DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 15(2) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011
FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

PARAG FANS AND COOLING SYSTEMS LIMITED

(Regd. Office: Plot No. 1/2B & 1B/3A, Industrial Area No. 1, A.B. Road, Dewas-455 001, Madhya Pradesh, Tel: +91 7272-425102/4, Fax No.:+91 07272-400273, E-mail: info@paragfans.com, Website: www.paragfans.com)

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

OPEN OFFER FOR ACQUISITION OF 907,712 (NINE LAKH SEVEN THOUSAND SEVEN HUNDRED AND TWELVE) EQUITY SHARES FROM SHAREHOLDERS OF PARAG FANS AND COOLING SYSTEMS LIMITED (HEREIN AFTER REFERRED TO AS "TARGET COMPANY" OR "TC" OR "PFCSL") BY MR. SANDEEP BADJATIA AND M/S IMPACT PROJECTS AND CONSULTANTS PRIVATE LIMITED (FORMERLY M/S B3 PROJECTS & CONSULTANTS PRIVATE LIMITED) (HEREIN AFTER REFERRED TO AS "THE ACQUIRERS").

This Detail Public Statement ("**DPS**") is being issued by **BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED** ('**BCFSL**' **or Manager to the Offer**), on behalf of Mr. Sandeep Badjatia And M/S Impact Projects And Consultants Private Limited) (herein after referred to as "**The Acquirers**") pursuant to and in compliance with Regulation 13(4) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto **("SEBI (SAST) REGULATIONS" or "REGULATIONS" or "TAKEOVER REGULATIONS")** pursuant to the Public Announcement ("**PA**") filed on December 13, 2012 (Thursday) with Madhya Pradesh Stock Exchange Limited ("**MPSE**"), Ahmedabad Stock Exchange Limited ("**ASE**"), Jaipur Stock Exchange Limited ("**JSE**"), Madras Stock Exchange Limited ("**MSE**"), with Securities and Exchange Board of India (**SEBI**) and the Target Company in terms of Regulations 3(1) & 4 of the SEBI (SAST) Regulations, 2011.

I. THE ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER:

A. INFORMATION ABOUT THE ACQUIRERS.

A1. INFORMATION ABOUT MR. SANDEEP BADJATIA ("ACQUIRER 1" OR "MR. BADJATIA"):

1. Mr. Sandeep Badjatia, aged 47 years, S/o Mr. Surendra Kumar Badjatia is residing at 102, Omshree Apartments, Dharampeth Extn, Nagpur 440 010, Maharashtra ,Tel. No. +91 712 6616125; Email: sandeep@impactgroupindia.com.
2. Mr. Sandeep Badjatia is a Mechanical Engineer by qualification and obtained BE from Bhopal University.
3. Mr. Sandeep Badjatia is having experience of almost 25 years in engineering industry as an entrepreneur.
4. Mr. Sandeep Badjatia is holding a Permanent Account Number (PAN) ABUPB3068N.
5. The Networth of Mr. Sandeep Badjatia as on 15th December, 2012 is ₹ 30,733,685.03 [Indian Rupees Three Crores Seven Lakhs Thirty Three Thousand Six Hundred Eighty Five and Paise Three Only] and the same is certified by Mr. Viren Gijare, Chartered Accountant (Membership No. 119005) Partner of G. P. Deodhar & Co., Chartered Accountants (F.R.N: 102264W) having their office at 105 & 106 Crystal Plaza, 276, Central Bazar Road, Near Krims Hospital, Ramdaspeth, Nagpur-440 010, Tel. No. +91 0712 2437203/6617273; Email: girishdeodhar58@gmail.com vide certificate dated 15th December, 2012.
6. Mr. Sandeep Badjatia has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
7. Mr. Sandeep Badjatia has promoted M/S Impact Projects And Consultants Private Limited, Impact Fans & Cooling Systems Limited, AB IT Education Private Limited and Steklo Abresist Private Limited and holds directorship in all the said companies. These Companies have not been prohibited by SEBI from dealing in Securities, in terms of directions issued under SEBI Act, 1992, as amended or under any other Regulation made under the Act.
8. Mr. Sandeep Badjatia is related to the Target Company, as the Managing Director of the Target Company and holds 465,835 equity shares constituting 13.34% of the fully paid equity shares of the Target Company.
9. Mr. Sandeep Badjatia had acquired 365,000 equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the PA and this Detailed Public Statement. Save and except this, he has signed the SPA dated 13th December, 2012 with one of the shareholders named Mr. Liju Sadasivan of the Target Company (the "**Seller**") to acquire 581,155 equity shares constituting 16.64% of the fully paid equity shares of the Target Company.
10. Mr. Sandeep Badjatia has not entered into any non-compete arrangement and/or agreement with the Seller.
11. There is no Person Acting in Concert ("**PAC**") along with Mr. Sandeep Badjatia except for Acquirer 2 as stated below.
12. Mr. Sandeep Badjatia holds 465,835 fully paid equity shares in the Target Company as on the date of PA as mentioned in paragraph A1.(8) & A1.(9) above and he has complied with chapter - II of SEBI (SAST) Regulations 1997 and Chapter V of SEBI (SAST) Regulations, 2011.
13. Mr. Sandeep Badjatia undertakes that he will not sell the equity shares of the Target Company held by him during the "**Offer Period**" in terms of Regulation 25(4) of the Regulations.

A2. INFORMATION ABOUT M/S IMPACT PROJECTS AND CONSULTANTS PRIVATE LIMITED (FORMERLY M/S B3 PROJECTS & CONSULTANTS PRIVATE LIMITED) ("ACQUIRER 2" OR "IPCPL"):

1. IPCPL was incorporated under the Companies Act, 1956, as M/s B3 Projects & Consultants Private Limited on August 06, 2007 as a Private Limited Company with the Registrar of Companies, Gwalior, Madhya Pradesh vide Registration No. 172865. Thereafter the name of the company was changed to M/S Impact Projects And Consultants Private Limited and consequently obtained a fresh certificate on June 26, 2012. Presently the Registered Office of the company is situated at 102, Omshree Apartment, 264, Dharampeth Extension, Nagpur- 440010; Tel No: +91-712-3266125/6; Fax No. +91-712-6616125; Email id: info@impactgroupindia.com.
2. As per Memorandum of Association ("**MOA**") of IPCPL, the main object of the company is to carry on the business of developing, maintaining and operating any infrastructure facility including roads; bridges rail systems, highway projects, airports etc.
3. The Permanent Account Number (PAN) of the company is AADCB3537F.
4. The present authorized share capital of the Company is ₹ 100,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Face Value of ₹ 10/- each. The issued, subscribed and paid up capital of the Company as on the date of this DPS comprises of 10,000 (Ten Thousand) fully paid up equity shares of ₹ 10/- each aggregating ₹ 100,000/- (Rupees One Lakh Only).
5. The Networth of IPCPL as on September 30, 2012 is ₹ 4,463,696.20 [Indian Rupees Forty Four Lakhs Sixty Three Thousand Six Hundred Ninety Six and Paise Twenty only] as certified by Mr. Viren Gijare, Chartered Accountant (Membership No. 119005) Partner of G. P. Deodhar & Co., Chartered Accountants (F.R.N : 102264W) having their office at 105 & 106 Crystal Plaza, 276, Central Bazar Road, Near Krims Hospital, Ramdaspeth, Nagpur-440 010, Tel. No. +91 0712 2437203/6617273; Email: girishdeodhar58@gmail.com vide certificate dated 15th December, 2012.
6. As on the date of the PA, the Board of Directors of IPCPL consists of the following members:
   - Mr. Sandeep Badjatia
   - Mrs. Anmol Badjatia
7. IPCPL is related to the Target Company, as one of the shareholders of the Target Company and holds 399,035 equity shares constituting 11.43% of the fully paid equity shares of the Target Company.
8. IPCPL has not acquired any equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the PA and this Public Statement. Also IPCPL has not acquired any equity shares through off-market transfer. Save and except this, IPCPL has signed the SPA dated 13th December, 2012 with one of the shareholders named Mr. Liju Sadasivan (the "**Seller**"), of the Target Company to acquire 200,000 (Two Lakhs) equity shares constituting 5.73% of the fully paid equity shares of the Target Company.
9. IPCPL has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
10. IPCPL has not entered into any non-compete arrangement and/or agreement with the Sellers.
11. There is no Person Acting in Concert ("**PAC**") along with the IPCPL except for Acquirer 1 as stated above.
12. IPCPL holds 3,99,035 fully paid equity shares in the Target Company as on the date of PA as mentioned in paragraph A2.(7) above and it has complied with chapter - II of SEBI (SAST) Regulations 1997 and Chapter V of SEBI (SAST) Regulations, 2011.
13. IPCPL undertakes that it will not sell the equity shares of the Target Company held during the "Offer Period" in terms of Regulation 25(4) of the Regulations.

B. INFORMATION ABOUT SELLER; MR. LIJU SADASIVAN ("SELLER" OR "MR. SADASIVAN"):

Name of the Seller*	Address of the Seller	No. & % of Shares/ Voting Rights held before entering the SPA		No. & % of Shares/ Voting Rights sold through SPA	
		No. of Shares	%**	No. of Shares	%**
Mr. Liju Sadasivan	Quarter No. 3B, Type C, Corporation Colony, North Ambazari Road, Nagpur- 440 010.	781,155	22.37%	781,155	22.37%
	Total	**781,155**	**22.37%**	**781,155**	**22.37%**

*The Seller does not form part to current promoter group of the company.

**As a percentage of the present issued equity share capital of the Target Company.

1. Mr. Sadasivan is one of the shareholders of the Target Company. He does not form a part of the Promoter Group.
2. Mr. Sadasivan has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the Securities and Exchange Board of India Act, 1992 as amended (the 'SEBI Act') or under any other regulation made under the SEBI Act.
3. The Manager to the Offer i.e. Birla Capital and Financial Services Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.

C. INFORMATION ABOUT TARGET COMPANY-PARAG FANS AND COOLING SYSTEMS LIMITED ("PFCSL"):

1. The Target Company was incorporated on November 14, 1991 as Parag Enterprises Private Limited, under the Companies Act, 1956 with the Registrar of Companies, Gwalior, Madhya Pradesh and obtained a Certificate of Incorporation bearing number 10 – 06760. Later the Target Company's name was changed to Parag Fans and Cooling Systems Limited vide Certificate dated February 21,1995 issued by Registrar of Companies, Gwalior, Madhya Pradesh. The CIN number of the Target Company is L51102MP1991PLC006760. The Registered Office of the Target Company is located at Plot No. 1/2B & 1B/3A, Industrial Area No. 1, AB Road, Dewas - 455001, Madhya Pradesh, Tel: +91 7272- 425102/4, Fax No.:+91 07272-400273, E-mail: info@paragfans.com, Website: www.paragfans.com.
2. The present authorized share capital of Target Company is divided into 3,500,000 (Thirty Five Lakhs) Equity Shares of Face Value of ₹ 10/- each aggregating to ₹ 35,000,000(Rupees Three Crores Fifty Lakhs Only) and 500,000 (Five Lakhs) Preference Shares of Face Value of ₹ 10/- each aggregating to ₹ 5,000,000 (Rupees Fifty Lakhs Only). The issued, subscribed and paid up capital of the Target Company as on the date of this Public Statement comprises of 3,491,200 (Thirty Four Lakhs Ninety One Thousand Two Hundred) of fully paid up equity shares of ₹ 10/- each aggregating ₹ 34,912,000 (Rupees Three Crores Forty Nine Lakhs Twelve Thousand Only). As on date the Target Company does not have any partly paid Equity Shares. There are no outstanding partly paid Equity Shares or any other instrument convertible into Equity Shares at a future date, except Share Application Money pending Allotment to the tune of ₹ 5,000,000 in the books of the Target Company on the date of this DPS.
3. The Target Company obtained listing of its equity shares on the Madhya Pradesh Stock Exchange Limited (**MPSE**), Ahmedabad Stock Exchange Limited (**ASE**), Jaipur Stock Exchange Limited (**JSE**) and Madras Stock Exchange Limited (**MSE**)**.** The script code and script Id of the listed Equity Shares is 44154 for Ahmedabad Stock Exchange. The script code and script Id for the remaining Stock Exchanges, i.e. MPSE, JSE and MSE is not available.

   The Equity Shares of PFCSL are suspended from trading on all the Stock Exchanges. However, the Company has made an application only to MPSE for revocation of suspension and has paid the listing fee. It is yet to apply for revocation of suspension with other Stock Exchanges as stated above.

   The Equity Shares of PFCSL are not frequently traded shares on MPSE, ASE, JSE and MSE within the meaning of Regulation 2(j) of the SEBI (SAST) Regulations, 2011.
4. The shares of the Company are held by its shareholders in physical form only and the Company is yet to obtain ISIN number for its equity Shares.
5. Brief audited Financial Information of the Target Company for the year ended March 31, 2012, March 31, 2011 and March 31, 2010 are as follows:

(₹ in Lakhs)

Particulars	Financial Year ended on March 31, 2012 (Audited)	Financial Year ended on March 31, 2011 (Audited)	Financial Year ended on March 31, 2010 (Audited)
Total Revenue	813.80	777.39	503.67
Net Income i.e. profit/(loss) after tax	16.90	51.58	1.09
EPS (₹)	0.48	1.48	0.03
Net Worth/Shareholder's Funds	(11.09)	(27.99)	(79.57)

(Source: Certified Annual Reports and financial results)

D. INFORMATION OF THE OPEN OFFER:

1. This Open Offer (the "**Open Offer**") is being made pursuant to 7(6) of the SEBI (SAST) Regulations, 2011, to the Equity Shareholders of Parag Fans and Cooling Systems Limited, (hereinafter referred to as the "**Target Company**" or "**PFCSL**")(except parties to the SPA), by Mr. Sandeep Badjatia and M/S Impact Projects And Consultants Private Limited (Formerly M/s B3 Projects & Consultants Private Limited), hereinafter referred to as the "**The Acquirers**", to acquire up to 907,712 (Nine Lakhs Seven Thousand Seven Hundred & Twelve) Equity Shares of the face value of ₹ 10/- (Rupees Ten Only) each fully paid up representing 26.00% (Twenty Six Percent) of the total paid-up Equity Share Capital of 3,491,200 shares at a price of ₹ 1.00 (Rupee One Only) per fully paid-up Equity Share ("**Offer Price**") payable in cash subject to the terms and conditions mentioned hereinafter.
2. This Offer is being made to all the Equity Shareholders of the Target Company who are members as on January 22, 2013, Tuesday ("**Identified Date**") other than the parties to the Share Purchase Agreement.
3. The payment of consideration shall be made to all the Shareholders, who have tendered their shares in acceptance of the Open Offer within 10 working days of the expiry of the tendering period. Credit for the consideration will be paid to the shareholders who have tendered shares in the Open Offer by ECS, Direct Credit or crossed account payee cheques/pay order/demand drafts, RTGS and NEFT. It is desirable that the shareholders provide bank details in the Form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the cheques/ pay order/ demand draft.
4. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company subject to the Acquirers agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of willful default by the Acquirers in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.
5. This Offer is being made to all the Equity Shareholders of the Target Company and is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of SEBI (SAST) Regulations, 2011. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer up to a maximum of 907,712 Equity Shares.
6. This is not a competitive bid in terms of the Regulation 20 of SEBI (SAST) Regulations, 2011.
7. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
8. The Manager to the Offer i.e. Birla Capital and Financial Services Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
9. This offer would be subject to the receipt of the statutory and other approvals as mentioned in Section VI of this DPS. In terms of Regulation 23(1)(a) of the Takeover Regulations, if the statutory approvals are not received or refused, the offer would stand withdrawn.
10. The Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividends, bonus and rights offer, if any thereof.
11. There are no conditions stipulated in the SPA between the Seller and the Acquirers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations, 2011.

E. The Acquirers does not have any intention to dispose of or otherwise encumber any significant assets of the Target Company in the succeeding 2 (two) years from the date of closure of the Offer, except such disposals or encumbrances in the ordinary course of business of the target Company and/or for the purpose of restructuring and/or streamlining of operations, assets, investments, liabilities or otherwise of the Target Company by way of arrangement/reconstruction, restructuring, mergers/demergers, at a later date. There are no such plans as on the date of this DPS and such decisions, if taken, will be governed by the provisions of applicable laws.

Except in the ordinary course of business, the Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011and in accordance with and subject to the applicable laws, permissions and consents, if any.

F. Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirers will hold 2,553,737 (Twenty Five Lakhs Fifty Three Thousand Seven Hundred & Thirty Seven) equity shares constituting 73.14% of the paid-up share capital of the Target Company. As per minimum public holding norms for a listed Company and Listing Agreement of the Stock Exchanges, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirers undertake to take necessary steps to facilitate compliance by the Target Company with the relevant provisions of the Listing Agreement, within the time period mentioned therein or in accordance with such other directions as may be provided by the Stock Exchanges, in accordance with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations, 2011 and SEBI Securities Contract (Regulation) Rules, 1957 as amended.

II. BACKGROUND TO THE OFFER

1. This Open Offer (the 'Open Offer') is being made pursuant to Regulations 3(1) & 4 of the SEBI (SAST) Regulations, 2011 as aforesaid, to the public shareholders of Parag Fans and Cooling Systems Limited (hereinafter referred to as the "**Target Company**" or "**PFCSL**") by Mr. Sandeep Badjatia and M/S Impact Projects And Consultants Private Limited (hereinafter referred to as the "**The Acquirers**"), to acquire up to 907,712 (Nine Lakhs Seven Thousand Seven Hundred and Twelve) Equity Shares of the face value of ₹ 10/- (Rupees Ten Only) each fully paid up representing 26.00% (Twenty Six Percent)of the paid-up equity & voting share capital of 3,491,200 at a price of ₹ 1.00 (Rupee One Only) per fully paid-up equity shares ("**Offer Price**") payable in cash subject to the terms and conditions mentioned hereinafter.
2. The Acquirers have entered into a Share Purchase Agreement dated 13th December, 2012 ("**SPA**") with one of the shareholders of the Target Company namely Mr. Liju Sadasivan (hereinafter referred to as "**Seller**") for the acquisition of 781,155 (Seven Lakhs Eighty One Thousand One Hundred & Fifty Five) fully paid-up Equity Shares ("**Sale Shares**") of face value of ₹ 10/- (Rupees Ten) each representing 22.37% of the total paid-up equity & voting share capital of the Target Company for a consideration of ₹ 781,155 (Rupees Seven Lakhs Eighty One Thousand One Hundred & Fifty Five only) payable in cash at a price of ₹ 1.00 (Rupee One Only) per share of ₹ 10/- (Rupees Ten Only) fully paid-up. The details of the SPA is as under:

Sr. No.	Name of the Seller	No. of Equity Shares	% of paid-up capital
1.	Mr. Liju Sadasivan*	781,155	22.37%
TOTAL		**781,155**	**22.37%**

***** Mr. Liju Sadasivan is one of the shareholders of the Target Company.

Sr. No.	Name of the Acquirers	No. of Equity Shares	% of paid-up capital
1.	Mr. Sandeep Badjatia	5,81,155	16.646%
2.	M/S Impact Projects And Consultants Private Limited	2,00,000	5.728%
TOTAL		**7,81,155**	**22.37%**

3. The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
4. This Open Offer is for acquisition of 26.00% of the equity & voting share capital of the Target Company. After the completion of this Offer and pursuant to transfer of equity shares so acquired under SPA, the Acquirers shall hold the majority of the Equity Shares by virtue of which they shall be in a position to exercise effective management and control over the Target Company.
5. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or and other Regulation(s), the Acquirers intend to make changes in the management of PFCSL (Target Company). However, no firm decision in this regards has been taken or proposed so far.
6. The Acquirers intend to control the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof.
7. The Acquirers intend to expand the activity base of the Target Company i.e. expansion in the related areas of business.

III. SHAREHOLDING AND ACQUISITION DETAILS:

The current and proposed shareholding of the Acquirers in the Target Company and the details of their acquisition are as follows:

Sr. No.	Particulars	Parag Fans and Cooling Systems Limited			
		Mr. Sandeep Badjatia		M/S Impact Projects & Consultants Private Limited	
		No. of Equity Shares	% of Shares/Voting Rights	No. of Equity Shares	% of Shares/Voting Rights
1.	Shareholding as on the PA date i.e. December 13, 2012	465,835	13.34%	399,035	11.43%
2.	Shares agreed to be acquired as per SPA dated December 13, 2012	581,155	16.646%	200,000	5.728%
3.	Shares acquired between the PA date and the DPS date	NIL	NIL	NIL	NIL
4.	Shares to be acquired in the Open Offer (assuming full acceptance)	680,784	19.50%	226,928	6.50%
5.	Post Offer shareholding (*) (On Diluted basis, as on 10th working day after closing of tendering period)	1,727,774	49.489%	825,963	23.658%

*Assuming all the shares which are offered are accepted in the Open Offer.

The Acquirers do not hold any Equity Shares in the Target Company as of the date of the PA and this Detailed Public Statement save and except those acquired through the off market as mentioned above and through the SPA.

IV. OFFER PRICE:

1. The equity shares of the Target Company are listed at Madhya Pradesh Stock Exchange Limited (**MPSE**), Ahmedabad Stock Exchange Limited (**ASE**), Jaipur Stock Exchange Limited (**JSE**) and Madras Stock Exchange Limited (**MSE**). The script code and script Id of the listed Equity Shares is 44154 for Ahmedabad Stock Exchange.

   The script code and script Id for the remaining Stock Exchanges, i.e. ASE, JSE and MSE is not available.
2. The equity shares of the Target Company are suspended from trading on all the Stock Exchanges for non-compliance of listing agreement/procedural reasons. However, necessary steps have been taken by the Target Company for revocation of suspension only with the MPSE.
3. The Equity Shares of PFCSL are not frequently traded on MPSE or any other stock exchange within the meaning of explanation 2(j) of the SEBI (SAST) Regulations, 2011.
4. The Equity Shares of the Company are not traded at any of the Stock Exchanges for several years in the past and hence the volume of trading data is not applicable.

   The total trading turnover in the Equity Shares of the Target Company on the Stock Exchanges based on trading volume during the period from June, 2012 to November, 2012 is given below:

Stock Exchange	Total no. of Equity Shares traded during the period June, 2012 to November, 2012 prior to the month of PA	Total No. of listed Equity Shares of the Target Company	Total trading turnover (as % of total Equity Shares listed)
MPSE	NIL	3,491,200	NIL
ASE	NIL	3,491,200	NIL
JSE	NIL	3,491,200	NIL
MSE	NIL	3,491,200	NIL

5. Based on the above information, the Equity Shares of Target Company are infrequently traded on MPSE within the meaning of explanation 2(j) of the SEBI (SAST) Regulations, 2011. The Offer Price has been determined taking into account the parameters as set out under Regulation 8(2) of the SEBI (SAST) Regulations, 2011, as under:

Sr. No.	Particulars	Price (In ₹ per Share)
A	The Negotiated Price by the SPA	1.00
B	The Volume-Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA	0.90
C	Highest price paid by Acquirers for acquisition during the 26 weeks prior to the date of PA	Not applicable
D	The Volume-Weighted Average Market Price of shares for a period of 60 trading days immediately preceding the date of PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period.	Not Applicable
E	Other Financial Parameters as at March 31, 2012:	
	Return on Net worth (%)	-
	Book Value per share	(0.317)
	Earnings per share	0.48

In view of the parameters considered and presented in the above table and in view of the fact that the shares are suspended from trading in all the exchanges, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹ 1.00 (Rupees One Only) per Equity Shares being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

The Offer Price of ₹ 1.00 (Rupees One Only) is highest from A, B, C and D above, as required under the SEBI (SAST) Regulations, 2011.

The fair value of ₹ 2.06 (Rupees Two paisa Six Only) has been certified by Mr. Viren Gijare, Chartered Accountant (Membership No. 119005) Partner of G. P. Deodhar & Co., Chartered Accountants (F.R.N : 102264W) having their office at 105 & 106 Crystal Plaza, 276, Central Bazar Road, Near Krims Hospital, Ramdaspeth, Nagpur -440 010, Tel. No. +91 0712 2437203/6617273; Email: girishdeodhar58@gmail.com vide certificate dated December 18, 2012.

6. The relevant price parameters have not been adjusted for any corporate actions.
7. If the Acquirers and/or PAC acquire equity shares of the Target Company during the period of 26 (twenty-six) weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in this Offer within 60 (sixty) days from the date of such acquisition as provided under Regulation 8(10) of the Regulations. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the 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.
8. As on date there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all other applicable provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the open offer price or Open offer size.
9. If there is any revision in the Offer Price on account of future purchases/ competing offers, it will be done only up to a period prior to three (3) working days before the date of commencement of the tendering period and would be notified to shareholders by way of a public announcement in the same newspapers where this DPS has appeared.

V. FINANCIAL ARRANGEMENTS:

1. The total fund requirement for the Offer (assuming full acceptance) is ₹ 907,712 (Rupees Nine Lakhs Seven Thousand Seven Hundred Twelve only). In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the Acquirers have opened/created an "**Escrow Account**" in the name and style as "**ESCROW ACCOUNT-PARAG FANS AND COOLING SYSTEMS LIMITED-OPEN OFFER**" with Axis Bank Limited (**Axis Bank**) ("**Escrow Bank**"), Branch: Atlanta, Ground Floor, Nariman Point, Mumbai-400021, Maharashtra and made therein a cash deposit of ₹ 2,50,000 (Rupees Two Lakh Fifty Thousand only) in the account in accordance with the Regulation 17 of the Regulations, being more than 25% of the total consideration payable to the shareholders under the Offer (25% being ₹ 226928/-).
2. The Manager to the Offer has been authorized by the Acquirers to operate the above mentioned Escrow Account and realize the value of Escrow Account in terms of the Regulations.
3. The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/net worth and financial commitments available with the Acquirers, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011.

   Mr. Viren Gijare, Chartered Accountant (Membership No. 119005) Partner of G. P. Deodhar & Co., Chartered Accountants (F.R.N : 102264W) having their office at 105 & 106 Crystal Plaza, 276, Central Bazar Road, Near Krims Hospital, Ramdaspeth, Nagpur-440 010, Tel. No. +91 0712 2437203/6617273; Email: girishdeodhar58@gmail.com vide certificate dated 15th December, 2012 has certified that **Acquirer 1** & **Acquirer 2** have sufficient resources available for fulfilling the obligations under this "Offer" in full.

   No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirers.
4. Based on the above, the Manager to the Offer is satisfied about the financial ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

VI. STATUTORY AND OTHER APPROVALS:

1. Shareholders of the Target Company who are either non-resident Indians ("**NRIs**") or overseas corporate bodies ("**OCBs**") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India ("**RBI**") approvals (specific and general) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirers from NRIs and OCBs.
2. As on the date of this DPS, no statutory approvals are required to acquire the Shares tendered pursuant to this Offer other than those indicated above. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with the Open Offer in the event that such statutory approvals that are required are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.
3. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has appeared.
4. In case of delay in receipt of the any statutory approvals, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.
5. The Acquirers do not require any approval from financial institutions/banks in India for the Offer.

VII. TENTATIVE SCHEDULE OF ACTIVITY:

Activity	Date	Day
Date of Public Announcement	December 13, 2012	Thursday
Date of publication of Detailed Public Statement in the newspaper	December 20, 2012	Thursday
Last date of filing LOO with SEBI, Stock Exchanges & Target Company	December 28, 2012	Friday
Last date for a Competitive Offer	January 11, 2013	Friday
Last date of receipt of comments from SEBI	January 18, 2013	Friday
Identified Date*	January 22, 2013	Tuesday
Date by which the Letter of Offer will be dispatched to shareholders	January 30, 2013	Wednesday
Last date for upward revision of the Offer Price and/or Offer Size	January 31, 2013	Thursday
Last date by which the Independent Committee of Board of Directors of the Target Company shall give its recommendations.	January 31, 2013	Thursday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in the newspapers and sending the same to SEBI, Stock Exchanges & Target Company	February 05, 2013	Tuesday
Date of commencement of tendering period	**February 06, 2013**	**Wednesday**
Date of closing of tendering period	**February 20, 2013**	**Wednesday**
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/demat delivery instruction for the rejected Shares will be dispatched/issued.	March 06, 2013	Wednesday
Final report from Merchant Banker	March 13, 2013	Wednesday

*Identified Date is only for the purpose of determining the names of the shareholders 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 Acquirers and the parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer.

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER:

a. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of PFCSL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

b. The shares of the Target Company are traded in physical form only and the Company is yet to obtain ISIN number for its Equity Shares. Hence, the opening of a special depository account does not apply.

IX. DETAILED PROCEDURE FOR TENDERING THE SHARES IN THE OPEN OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER.

X. OTHER INFORMATION

1. The Acquirers accept full responsibility jointly & severely for the information contained in the PA and this DPS and also for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof.
2. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Birla Capital and Financial Services Limited as Manager to the Open Offer and details of the Manager are set out below:

   BIRLA CAPS

   BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED
   SEBI Registration No.: INM000011567
   Industry House, 5th Floor, 159 Churchgate Reclamation, Mumbai 400 020, Tel: +91 22 2204 2939;
   Fax: +91 22 2204 7835; E-mail: sushanth@birlacaps.com;
   Website: www.birlacaps.com
   Contact Person: Mr. Sushanth Alva
3. Ankit Consultancy Private Limited has been appointed as the Registrar to the open offer and details of the Registrar are set out below:

   ANKIT CONSULTANCY PVT. LTD
   *****SEBI Registration No.: INR000000767
   60, Electronic Complex, Pardeshipura, Indore (M.P.) 452 010;
   Tel: +91 0731- 3198601/602; Fax: +91 0731- 4065798;
   E-mail: ankit_4321@yahoo.com;
   Contact Person: CS Akhilesh Gautam

   **The registration certificate is valid till December 31, 2012. The registrar has made an application vide its letter dated August 31, 2012 with SEBI for renewal of its certificate of registration.*
4. This Detailed Pubic Statement would also be available at SEBI's website, www.sebi.gov.in.

Issued by:
The Manager to the Offer on behalf of the Acquirers:
Mr. Sandeep Badjatia
M/S Impact Projects And Consultants Private Limited

Place: Mumbai
Date : December 19, 2012

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