopal

	Tel. No.: 080-23460815 to 818 **Fax No.:** 080-23460819 **Email:** irg@integratedindia.in
RBI	Reserve Bank of India
Rs. / Rupees/ /INR/	Indian Rupees
RTGS	Real Time Gross Settlement
Sale Shares	Shall mean 18,92,920 fully paid up Equity Shares of Rs. 10/- each representing 47.32 % of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights of the Target Company to be purchased from the Sellers.
SEBI/Board	Securities and Exchange Board of India
SCCR	Securities Contracts (Regulation) Rules, 1957, and subsequent amendments thereof
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (SAST) Regulations/ SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Shareholders/Equity Shareholders	The shareholders and beneficial owners (registered or otherwise) of Equity Shares, other than, the Promoters & parties to the SPA
Selling Shareholders	Mr. Nanik Gurumukdas Rohera and Mr. Nitesh Nanik Rohera
Stock Exchanges	Any recognized stock exchange
SPA / Agreement	Share Purchase Agreement entered into between the Acquirer and the Sellers dated October 07, 2014
Company/Target Company/ TC/ "PEIL"	PAN Electronics (India) Limited having its registered office at: 69, 3rd Cross Cubbonpet, Bangalore, 560 002, Karnataka
Tendering Period / Offer Period	Period within which Shareholders of Target Company may tender their Equity Shares in acceptance to the Offer i.e., the period commencing from Wednesday, December 03, 2014 and closing on Tuesday, December 16, 2014 (both days inclusive)
Working Day	A working day of SEBI
Voting Rights	Shall mean the right to vote attached to the equity share capital as defined in Section 47 (1) of the Companies Act, 2013

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE 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 THE LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF PAN ELECTRONICS (INDIA) LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR OF THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGER OF THE OFFER – VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS SUBMITTED DUE DILIGENCE CERTIFICATE DATED OCTOBER 21, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT HOWEVER ABSOLVE, THE ACQUIRER 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 to the Offer

3.1.1. The Offer is a mandatory offer and is being made under Regulations 3(1) and 4 of SEBI (SAST) Regulations for substantial acquisition of Equity Shares having Voting Rights accompanied with change in control and management of the Target Company.

3.1.2. The Acquirer presently holds 8,67,500 Equity Shares representing 21.69% of the total paid up equity share capital of Target Company.

3.1.3. On Tuesday, October 07, 2014, the Acquirer has entered into a Share Purchase Agreement (**"SPA"**) with Mr. Nanik Gurumukdas Rohera and Mr. Nitesh Nanik Rohera (collectively referred to as the **"Sellers"**) to acquire 18,92,920 Fully Paid Up Equity Shares of Rs. 10/- each representing 47.32% of the Issued, Subscribed and Paid-Up Equity Share Capital having Voting Rights of the Target Company (**"Sale Shares"**), presently held by the Sellers at a price of Rs. 7.50 (Rupees Seven and Paise Fifty Only) per fully paid up Equity Share for cash consideration (**"Consideration"**).

3.1.4. **Details of the Sellers under the SPA are as under:**

Sr. No.	Name and address of the Sellers under the SPA	Shareholding in the Target Company (No. of Equity Shares)	% of paid up Equity Share Capital having Voting Rights of the Target Company
1	Mr. Nanik Gurumukdas Rohera 3A - Jayashree Point, Ali Asker Road, Bangalore, Karnataka-560052.	17,04,700	42.62 %
2	Mr. Nitesh Nanik Rohera 3A - Jayashree Point, Ali Asker Road, Bangalore, Karnataka-560052.	1,88,220	4.70 %
	Total Shares	**18,92,920**	**47.32 %**

3.1.5. **The salient features of the SPA are as follows:**

i. The Selling Shareholders have agreed to sell and transfer to the Acquirer and the Acquirer has agreed to purchase 18,92,920 equity shares from the Selling Shareholders comprising 47.32% of fully paid up equity shares at a price of Rs. 7.50 (Rupees Seven and Paise Fifty Only) per Equity Share.

ii. The Acquirer may complete the acquisition of shares / voting rights of the Target Company as per Regulation 22(2) of SEBI (SAST) Regulations.

iii. In case of non-compliance with any of the provisions of the "SEBI (SAST)Regulations" relating to the Open Offer by the 'Acquirer', agreement for sale of the Sale Shares shall not be acted upon by either "The Sellers" or "The Acquirer".

iv. The Sale Shares under the Share Purchase Agreement are free from all lien, pledge, encumbrances' defects etc.

3.1.6. By the above proposed acquisition pursuant to SPA, the Acquirer will be holding substantial stake and shall be in control of the management, business and affairs of the Target Company on completion of Open Offer which resulted in triggering of SEBI (SAST) Regulations.

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

3.1.8. There is no separate arrangement for the proposed change in control of the Target Company, except for the terms as mentioned in SPA.

3.1.9 As on the date of this Draft Letter of Offer, the Acquirer holds 8,67,500 Equity Shares representing 21.69 % of the Issued, Subscribed and Paid-Up Equity Share Capital having Voting Rights of the Target Company.

3.1.10 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, as amended, or under any of the Regulations made under the SEBI Act.

3.1.11 Subject to the satisfaction of the provisions under the Companies Act, and /or any other Regulation(s), the Acquirer intends to make changes in the management of PEIL. It is proposed to induct new directors representing the Acquirer on the Board of PEIL. The likely changes in the management / taking control by the Acquirer shall be subject to compliance with regulations 22(1), 22(2) and 24(1) of the SEBI (SAST) Regulations. As on date, the Acquirer has not decided on the names of persons who may be appointed on Board of Directors of the Target Company.

3.1.12 Apart from the consideration of Rs. 7.50 (Rupees Seven and Paise Fifty Only) per Equity Share, no other compensation, directly or indirectly, is payable to the Sellers under the SPA or otherwise. The total consideration is payable in cash for both the SPA and the present Offer.

3.1.13 As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a Committee of Independent Directors to provide its reasoned recommendation on this Offer to the Shareholders. Such recommendation shall be published at least two Working Days before the commencement of the Tendering Period, in the same newspapers where the DPS was published and a copy of such recommendation shall also be sent to BSE, BgSE, SEBI and Manager to the Offer and in case of a competing offer(s) to the Manager(s) of such competing offer(s).

3.2 Details of the Proposed Offer:

3.2.1 In accordance with Regulation 13(4) of the SEBI (SAST) Regulations, the Acquirer has released the DPS on Tuesday, October 14, 2014 which was published in the following newspapers:

Name of the Newspaper	Edition	Date
Business Standard	English	October 14, 2014
Business Standard	Hindi	October 14, 2014
Navshakti	Regional (Marathi) (BSE)	October 14, 2014
Samyukta Karnataka	Regional (Kannada)	October 14, 2014

A copy of the DPS is also available on the SEBI's website (www.sebi.gov.in).

3.2.2 This Offer is made by the Acquirer to all the Shareholders of the TC (other than the promoters and parties to the SPA), to acquire up to 10,40,000 (Ten Lakhs and Forty Thousand only) Fully Paid Up Equity Shares representing 26% of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights of the Target Company (**"Offer Size"**) at a price of Rs.7.88 (Rupees Seven and Paise Eighty Eight Only)s (**"Offer Price"**) per Fully Paid Up Equity Share of Rs.10/- each, payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the PA, the DPS and this Draft Letter of Offer.

3.2.3 As on the date of the Draft Letter of offer, there are no partly paid up shares and no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date in the Target Company.

3.2.4 There is no differential pricing in the Offer.

3.2.5 This is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations and there have been no competing offers as on the date of this Draft Letter of Offer.

3.2.6 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 (1) of SEBI (SAST) Regulations.

3.2.7 The Acquirer has not acquired any shares of the Target Company from the date of the PA i.e. October 07, 2014 up to the date of this Draft Letter of Offer.

3.2.8 If the aggregate valid responses to this Offer by the Shareholders are more than the Offer Size, then the offers received from the Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. The Acquirer will acquire all the Equity Shares validly accepted in this Offer.

3.2.9 The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and Encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.10 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Vivro Financial Services Private Limited as the Manager to the Offer.

3.2.11 The Manager to the Offer, Vivro Financial Services Private Limited, does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer and is not related to the Acquirer and the Target Company in any manner whatsoever. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

3.2.12 Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of Sale Shares in accordance with the SPA, the Acquirer will hold 38,00,420 (Thirty Eight Lacs Four Hundred and Twenty Only) Equity Shares constituting 95.01% of the present Issued, Subscribed and Paid Up Equity Share Capital of the Target Company.

3.2.13 The Equity Shares of the Target Company are listed on BSE Limited and Bangalore Stock Exchange Limited. Pursuant to this Offer, the public shareholding in the Target Company may reduce to less than the minimum public shareholding required as per Clause 40A of the Listing Agreement read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (**"SCRR"**) and subsequent amendments thereto. The Offer (assuming full acceptance) would result in public shareholding in Target Company being reduced below minimum level required. The Acquirer undertakes that if the public shareholding is reduced below such minimum level he will take necessary steps to facilitate compliances by the Target Company with the relevant provisions of the Securities Contracts (Regulation) Rules, 1957 as amended, the Listing Agreement and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations, 2011 and reduce the non-public shareholding within the time period mentioned therein through permitted routes available under the listing agreement including any such other routes as may be approved by SEBI from time to time.

3.3 Objects of the Acquisition / Offer:

3.3.1. This Offer is being made by the Acquirer to the Shareholders of the Target Company in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Upon the transfer of the Sale Shares, as contemplated in the SPA, the Acquirer shall become the new promoter of the Target Company under the provisions of the SEBI (SAST) Regulations.

3.3.2. Subject to the satisfaction of the provisions under the Companies Act, and/or any other Regulation(s), the Acquirer intends to make changes in the management of PEIL. It is proposed to induct new directors representing the Acquirer on the Board of PEIL. The likely changes in the management/taking control by the Acquirer shall be subject to compliance with regulations 22(1), 22(2) and 24(1) of the SEBI (SAST) Regulations.

3.3.3. The prime objective of the Acquirer behind the acquisition is to have substantial holding of shares and voting rights accompanied with the change of control and management of the Target Company by becoming promoter of the Target Company. The Acquirer proposes to continue the existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders, if required. The main purpose of takeover is to expand the Target Company's business activities in same line through exercising effective management and control over the Target Company. The Acquirer is yet to finalize on how he would implement the future plans.

3.3.4. The Acquirer believes that there will not be any substantial change in the market positioning of the Target Company post his acquisition of the Target Company. As on the date of this Draft Letter of Offer, the Acquirer cannot ascertain the repercussions, if any, on the employees and locations of the Target Company's places of business.

3.3.5. The Acquirer does not have any plans to alienate any material assets of the Target Company whether by way of sale, lease, Encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Acquirer's future policy for disposal of its assets, if any, for two years from the completion of the Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRER

4.1. Gullu Gellaram Talreja (" The Acquirer")

4.1.1. Mr. Gullu Gellaram Talreja, son of Mr. Gellaram Talreja, aged 61 years residing at 122 & 123, Tower 4, Pebble Bay, A-11, 1 Main Road, RMVII Stage, Dollars Colony, Bangalore -560 094, Tel No.: (080)2839 6229, email: gullu@geminidyeing.com.

4.1.2. He has studied up to matriculation and is having vast experience in the business administration, management and marketing. He has approximate 43 years of experience in garment exports and 29 years of experience in printing and dyeing of fabric. He has predominantly been engaged in the textiles business catering to printing and dyeing of garments as well as manufacturing various apparels. He is also associated with the real estate business.

4.1.3. He is a Promoter and Managing Director of Gemini Dyeing and Printing Mills Limited and Director in Maanay Roller Flour Mills Private Limited. He is Designated Partner in GMT Infrastructures LLP.

4.1.4. He is neither a Director in any listed company nor a whole time director in any company, except as stated in para 4.1.3. above

4.1.5. Mr. M.S. Sundar (Membership No.045084), Proprietor of M/s. M. Shanmuga Sundar & Co., Chartered Accountants (FRN 112086S) having his office at G.K Complex, 1st Floor, No. 33, Ibrahim Saheb Street, Bangalore, 560 001, Mobile. No.93412 27241,Email:radnus4@gmail.com has certified vide his certificate dated October 06, 2014 that the Net Worth of Mr. Gullu Gellaram Talreja as on October 06, 2014 is more than Rs. 25 Crores (Rupees Twenty Five Crores Only).

4.1.6. The Acquirer has not acquired any equity shares/voting rights of PEIL during the fifty- two (52) weeks immediately preceding the date of the PA except for the acquisition of 9,800 and 8,57,700 Fully Paid-Up Equity Shares of Rs. 10/- each together representing 21.69% of the Issued Subscribed and Paid up Equity Share Capital having Voting Rights of PEIL, at a price of Rs. 6.25 and Rs. 7.52 per fully paid-up equity share, through Off-market transactions dated April 16, 2014 and April 23, 2014 respectively. Apart from the aforesaid acquisitions, the Acquirer has entered into the Share Purchase Agreement ("**SPA**") on October 07, 2014 with the present Promoters/ Promoter Group of PEIL for acquisition of 18,92,920 equity shares representing 47.32% of the Issued Subscribed and Paid up Equity Share Capital having Voting Rights of PEIL. Pursuant to the execution of the SPA, the shareholding of the Acquirer is proposed to be increased from 8,67,500 fully paid-up equity shares representing 21.69% to 27,60,420 fully paid-up equity shares representing 69.01% of the Issued, Subscribed and Paid up Equity Share Capital having Voting Rights of PEIL resulting in the triggering of the SEBI (SAST) Regulations. Except as stated above, the Acquirer does not have any relationship and/or interest in the Target Company including with its Directors, Promoters & key employees.

4.1.7. The Acquirer has complied with the disclosure requirements of Chapter V of SEBI (SAST) Regulations 2011, as applicable.

4.1.8. The Acquirer has not been prohibited by SEBI from dealing in securities in terms of directions issued under Section 11B of SEBI Act or under any of the Regulations made under the SEBI Act.

4.1.9. The Acquirer is not related to the Target Company, its Directors and Promoters or key employees in any manner.

4.1.10. The Acquirer undertakes that he will not sell the equity shares of the Target Company acquired/ held by him during the "Offer Period" in terms of Regulation 25(4) of the Regulations.

4.1.11. There is no Person Acting in Concert (**"PAC"**) with the Acquirer for the purpose of this Offer.

4.1.12. There are no persons on the Board of the Target Company, representing the Acquirer.

5 BACKGROUND OF THE TARGET COMPANY

PAN ELECTRONICS (INDIA) LIMITED ("TARGET COMPANY" OR "PEIL" or "TC")

5.1. The Target Company, a public limited company, was originally incorporated on September 20, 1982, under the provisions of the Companies Act, 1956 in the name of Kaveri Metallisation Technics and Electronics Private Limited by Registrar of Companies, Karnataka. The name of the Target Company was subsequently changed to Pan Electronics (India) Private Limited w.e.f. July 22, 1983 and a fresh certificate of incorporation dated July 22, 1983 was issued. The Target Company was then converted into a public limited company in the name of Pan Electronics (India) Limited vide fresh certificate of incorporation dated August 16, 1993. The Target Company came out with initial public offering in the year 1994. The CIN of PEIL is L00309KA1982PLC004960.

5.2. The Registered Office of the Target Company is situated at 69, 3rd Cross Cubbonpet, Bangalore - 560002, Karnataka, Tel. No. (080) 2278929 Fax No.: (080) 2278940 Email:house@venlon.com, Website - www.venlon.com.

5.3. The Target Company is engaged in the business of manufacturing of Metallized Plastic Films in India for the Capacitor industry and all kinds of electronic components required by electronic, electrical automobile and other industries. The products include Zinc Alloy Metallized Polypropylene and Polyester Films and Capacitors.

5.4. The equity shares of the Target Company are listed on BSE Limited (**"BSE"**) (Scrip Code: 517397) and Bangalore Stock Exchange Limited (**"BgSE"**).

5.5. The present authorized share capital of Target Company is divided into 1,00,00,000 (One Crore) Equity Shares of face value of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crores Only). The Issued, Subscribed and Paid up capital of the Target Company as on the date of this DLOF comprises of 40,00,000 (Forty Lakh) fully paid up equity shares of Rs. 10/- each aggregating to

Rs. 4,00,00,000/- (Rupees Four Crores Only). There are no partly paid up shares and no other instruments convertible into Equity Shares at a future date.

5.6. As on date of the Draft Letter of Offer, the capital structure of the Target Company is as follows:

Paid up Equity Shares of the Target Company	No. of Equity shares / Voting Rights	Percentage of Equity Shares / Voting rights
Fully Paid up Equity Shares	40,00,000	100 %
Partly Paid up Equity Shares	NIL	NIL
Total Paid up Equity Shares	40,00,000	100 %
Total voting rights in Target Company	40,00,000	100 %

5.7. The Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1) (j) of SEBI (SAST) Regulations.

5.8. As on date of this DLOF, the promoters hold 18,92,920 Equity Shares, constituting 47.32% of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights

5.9. There has been no merger, de-merger and spin off in the last three years in the Target Company.

5.10. The Target Company has no Subsidiary Company.

5.11. Trading of the Equity Shares is not currently suspended on the Stock Exchanges.

5.12. Details of Directors on the Board of PEIL are as below:

Name	DIN	Date of appointment as Directors	Current Designation
Mr. Nanik Gurumukdas Rohera	01240210	12/09/1987	Whole Time Director
Mr. Nitesh Nanik Rohera	01071604	30/09/1995	Managing Director
Mr. Nagaraju Gangaraju	00901329	25/01/2007	Director
Mr. Kelettira M. Muddiah	02766231	29/09/2009	Director
Ms. Kanchan Krishna Dutta	01905501	14/08/2014	Director

Note: As on the date of the DLOF, there are no persons on the Board of Directors of the Target Company, representing the Acquirer.

5.13. Brief Audited Standalone Financial Information of PEIL as per the Audited Accounts for the Financial Year ended March 31, 2012, March 31, 2013, March 31, 2014 and unaudited financials subject to limited review by the statutory auditor for the three months period ended on June 30, 2014 are as follows. The said financials have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

(Amount in Rs. Lakhs except per share data)

Profit & Loss Statement for the Fiscal Year Ended	FY 2012	FY 2013	FY 2014	3 months period ended on June 30, 2014
Revenue from operations	13.73	4.13	0.00	0.00
Other income	0.72	5.24	0.73	0.00
Total Income	14.45	9.37	0.73	0.00
Total Expenditure	163.95	67.60	869.47	12.45
Profit before taxation	(149.50)	(58.23)	(868.74)	(12.45)
Provision for taxation				
Current tax	0.00	0.00	0.00	0.00
Deferred tax	0.00	0.00	0.00	0.00
Total tax expense	0.00	0.00	0.00	0.00
Exceptional Items	0.00	20.40	1936.01	0.00
Profit after tax from continuing operations	(149.50)	(37.83)	1067.26	(12.45)
Balance Sheet Statement As at	**March 31, 2012**	**March 31, 2013**	**March 31, 2014**	**June 30, 2014**
I. EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a) Share capital	400.00	400.00	400.00	400.00
(b) Reserves and surplus	(2593.52)	(2,631.35)	(1,280.45)	(1 292.90)
Sub Total	(2193.52)	(2,231.35)	(880.45)	(892.90)
(2) Non-current liabilities				
(a) Long term Borrowings	2514.95	2,213.55	0.00	0.00
(b) Other Long term Liabilities	46.54	656.81	738.13	746.50
Sub Total	2561.49	2,870.36	738.13	746.50
(3) Current liabilities				
(a) Short-term borrowings	151.35	0.00	0.00	0.00
(b) Trade Payables	255.45	93.43	210.04	208.99
(c) Other Current Liabilities	91.15	(21.81)	0.26	16.19
Sub Total	497.95	71.62	210.30	225.18
Total	**865.92**	**710.63**	**67.99**	**78.78**
II. ASSETS				
(1) Non-current assets				
(a) Fixed assets	76.12	32.59	6.35	6.35
(b) Non-current investments	28.34	28.35	28.25	28.24
(c) Long term loans and advances	0.00	0.00	0.00	0.00
Sub Total	104.46	60.94	34.60	34.59
(2) Current assets				
(a) Inventories	4.86	4.71	0.00	0.00
(b) Cash and bank balances	2.06	1.81	0.74	2.35
(c) Short-term loans and advances	744.09	635.11	32.65	41.84

(d) Sundry Debtors	10.45	8.06	0.00	0.00
Sub Total	761.46	649.69	33.39	44.19
Total	**865.92**	**710.63**	**67.99**	**78.78**
Other Financial Data	**March 31, 2012**	**March 31, 2013**	**March 31, 2014**	**June 30, 2014**
Dividend (%)	Nil	Nil	Nil	Nil
EPS (Rs.)	(3.74)	(0.95)	26.68	(0.31)
Return on Net worth (%)	Nil	Nil	Nil	Nil
Book Value Per Equity Share (Rs.)	(54.84)	(55.78)	(22.01)	(22.32)

[Source: Audited Annual Reports for the last 3 financial years ended on March 31, 2012, 2013 and 2014 and unaudited accounts for 3 months period ended on June 30, 2014 duly certified as being subject to limited review by Mr. V Ganesh, Membership No. 208181, Chartered Accountant, having Office at No. 9, Sai Bhavan, 1st A Main Road, 7th Cross, MICO Layout (II Stage BTM), Bangalore – 560 076, Tele No: +91 080 2665 4003, Email Id: ganesh@vganeshca.in vide certificate dated August 14, 2014]

5.14. **Pre and Post Shareholding pattern of the Target Company as on the date of the DLOF is as follows:**

Shareholders' Category	Shareholding & voting rights prior to the agreement /acquisition and offer		Shares/Voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations		Shares/Voting rights to be acquired in open offer (Assuming full acceptance)		Shareholding/Voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C) =(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement i. Nanik G. Rohera ii. Nitesh N. Rohera	 1704700 188220	 42.61 4.70	 (1704700) (188220)	 (42.61) (4.70)	--	--	--	--
b. Promoters other than (a) above								
Total 1(a+b)	**1892920**	**47.32**	**(1892920)**	**(47.32)**				
(2) Acquirers								
a. Main Acquirer Mr. Gullu G. Talreja	867500	21.69	1892920	47.32	1040000	26	3800420	95.01
b. PACs	-	-	-	-	-	-	-	-
Total 2(a+b)	**867500**	**21.69**	**1892920**	**47.32**	**1040000**	**26**	**3800420**	**95.01**
(3) Parties to agreement other than (1) (a) & (2)	-	-	-	-	-	-	-	-
(4) Public*								
(a) FIs/ MFs/ FIIs/Banks, SFIs,	3200	0.08						
(b) Others	1236380	30.91						
Total 4 (a+b)	**1239580**	**30.99**			1040000	26	199580*	4.99*
GRAND TOTAL (1+2+3+4)	**4000000**	**100.00**					**4000000**	**100**

*The Post Offer public shareholding has been prepared assuming tender and acceptance of entire offer size of 26%.

There are 2681 Shareholders under the public category as on October 10, 2014.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

Direct Acquisition

6.1.1. The Equity Shares of the Target Company are listed on BSE and BgSE. The Equity Shares are placed under Group 'T' having a Scrip Code of "517397" & Scrip Id: PANELEC on BSE.

6.1.2. Based on the information available on the website of BSE, the Equity Shares of the Target Company are infrequently traded on BSE in terms of Regulation 2(1) (j) of SEBI (SAST) Regulations.

6.1.3. The trading turnover of the Equity Shares of the Target Company on the Stock Exchanges based on the trading volumes for the period from October 01, 2013 to September 30, 2014 (12 calendar months preceding the calendar month in which PA is made) are set forth below:

Stock Exchanges	No. of Equity Shares traded	Total No. of Listed Equity Shares	Trading Turnover as a % total Listed Equity Shares
BSE	26,462	40,00,000	0.66%
BgSE	Nil	40,00,000	Nil

(Source BSE website)

6.1.4. Since the Equity Shares of PEIL have not been frequently traded at the Stock Exchanges during the 12 calendar months preceding the month in which the PA has been issued, the Offer Price has been determined taking into account, the following parameters, as set out under Regulation 8(2) of the SEBI (SAST) Regulations:

Sr. No.	Particulars	Rs.
A.	Negotiated Price per share under the Share Purchase Agreement	7.50
B.	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA.	7.51
C.	The highest price paid or payable for any acquisition, whether by the Acquirer or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA.	7.52
D.	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of Public Announcement as traded.	Not Applicable
E.	The price determined by taking into account valuation parameters viz. Net Asset value, Price Earning Capacity Value, Average Market Price and such other parameters as are customary for valuation of shares of such companies which are not frequently traded.	7.88

6.1.5. Mr. Jignesh Goradia, Proprietor of Jignesh Goradia & Associates, Chartered Accountants (FRN No. 114719W), Membership No. 48640,having their office at 403, Doshi Mansion, M.G Cross Road No. 3, Kandivali (West), Mumbai – 400 067, Tel. No: 022-28075626, Email: jigneshgoradia_ca@yahoo.com, vide certificate dated October 06, 2014 has valued the Equity Shares of Target Company taking into consideration the Net Asset Value Method (NAV method) (based on market value), Profit Earning Capacity Value Method (PECV Method) and Average Market Price Method. Since, the value as per NAV Method and PECV Method comes to negative, the Fair Value of Rs. 7.88 per equity share has been derived on the basis of Average Market price method considering the monthly average market price (High and Low) of last three years as per the erstwhile CCI guidelines.

6.1.6. In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 7.88 (Rupees Seven and Paise Eighty Eight Only) per Fully Paid up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

6.1.7. There has been no corporate action by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

6.1.8. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer will not be acquiring any Equity Shares of the Target Company after the third Working Day prior to the commencement of the Tendering Period and until the Closure of the Tendering Period.

6.1.9. The Acquirer is permitted to revise the Offer Price upward at any time up to 3 Working Days prior to the commencement of the Tendering Period of this Offer in accordance with the Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such upward revision in the Offer Price, the Acquirer shall make further deposits into the Escrow Account, make a public announcement in the same newspapers where the original Detailed Public Statement has been published and simultaneously inform BSE, BgSE, SEBI and Target Company at its registered office of such revision.

6.1.10. As on the date of this Draft Letter of Offer, there is no revision in the Offer Price or to the Offer Size.

6.1.11. Where the Acquirer acquires any Equity Shares or Voting Rights of the Target Company during the period of twenty-six weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer will pay the difference between the highest acquisition price and the Offer Price, to all the Shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition in terms of Regulation 8(10) of the SEBI (SAST) Regulations. However, no such difference will 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 in any form.

6.1.12. There is no non-compete agreement and hence no non-compete fee has been paid.

6.1.13. The Acquirer has not acquired any Equity Shares of the TC from the date of PA up to the date of this Draft Letter of Offer.

6.2. **Financial Arrangement**

6.2.1. The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition up to 10,40,000 Fully Paid Up Equity Shares at Rs. 7.88 (Rupees Seven and Paise Eighty Eight Only) per Fully Paid Up Equity Share is Rs. 81,95,200/- (Rupees Eighty One Lakhs Ninety Five Thousand Two Hundred Only).

6.2.2. In accordance with Regulation 17 (1) of the SEBI (SAST) Regulations, the Acquirer has opened a "Cash Escrow Account" in the name and style of "**PEIL Open Offer- Escrow Account**" bearing Account No. 00600350131764 , with HDFC Bank Limited, having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 acting through its Fort Branch, (hereinafter referred to as "**Escrow Bank**") and made a cash deposit of Rs. 81,95,200/- (Rupees Eighty One Lakhs Ninety Five Thousand and Two Hundred Only) being 100% of the Maximum Consideration payable under this offer assuming full acceptance.

6.2.3. A lien has been marked on the said Escrow Account in favour of the Manager to the Offer by the Escrow Bank. The Manager to the Offer has been solely authorized by the Acquirer to operate and realize the monies lying to the credit of the said Cash Escrow Account in terms of the SEBI (SAST) Regulations.

6.2.4. In case of any upward revision in the Offer Price or the Offer Size, the cash escrow amount shall be increased by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

6.2.5. The Acquirer has made firm financial arrangements for fulfilling the payment obligations under this Offer in terms of Regulation 25 (1) of the SEBI (SAST) Regulations and the Acquirer is able to implement this Offer. The Acquirer proposes to fund the Offer out of his internal accruals.

6.2.6. Mr. M.S. Sundar (Membership No.045084), Proprietor of M/s. M. Shanmuga Sundar & Co., Chartered Accountants (FRN 112086S) having office at G.K Complex, 1st Floor, No. 33, Ibrahim Saheb Street, Bangalore, 560 001, Mobile No.: 93412 27241, Email:radnus4@gmail.com has certified vide certificate dated October 06, 2014, that the Acquirer has adequate financial resources and firm financial arrangements are made by him out of his personal resources and business income to meet the obligations under the Offer.

6.2.7. On the basis of the aforesaid financial arrangements and the Chartered Accountant's certificate, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, as firm financial arrangements for payment through verifiable means are in place to fulfill the obligations of the Acquirer under this Offer.

7. TERMS AND CONDITIONS OF THIS OFFER

7.1. Operational Terms and Conditions

The Offer will be made to all the Shareholder(s) (other than the promoters and parties to the SPA) whose names will appear in the register of shareholder(s) on November 19, 2014 (**"Identified Date"**) and also to those persons who own shares any time prior to the Closure of Tendering Period, but are not registered Shareholder(s).

7.2. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all those Shareholder(s) of the Target Company (other than the promoters, and parties to the SPA) whose name appear on the Register of Members of the Target Company at the close of business hours on November 19, 2014 (**"Identified Date"**) and also to those persons who own shares any time prior to the Closure of the Tendering Period, but who are not registered Shareholder(s).

7.3. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer 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 Closure of the Tendering Period.

7.4. All owners of the shares, registered or unregistered (other than the promoters and parties to the SPA), who own the shares any time prior to the Closure of the Tendering Period are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address (es) of joint holder(s) if any, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

7.5. Accidental omission to dispatch this Letter of Offer or the non-receipt or delayed receipt of this Letter of Offer will not invalidate the Offer in anyway.

7.6. Subject to the conditions governing this Offer, as mentioned in the Letter of Offer, the acceptance of this Offer by the Shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.7. The Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are free and clear from all liens, charges and Encumbrances. The Acquirer shall acquire the Equity Shares that are validly accepted in this Offer, together with all rights attached thereto, including the right to dividend, bonus and rights offer declared thereof.

7.8. The Form of Acceptance and instructions contained therein constitute an integral part of this Letter of Offer.

7.9. The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form-cum-Acknowledgment duly filled in, signed by the applicant Shareholder(s), which should be received by the Registrar to the Offer at the address mentioned in paragraph 8.3 below during business hours (i.e. between 11:00 am to 5:00 pm) on or before the Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgment or if any condition is inserted therein by the Shareholder, the Acquirer reserves the right to reject the acceptance of this Offer by such Shareholder.

7.10. Each Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer

7.11. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (One).

7.12. There are no locked-in shares in the Target Company.

7.13. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 (1) of the SEBI (SAST) Regulations. The Acquirer will acquire all the fully paid-up equity shares of the Target Company that are validly tendered and accepted in terms of this Offer upto 10,40,000 fully paid-up equity shares of Rs.10/-each representing 26% of the fully paid-up share capital and voting capital of the Target Company. Thus, the Acquirer will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the equity shares of the Target Company for which this Offer is made.

7.14. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.15. The Shareholders who have accepted this Offer by tendering their Equity Shares and requisite documents in terms of the PA, DPS and this Letter of Offer, are **not** entitled to withdraw such acceptance during the Tendering Period for this Offer in terms of the Regulation 18(9) of the SEBI (SAST) Regulations.

7.16. In the event that 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 proportionate basis.

7.17. All the 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 lodgment of the Form of Acceptance and other relevant particulars.

7.18. Neither the Acquirer nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, share certificate(s), share transfer deed(s) and/or other documents.

7.19. **Statutory & Other Approvals:**

7.19.1. As on the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to acquire the Equity Shares of the Target Company that may be tendered pursuant to the Offer. If any other statutory approval becomes applicable at a later date during the Offer Period, the Offer would be subject to such statutory approvals. The Acquirer will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 18(11) read with Regulation 23(1)(a) of the SEBI (SAST) Regulations. The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

7.19.2. The Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) need to comply with applicable laws.

7.19.3. As on the date of this Draft Letter of Offer, no approval from any bank/ financial institution is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.

7.19.4. In case of delay in receipt of any statutory approval which may be required by the Acquirer at a later date, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 10 Working Days at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all the Shareholders of the Target Company, (who have validly tendered their Equity Shares under the Offer and whose Equity Shares have been validly accepted in this Offer), the Acquirer will have the option to pay consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Offer as directed by SEBI, in terms of Regulation 18(11) of SEBI (SAST) Regulations.

7.19.5. Shareholder(s) should note that Shareholder(s) who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period even if the acceptance of Equity Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

7.19.6. The Acquirer will have the right to withdraw this Offer in accordance with Regulation 23 of SEBI (SAST) Regulations, in the event the statutory approvals (as mentioned in para 7.19.1.above) are refused for any reason beyond the reasonable control of the Acquirer. In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspaper in which the DPS has been published and such public announcement will also be sent to BSE, BgSE, SEBI and the Target Company at its registered office.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

8.1. This Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be mailed to the Shareholders (other than the promoters, and parties to the SPA), whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective Depositories, as of the close of business day on November 19, 2014 i.e. the Identified Date.

8.2. The Shareholders can also download this Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI website at www.sebi.gov.in.

8.3. The Shareholders who wish to accept this Offer can hand-deliver the Form of Acceptance-cum-Acknowledgement along with the other documents required to accept this Offer, at the collection center mentioned below so as to reach the Registrar to the Offer during business hours (i.e. between 11.00 am to 5.00 pm) on all Working Days during the Tendering Period on or before Tuesday, December 16, 2014 i.e., Closure of the Tendering Period, in accordance with the procedure as set out in this Letter of Offer:

Collection Centre	Address of Collection Centre	Contact Person	Telephone No. / Fax no.	Mode of Delivery
Integrated Enterprises (India) Limited	30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003	Mr. S. Vijaya Gopal (Compliance Officer)	**Tel.No.** (080) 23460815 to (080) 23460818 **Fax No.** (080) 23460819	Any mode i.e. Courier, Post, Hand Delivery etc.

The center mentioned above will remain open on all the Working Days (Monday to Saturday) during business hours between 11.00 am to 5.00 pm (except public holidays).

8.4. **The Equity Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer or the Target Company.**

8.5. Applicants who cannot hand deliver their documents at the collection center referred to above, may send the same by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: **Integrated Enterprises (India) Limited**, **Unit: PAN Electronics (India) Limited – Open Offer, at 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003, Contact Person: Mr. S. Vijaya Gopal**, so as to reach the Registrar to the Offer on or before 5:00 pm on December 16, 2014 i.e. Closure of the Tendering Period.

8.6. **<u>Shareholders who are holding Equity Shares in physical form:</u>**

8.6.1. The Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer will be required to duly complete, sign and send the Form of Acceptance-cum-Acknowledgement in accordance with the instructions contained therein, by sole/joint Shareholders whose name(s) appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer. Original equity share certificate(s) and valid transfer deed(s), duly completed and signed, in accordance with the instructions specified in this Draft Letter of Offer and the Form of Acceptance-cum-Acknowledgement along with self attested copy of PAN Card of all the transferors are required to be submitted.

8.6.2. Valid transfer deed(s) should be duly signed as transferor(s) by the sole/joint Shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. The transfer deed(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (thumb impressions, signature difference, etc.) should be done 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 or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor’s bank.

8.6.3. 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 or are not in the same order, such Equity Shares are liable to be rejected in this Offer.

8.6.4. For Equity Shares held in physical mode by resident Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement, but receipt of other documents including the original share certificates, valid share transfer deeds and self attested copy of PAN card , before the Closure of the Tendering Period, the Acquirer may, at its sole discretion, deem the Equity Shares to have been accepted under the Open Offer.

8.7. **Shareholders who are holding Equity Shares in dematerialized form**

8.7.1. Beneficial owners (holders of Equity Shares in dematerialized form) who wish to tender their Equity Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counter foil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP, in favour of the Depository Escrow Account. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein, by the sole /joint Shareholder(s) whose name appears in the beneficiary account and in the same order therein. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder of the Equity Shares only.

8.7.2. The Registrar to the Offer has opened a Depository Escrow Account with NSDL in the name of PEIL-OPEN OFFER ESCROW ACCOUNT ("**Depository Escrow Account**").The Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Depository Escrow Account:

Depository Participant	Integrated Enterprises (India) Ltd.
DP ID	IN301313
Client ID	21689970
Account Name	PEIL-OPEN OFFER ESCROW ACCOUNT
Depository	NSDL
ISIN	INE648E01010

8.7.3. It is the sole responsibility of the Shareholders to ensure credit of their Equity Shares in the Depository Escrow Account, on or before 5:00 pm on December 16, 2014, i.e. Closure of the Tendering Period.

8.7.4. The Shareholders having their beneficiary account with Central Depository Services Limited (CDSL) must use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with NSDL.

8.7.5. The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Depository Escrow Account before the Closure of the Tendering Period is liable to be rejected.

8.7.6. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

8.7.7. In case the Equity Shares are held by a company / body corporate, then a certified true copy of a valid board resolution giving authority for tendering of shares in Offer and certified true copy of the Memorandum and Articles of Association of such company / body corporate should also be enclosed.

8.7.8. In case the Equity Shares stand in the name of a sole Shareholder, who is deceased, the notarized copy of the legal representation obtained from a Competent Court.

8.7.9. For Equity Shares held in dematerialized form by resident Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement/photocopy of the delivery instruction/ other documents required, but receipt of the Equity Shares in the Depository Escrow Account before the Closure of the Tendering Period, the Acquirer may, at his sole discretion, deem the Equity Shares to have been accepted under the Open Offer.

8.8. **Shareholders who have sent their Equity Shares for dematerialization:**

8.8.1. The Shareholders who have sent their Equity Shares for dematerialization, who wish to tender their

Equity Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Shareholder's DP, in accordance with the instructions mentioned in paragraph 8.11 below. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein by the sole/ joint Shareholder(s) whose name appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.

8.8.2. Such Shareholders need to ensure that the process of getting their Equity Shares dematerialized is completed in time for the credit in the Depository Escrow Account, to be received on or before 5:00 pm on December 16, 2014, i.e. Closure of the Tendering Period, or else their application will 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 equity share certificate(s) in this Offer as per the procedure mentioned in paragraph 8.6 above.

8.8.3. In case the Shareholder has already sold his Equity Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold. In case the shares were sold directly, this document may be forwarded to the purchaser of Equity Shares.

8.9. Unregistered Shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number, together with the original equity share certificates, valid transfer deed(s) and the original contract note(s) issued by the broker through whom they acquired their Equity Shares, either by hand delivery or by registered post, so that the same are received on or before 5:00 pm on December 16, 2014 i.e. Closure of the Tendering Period. Valid share transfer deed(s), as received from the market, duly executed in favour of the unregistered owner(s) as the proposed transferee(s) along with self attested copy of PAN card of all the transferees, should be submitted along with the application. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance. An additional valid share transfer deed should be duly signed by the unregistered owner(s) as transferor(s) by the sole/ joint Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done 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 or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank. No indemnity is required from the unregistered Shareholders. In case the equity share certificate(s) and the transfer deed(s) are lodged with the Target Company/ its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/ its transfer agents, of the equity share certificate(s) and the transfer deed(s). The Shareholders should ensure that the equity share certificate(s) and above documents reach the designated collection centre on or before 5:00 pm on December 16, 2014 i.e. Closure of the Tendering Period.

8.10. The Shareholders should also provide all relevant documents, which are necessary to ensure transfer of the Equity Shares in respect to which the application is being sent. Such documents may include, but are not limited to:

- Duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single Shareholder) if the original Shareholder is no more;
- Duly attested power of attorney if any person apart from the Shareholder has signed the application form and/or transfer deeds;
- In case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;
- banker's certificate certifying inward remittances of funds for acquisition of Equity Shares; and
- any other relevant documents.

8.11. In case of non-receipt of the Letter of Offer, the eligible persons may send their acceptance to this

Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 5:00 pm on December 16, 2014 i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in **"Off-market"** mode or counterfoil of the delivery instruction slip-in **"Off-market"** mode, duly acknowledged by the DP, in favour of the Depository Escrow Account, so as to reach the Registrar to the Offer, on or before 5:00 pm on December 16, 2014, i.e. Closure of the Tendering Period. In case of physical Equity Shares, original equity share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of the Equity Shares. Shareholders who have sent their Equity Shares for dematerialization/ re-materialization need to ensure that the process of getting Equity Shares dematerialized/ rematerialized is completed well in time so that the credit in the Depository Escrow Account is received or physical equity share certificates are received by the Registrar to the Offer on or before 5:00 pm on December 16, 2014, i.e. Closure of the Tendering Period, else their application would be rejected.

8.12. If the Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the Foreign Investment Promotion Board (**"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 accept this Offer. If, the Equity Shares are held under general permission of the RBI, then non-resident Shareholders should state that the Equity Shares are held under general permission and whether on repatriable or non-repatriable basis. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

8.13. In case of delay in receipt of any statutory approval, which may be required by the Acquirer at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 10 Working Days at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all the Shareholders, of the Target Company, (who have validly tendered their Equity Shares under the Offer and whose Equity Shares have been validly accepted in this Offer) the Acquirer will have the option to pay consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

8.14. Equity Shares that are subject to any charge, lien or Encumbrance are liable to be rejected in this Offer. Applications in respect of the Equity Shares that are the subject of litigation, where in the Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/ orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. This Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

8.15. The Registrar to the Offer will hold in trust the Equity Shares held in physical form and in credit of the Depository Escrow Account, the Form of Acceptance-cum-Acknowledgement, if any, the transfer form(s) and other documents submitted on behalf of the Shareholders whose Equity Shares have been validly accepted in this Offer, till completion of formalities relating to this Offer. In case of Equity Shares tendered in physical form, where the original equity share certificates are required to be split, all the documents will be returned only upon receipt of the equity share certificates from the Target Company.

8.16. If the aggregate valid responses to this Offer by the Shareholders are more than the Equity Shares agreed to be acquired in this Offer, then the offers received from the Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of the Equity Shares from a Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 1 (One) Equity Share.

8.17. Unaccepted equity share certificates, transfer deeds and other documents, if any, will be returned by registered/ speed post at the Shareholders'/ unregistered Shareholders' sole risk to the sole/ first Shareholder. The unaccepted Equity Shares held in dematerialized form will be credited back to the same account from which they were tendered. It will be the responsibility of the Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. The Shareholders holding the Equity Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. It is advised that the demat account is maintained till the completion of the formalities relating to this Offer.

8.18. Payment to those Shareholders whose Equity Shares and other documents are found valid and in order and are approved by the Acquirer, will be by way of a bankers' cheque/ 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 dematerialized form, the bank account details as obtained from the beneficiary position 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 decision 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 or by ordinary post as the case may be, at the Shareholder's 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.

[Dispatches involving payment of value in excess of Rs. 1,500 will be made by registered/speed post at the Shareholder's sole risk. All other dispatches will be made by ordinary post at the Shareholders' sole risk]

8.19. The Acquirer shall complete all procedures relating to the Offer including payment of consideration to the Shareholders by December 31, 2014. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Shareholders of the Target Company, (who have validly tendered their Equity Shares under the Offer and whose Equity Shares have been validly accepted in this Offer) as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations.

8.20. 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 Shareholder's sole risk.

8.21. All bankers' cheques/ 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.

8.22. **Compliance with Tax requirements**:

8.22.1 As per the provisions of Section 195(1) of the Income Tax Act, 1961 ("**Income Tax Act**"), read with part II of the First Schedule of the Finance Act, 2014, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable to the Shareholders whose Equity Shares are validly accepted in this Offer would be chargeable to capital gains under Section 45 of the Income Tax Act or as business profits, as the case may be, the Acquirer is required to deduct taxes at source(including surcharge and education cess).

8.22.2 In view of provisions of Section 206AA of Income Tax Act, resident and Non-Resident Shareholders (including FIIs) are required to submit their PAN. In case PAN is not submitted or is invalid or does not belong to the Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% or at the rate in force or at the rate specified in the relevant provisions of the Income Tax Act, whichever is higher. Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.

8.22.3 Any Shareholder claiming benefit under any Double Taxation Avoidance Agreement ("**DTAA**") between India and any other foreign country should furnish 'Tax Residence Certificate' provided to him /it by the income tax authority of such other foreign country of which he/it claims to be a tax resident along with a self declaration in Form 10F as prescribed under Rule 21AB of the Income Tax Rules, 1962.

8.22.4 All Non-Resident Shareholders, who desire that no tax should be deducted at source or tax should be deducted at lower rate or on lesser amount, shall be required to submit certificate from the income tax authorities under Section195(3) of the Income Tax Act or Section197 of the Income Tax Act, as applicable along with the Form of Acceptance-cum-Acknowledgement indicating the extent to which the tax is required to be deducted at source by the Acquirer before remitting the consideration to the Shareholders whose Equity Shares have been validly accepted in this Offer. The Acquirer will arrange to deduct taxes at source in accordance with such certificate. In absence of such certificate under Section 195(3) or 197, 8.22.5 below will apply.

8.22.5 In absence of such certificate, the Acquirer will arrange to deduct tax at the applicable rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act, on the entire gross consideration and interest if any, payable to such Shareholder.

8.22.6 In case of an individual Non-Resident Shareholder, who is either a citizen of India or a person of Indian origin, who has himself/herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under this Offer, the applicable rate of tax deduction at source would be 10% plus applicable surcharge and cess on the entire gross consideration paid to such Shareholder.

However, to be eligible for this lower rate of tax deduction at source, the Shareholder will have to furnish a copy of his/her demat account statement clearly reflecting the fact that Equity Shares held in that account are in repatriable mode. Further, the copy of the demat account statement should also reflect that the Equity Shares were held for more than 12 months prior to the date on which the Equity Shares, if any, are validly accepted under this Offer.

8.22.7 As per provisions of section 196D(2) of the Income Tax Act, no deduction of tax at source will be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act to an FII.

8.22.8 A FII should certify (**"FII Certificate"**) the nature of its income arising from the sale of the Equity Shares as per the Income Tax Act (whether capital gains or otherwise)by tick marking on the appropriate option provided in the Form of Acceptance-cum-Acknowledgement for this purpose. In the absence of FII Certificate to the effect that their income from sale of Equity Shares is in the nature of capital gains, the Acquirer will deduct tax at the maximum rate applicable to the category to which such FII belongs (i.e. a company or a trust) on the entire consideration payable to such FII. In any case, if the FII submits a certificate under Section 195(3) or Section197 of the Income Tax Act from the income tax authorities while tendering the Equity Shares, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, the Acquirer will deduct tax in accordance with the same.

8.22.9 In respect of interest income, if the FII submits a certificate under Section 195(3) or Section 197 from the income-tax authorities indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, the Acquirer will deduct tax in accordance with the certificate under Section 195(3) or Section197 so submitted. In absence of such certificate under Section 195(3) or Section 197 of the Income Tax Act, the Acquirer will arrange to deduct tax at the rate applicable to the category to which such FII belongs (i.e. a company or a trust).

8.22.10 In absence of any specific provision under the Income Tax Act, the Acquirer will not deduct tax on the consideration payable to resident Shareholders for acquisition of Equity Shares. Shareholders are liable to pay tax according to the applicable tax rate depending on the head of income under which it is charged (capital gain or business profit).

8.22.11 The Acquirer will deduct the tax at the stipulated rates on interest, if any, payable to resident Shareholders, if the amount of interest payable is in excess of Rs. 5,000.

The resident Shareholder claiming that no tax is to be deducted or tax to be deducted at a lower rate on interest amount, should submit along with the Form of Acceptance-cum-Acknowledgement, a certificate under Section197 of the Income Tax Act from the income-tax authorities indicating the amount of tax to be deducted by the Acquirer or, in the case of resident Shareholder not being a company or firm, a self declaration in Form 15G or Form 15H, as may be applicable. The self declaration in Form 15G or Form 15H would not be valid unless the Shareholder furnishes PAN in such declaration. In case the aforesaid certificate under Section197 of the Income Tax Act or Form 15G or 15H, if applicable, is not submitted, the Acquirer will arrange to deduct tax at the rate, as may be applicable to the category of the Shareholder under the Income Tax Act.

9. DOCUMENTS FOR INSPECTION

The Following documents are available for inspection to the Shareholders of the Target Company at the corporate office of the Manager to the Offer situated at 607, 608, Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai- 400 013, Maharashtra, India during the Tendering Period from Monday to Friday except SEBI Holidays between 10.00 A.M. to 5.00 p.m.

9.1. Certificate of Incorporation, Memorandum of Association and Articles of Association of PAN Electronics (India) Limited.

9.2. Audited Annual Reports of the TC for the financial years ended on March 31, 2012, March 31, 2013, March 31, 2014 and unaudited financials for the 3 months period ending on June 30, 2014 (being subject to limited review by the statutory auditor of TC).

9.3. Net worth Certificate of the Acquirer and certificate issued by Chartered Accountant dated October 06, 2014 certifying that the Acquirer has firm and adequate financial resources to meet the financial obligations under the Open Offer.

9.4. Copy of the Share Purchase Agreement dated October 07, 2014 entered into between the Acquirer and the Sellers.

9.5. Copy of Public Announcement dated October 07, 2014 and published copy of the Detailed Public Statement dated October 14, 2014.

9.6. Certificate from HDFC Bank Ltd. confirming the amount kept in Escrow Account opened as per the Regulations and a lien is marked in favour of Manager to the Offer.

9.7. Copy of the recommendation made by the Target Company's Committee of Independent Directors, as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.

9.8. Copy of the letter received from SEBI dated [●] 2014 containing its comments on this Draft Letter of Offer in terms of provisions of Regulation 16(4) of SEBI (SAST) Regulations.

9.9. Copy of share valuation certificate from Chartered Accountant dated October 07, 2014 stating the value of per Equity Share of PEIL is Rs. 7.88 (Rupees Seven and Paise Eighty Eight only).

9.10. Copy of Due Diligence Certificate given by Vivro Financial Services Private Limited, Manager to the Offer dated October 21, 2014.

9.11. Copy of Memorandum of Understanding dated May 24, 2014 entered into between the Acquirer and Integrated Enterprises (India) Limited and PAN Electronics (India) Limited to act as the Registrar to the Offer and share transfer agent for the purpose of this Offer.

9.12. Copy of the Escrow Agreement dated October 07, 2014 entered into amongst the Acquirer, Manager to the Offer and the Escrow Bank.

10. DECLARATION BY THE ACQUIRER.

10.1. The Acquirer accepts full responsibility for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations and for the information contained in this DLOF. All information pertaining to the Target Company in this Draft Letter of Offer has been obtained from publicly available sources.

10.2. The Acquirer shall be responsible for ensuring compliances with the provisions of the SEBI (SAST) Regulations for obligations laid down in the SEBI (SAST) Regulations.

10.3. The Manager to the Offer hereby states that the person signing this Draft Letter of Offer is the Acquirer / duly authorized person to sign this Draft Letter of Offer.

Signed by

Gullu Gellaram Talreja
Acquirer

Date: October 21, 2014
Place: Bengaluru

Encl.: Form of Acceptance-Cum-Acknowledgement
Share transfer form (only to Shareholders holding Equity Shares in physical form)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(*Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Registrar to the Offer i.e. Integrated Enterprises (India) Limited at the address as mentioned in the Letter of Offer)*

(All terms and expression used herein shall have the same meaning as described thereto in Letter of Offer and please read the instructions mentioned below before filling in this form of acceptance.)

Opens on:	Wednesday, December 03, 2014
Closes on:	Tuesday, December 16, 2014

FOR OFFICE USE ONLY

Acceptance Number	
Number of equity shares offered	
Number of equity shares accepted	
Purchase Consideration in Rupees (₹)	
Cheque No. / Pay Order No. / Demand Draft No.	

Shareholder(s) Details

Name:___________________________

Address: ____

____

State_________________________________**Pin Code :**____

Tel No: (_____) ___________ Fax No.: (_____) ____________E-mail: _________________

To,

Integrated Enterprises (India) Limited

30, Ramana Residency, 4th Cross,

Sampige Road, Malleswaram,

Bangalore - 560 003.

Re: <u>Open Offer to acquire up to 10,40,000 Equity Shares of Rs. 10/- each, representing 26% of the Issued, Subscribed and Paid Up Equity Share Capital having Voting Rights of PAN Electronics (India) Limited("PEIL" or the "Target Company" or "TC") at a price of Rs. 7.88 (Rupees Seven and Paise Eighty Eight Only) per Equity Share ("Offer Price") payable in cash by Mr. Gullu Gellaram Talreja (The "Acquirer") under SEBI (SAST) Regulations.</u>

Dear Sir/ Madam

1. I/ We refer to the Letter of Offer dated October 21, 2014 constituting an Offer for acquiring the Equity Shares held by me/ us in PEIL**.**
2. I/We, the undersigned have read the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.
3. I / We, unconditionally offer to sell to the Acquirer the following Equity Shares in PEIL held by me / us, at a price of Rs.7.88 (Rupees Seven and Paise Eighty Eight Only) per Fully Paid-Up Equity Share.

FOR EQUITY SHARES HELD IN PHYSICAL FORM:

4. I/ We, holding Equity Shares in physical form, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/ our shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s) From	To	No. of Equity Shares
Total number of certificate(s)			**Total number of Equity Shares**		

(In case of insufficient space, please use additional sheet and authenticate the same)

5. I/ We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/ us by the Registrar to the Offer, on behalf of the Shareholders who have accepted this Offer, till completion of formalities relating to this Offer. I/We also note and understand that the consideration will be paid only to those Shareholders whose Equity Shares are validly accepted in this Offer, in accordance with the terms of the Letter of Offer.

Enclosures: (√ whichever is applicable)

- 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)
- Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorized signatories
- Duly attested death certificate and succession certificate / probate / letter of administration (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)

FOR EQUITY SHARES HELD IN DEMATERIALIZED FORM

1) I/ We, holding Equity Shares in dematerialized form, accept the Offer and enclose the photo copy or counterfoil of the delivery instruction slip by my/ our DP in respect of my/our Equity Shares as detailed below;

DP Name	DP ID	Client ID	Beneficiary Name	No. of Shares

2) I/ We have executed an "Off-market" transaction for crediting the Equity Shares to the special Depository Escrow Account Integrated Enterprises (India) Ltd. as the DP in NSDL styled as:

Depository Participant (DP) Name	INTEGRATED ENTERPRISES (INDIA) LTD
Depository Participant (DP) ID	IN301313
Client ID Beneficiary Account No.	21689970
Escrow Account Name	PEIL - OPEN OFFER ESCROW ACCOUNT
Depository	NSDL
ISIN	INE648E01010
Market	Off - Market

Note: Shareholders having their beneficiary account with Central Depository Services Limited (CDSL) must use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with NSDL.

3) I/We note and understand that the shares would lie in the Depository Escrow Account until the time the Acquirer dispatch the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

4) I/We confirm that the Equity Shares of PEIL, which are being tendered herewith by me/us under the Offer, are free from liens, charges and Encumbrances of any kind whatsoever. I/We are not debarred from dealing in shares.

5) I/We authorize the Acquirer to send by registered post as may be applicable at my/our risk, crossed account payee cheques/ demand drafts/ NEFT/ RTGS/ Direct Credit/ National Electronic Clearance Service, 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 above.

6. In case I/We have tendered my Equity Shares in dematerialized form, I/We authorize the Acquirer and 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 Depository Participant for the purpose of mailing the aforementioned instruments.

7. I/We authorize the Acquirer to accept the Equity Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorize the Acquirer to return to me/us, share certificate(s)/shares in respect of which the Offer is not found valid/not accepted.

8. I/We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of shares that it may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirer to split / consolidate the share certificates comprising the shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

9. **Bank Details**
   So as to avoid fraudulent encashment in transit, Shareholder(s) should provide details of bank account of the first/sole Shareholder and the cheque or demand draft 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. Please indicate the preferred mode of receiving the payment consideration. (Please (√) tick at appropriate places)
   1. Electronic Mode: ( )　　　　(2) Physical Mode ( )

Sr. No.	Particulars Required	Details
1	Bank Name	
2	Complete Address of the Bank	
3	Account Type	
4	Account No.	
5	9 Digit MICR Code	
6	IFSC Code (for RTGS/ NEFT transfers)*	

**With IFSC code please attach a cancelled cheque*

Yours faithfully,

Signed and delivered by	Full Name (s) of the Shareholder(s)	Signature (s)
First / Sole Holder		
1st Shareholder		
2nd Shareholder		
3rd Shareholder		

Note: In case of joint holdings, all Shareholders must sign. In case of body corporate, the rubber stamp should be affixed and necessary board resolution should be attached.

Place: [●]
Date: [●]

GENERAL INSTRUCTIONS FOR SHAREHOLDERS WHO WISH TO PARTICIPATE IN THE OFFER

Public Shareholders of PEIL, to whom this Offer is being made, are free to Offer his / her / their shareholding in PEIL for sale to the Acquirer in whole or part, while tendering his / her / their Equity Shares in the Offer.

For all Shareholders*

I / We confirm that our residential status for the purposes of tax is: *(Please (•) tick at appropriate places)*

	Resident
	Non-resident. If yes, please state country of tax residency:
I / We confirm that our status is:	
	Individual
	Firm
	Company
	Association of Person / Body of Individual
	Trust
	Any other; please specify:

1. I/We confirm that the Equity Shares of PEIL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.
2. I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/ us by the Registrar to the Offer until the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.
3. I/We note and understand that the Acquirer will pay the consideration only after verification of the documents.
4. I/We note and understand that the Shares would lie in the said A/c. i.e. **"PEIL - OPEN OFFER ESCROW ACCOUNT - Operated by - INTEGRATED ENTERPRISES (INDIA) LTD"** until the Acquirer make payment of the purchase consideration as mentioned in the Letter of Offer.
5. I/We authorize the Acquirer to accept the shares so offered, which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer.
6. I/We confirm that in case of non-receipt of the aforesaid documents, but receipt of the Shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by me/us.
7. I/We further authorize the Acquirer to return to me/us, the Equity Share Certificate(s) in respect of which the offer is not found valid / not accepted, specifying the reasons thereof and in the case of dematerialized shares, to the extent not accepted will be released to my Depository Account at my sole risk.
8. I/We authorize the Acquirer or the Manager to the Offer or the Registrar to the Offer to send by Registered Post / Speed Post, the draft/cheque, in settlement of the amount to the sole/first at the address mentioned above.

For FII Shareholders

I/We confirm that the income arising from the transfer of shares tendered by me/us is in the nature of *(Please (•) tick at appropriate places which are applicable to you)*

	Capital Gains
	Any other Income

I / We have enclosed the following documents

	Self attested copy of PAN card
	SEBI registration certificate for FII (including sub – account of FII)
	Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the FII claims to be a tax resident, along with a self- declaration in Form 10F as provided in Rule 21AB of the Income Tax Rules, 1962, wherever applicable
	Certificate from the Income-tax Authorities under Section 195 (3) / 197 of the I-T Act, wherever applicable
For Non-resident shareholders (other than FII) **I / We, have enclosed the following documents:**	
	Self attested copy of PAN card
	Copy of relevant pages of Demat Account in case of Non-Resident (other than FII) if the equity shares are claimed to have been held for more than twelve months prior to the date of acceptance, if any, of share under the Offer.
	Copy of relevant pages of Demat Account in case of a shareholder claiming benefit in case of an individual non-resident Public Shareholder, who is either a Citizen of India or a person of Indian Origin, who has himself/ herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under the Offer. Also Banker's Certificate related to payment for acquisition of shares in convertible foreign exchange in case shares are held in physical form.
	Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the shareholder claims to be a tax resident along with a self declaration in Form 10F as provided in Rule 21AB of the Income Tax Rules, 1962, wherever applicable
	Certificate from the Income-tax Authorities under Section 195 (3) / 197 of the I-T Act, wherever applicable
For Resident shareholders **I / We, have enclosed the following documents:**	
	Self attested copy of PAN card
	Certificate from the Income-tax Authorities under Section 197 of the I-T Act, wherever applicable.
	Self declaration form in Form 15G / Form 15H, if applicable
	For Mutual fund/Banks/Notified Institution under Section 194A(3)(iii)(f) of the Income Tax Act, 1961, copy of relevant Registration or notification (applicable only for interest payment, if any).

SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE ACCEPTANCE FORMS / SHARES THAT ARE RECEIVED BY THE REGISTRARS AFTER THE CLOSURE OF THE TENDERING PERIOD i.e. AFTER 5.00 P.M. ON DECEMBER 16, 2014 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

ACKNOWLEDGEMENT

For Physical Shares
Received from Mr./Ms./Mrs./M/s.
____
I / We, holding Equity Shares in the physical form, accept the Offer and enclose duly filled signed and or stamped the original share certificate(s), transfer deed(s) and Form of Acceptance in "Off-market" mode, duly acknowledged by me/us in respect of my shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s) From	To	No. of Equity Shares
Total number of certificate(s)			**Total number of Equity Shares**		

For Demat Shares
Received from Mr. / Ms. / Mrs. /
M/s.____
I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No. of Shares

Stamp of Collection Centre	Signature of Official	Date of Receipt

Instructions:

i. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.

ii. The Form of Acceptance cum Acknowledgement should be filled-up in English only.

Note: All future correspondence, if any should be addressed to the Registrar to the Offer quoting your reference Folio No. / DP ID and Client ID

Integrated Enterprises (India) Limited
30, Ramana Residency, 4th Cross,
Sampige Road, Malleswaram,
Bangalore - 560 003.
Tel. No.: 080-23460815 to 080-23460818,
Fax No.: 080-23460819
E-mail ID: irg@integratedindia.in
Website: www.intergratedindia.in