POST OPEN OFFER REPORT

In Respect Of Open Offer to acquire 13,34,200 Equity Shares of Servotech Engineering Industries Limited made by Mr. Radheshyam Lahoti ('Acquirer'), Lahoti Exports Private Limited ('LEPL'/'PAC 1'), Quality Products Marketing Private Limited ('QPMPL'/'PAC 2'), Mr. Ramawtar Lahoti ('PAC 3') And Focus Investment & Traders Private Limited ('PAC 4')

A. NAMES OF THE PARTIES INVOLVED:

1) Name of the Target Company (TC) : Servotech Engineering Industries Limited
2) Name of Acquirer : Mr. Radheshyam Lahoti
3) Persons Acting in Concert with the Acquirer :
   a) Lahoti Exports Private Limited ('LEPL'/'PAC 1');
   b) Quality Products Marketing Private Limited ('QPMPL'/'PAC 2');
   c) Mr. Ramawtar Lahoti ('PAC 3') and;
   d) Focus Investment & Traders Private Limited ('FITPL'/'PAC 4')
4) Manager to the Open Offer : Mark Corporate Advisors Private Limited
5) Registrar to the Open Offer : System Support Services

B. DETAILS OF THE OFFER:

This Offer is made in terms of Regulations 3(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto [SEBI (SAST) Regulations]

C. ACTIVITY SCHEDULE:

Sr. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates
1)	Date of Public Announcement (PA)	Wednesday, April 29, 2015	Wednesday, April 29, 2015
2)	Date of publication of Detailed Public Statement (DPS)	Friday, May 08, 2015	Friday, May 08, 2015
3)	Date of filing of Draft Letter of Offer (DLoF) with SEBI	Friday, May 15, 2015	Friday, May 15, 2015
4)	Date of sending a copy of the Draft LoF to the TC and concerned Stock Exchange(s)	Friday, May 29, 2015	Friday, May 29, 2015
5)	Date of receipt of SEBI comments	Friday, June 05, 2015	Friday, July 17, 2015
6)	Date of dispatch of LoF to the shareholders / custodian in case of Depository Receipts	Tuesday, July 28, 2015	Tuesday, July 28, 2015
7)	Date of Price revisions / Offer revisions (if any)	Thursday, July 30, 2015	Thursday, July 30, 2015
8)	Date of publication of recommendation by the independent directors of the Target Company	Friday, July 31, 2015	Friday, July 31, 2015
9)	Date of issuing the Offer opening Advertisement	Monday, August 03, 2015	Monday, August 03, 2015
10)	Date of commencement of the Tendering Period	Tuesday, August 04, 2015	Tuesday, August 04, 2015
11)	Date of expiry of the Tendering Period	Monday, August 17, 2015	Monday, August 17, 2015

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Sr. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates
12)	Date of making payments to shareholders / return of rejected shares	Tuesday, September 01, 2015	Tuesday, September 01, 2015

D. DETAILS OF THE PAYMENT CONSIDERATION IN THE OPEN OFFER:

Sr. No.	Item	Details
1)	Offer Price for fully paid shares of TC (₹ per share)	₹5.47 per Equity Share as per SEBI's Order + ₹1.48 being the interest payable only to those persons who were shareholders of the Target Company as on September 26, 2012 and continue to be shareholders of the Target Company till the date of the closing of the Offer
2)	Offer Price for partly paid shares of TC, if any	Not Applicable
3)	Offer Size (No. of shares x offer price per share)	₹92,72,690*
4)	Mode of payment of consideration (cash or shares or secured listed debt instruments or convertible debt securities or combination)	Cash
5)	**If mode of payment is other than cash, i.e. through shares / debt or convertibles:**	N. A.
a)	**Details of offered security** • Nature of the security (shares or debt or convertibles) • Name of the company whose securities have been offered • Salient features of the Security	-
b)	**Swap Ratio** (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)	-

* *Assuming full acceptance in the Offer.*

E. DETAILS OF MARKET PRICE OF THE SHARES OF TC:

1) Name of the Stock Exchange where the shares of TC have been most frequently traded during 12 calendar months period prior to PA, and the volume of trading relative to the total outstanding shares of the Target Company. However it is infrequently traded, the details are as under:

Name of the Stock Exchange	Number of Shares Traded during the 12 calendar months prior to the month of PA	Total Outstanding Shares	Trading Turnover (in terms of % to total listed equity shares)
BSE Limited	70,230	51,31,400	1.37%

The Equity Shares of the Target Company is listed on BSE Limited, Mumbai ('BSE') and Ahmedabad Stock Exchange Limited, Ahmedabad ('ASE').

2) Details of Market Price of the shares of TC on the aforesaid Stock Exchange in the following format:

Sr. No.	Particulars	Date	₹ Per Share*
1)	1 trading day prior to the PA date	April 28, 2015	Not Traded
2)	On the date of PA	April 29, 2015	3.71
3)	On the date of commencement of the tendering period	August 04, 2015	5.35
4)	On the date of expiry of the tendering period	August 17, 2015	Not Traded

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Sr. No.	Particulars	Date	₹ Per Share*
5)	10 working days after the last date of the tendering period	September 01, 2015	Not Traded
6)	Average market price during the tendering period *(viz. Average of the volume weighted market prices for all the days)*	August 04, 2015 to August 17, 2015	5.48

* *Closing Price*
(*Source: www.bseindia.com*)

F. DETAILS OF ESCROW ARRANGEMENTS:

1) Details of creation of Escrow account, as under:

	Date(s) of Creation	Amount (₹ in Lakhs)	Form of escrow account (Cash or Bank guarantee (BG) or Securities) (In case escrow consists of BG or securities, at least 1% consideration is to be deposited in cash; the same may be indicated separately)
Escrow Account	March 13, 2015	₹30.00 Lakhs	Cash Deposit

2) For such part of escrow account, which is in the form of cash, give following details:

a) Name of the Scheduled Commercial Bank where cash is deposited.

Cash deposit of ₹30,00,000 (Rupees One Crore only) with HDFC Bank Ltd.

b) Indicate when, how and for what purpose the amount deposited in escrow account was released, as under:

Release of escrow account		
Purpose	**Date**	**Amount (₹)**
Transfer to Special Escrow Account, if any	August 21, 2015 and August 31, 2015	₹17,16,300 and ₹1,050
Amount released to Acquirer • Upon withdrawal of Offer • Any other purpose (to be clearly specified) • Other entities on forfeiture	Not Applicable	NIL

3) For such part of Escrow which consists of Bank Guarantee (BG) / Deposit of Securities, provide the following details

- **<u>For Bank Guarantee</u>**

Name of Bank	Amount of Bank Guarantee (₹ in Lakhs)	Date of		Validity period of Bank Guarantee	Date of Release if applicable	Purpose of release
		Creation	Revalidation			
NOT APPLICABLE						

- **<u>For Securities</u>**

Name of company whose security is deposited	Type of security	Value of securities as on date of creation of escrow account	Margin considered while depositing the securities	Date of Release if applicable	Purpose of release
NOT APPLICABLE					

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G. DETAILS OF RESPONSE TO THE OPEN OFFER:

Shares proposed to be acquired		Shares tendered		Response level (No of times)	Shares accepted		Shares rejected	
No	% to Voting Capital	No.	% w.r.t. (A)	(C) / (A)	No.	% w.r.t. (C)	No= (C)-(F)	Reasons
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
13,34,200	32.98%	2,83,354	21.24%	0.21	2,81,854	99.47%	1500	Shares were not credited to the Demat Escrow Account.

H. PAYMENT OF CONSIDERATION:

Due date for paying consideration to shareholders whose shares have been accepted	Actual date of payment of consideration	Reasons for delay beyond the due date
September 01, 2015	August 24, 2015, August 26, 2015, August 27, 2015 and September 01, 2015	Not Applicable

- **Details of Special Escrow Account where it has been created for the purpose of payment to shareholders:** Special Account titled "SEIL-OPEN OFFER-SPECIAL ACCOUNT" bearing Account No. 00600350140517 was opened with HDFC Bank Limited, Fort Branch, Mumbai.

- Details of the manner in which consideration (where consideration has been paid in cash), has been paid to shareholders whose shares have been accepted:

Mode of paying the consideration	No. of Shareholders	Amount of Consideration (₹)
Physical Mode	21	2,50,200.00
Electronic Mode (ECS/ NEFT/RTGS/Direct Transfer, etc.)	28	14,66,921.38

I. PRE AND POST OFFER SHAREHOLDING OF THE ACQUIRER and PACs IN TARGET COMPANY:

Sr. No.	Shareholding of acquirer and PACs	No of shares	% of Voting Capital of TC as on closure of tendering period
1.	Shareholding before PA	10,68,908	26.42%
2.	Shares acquired by way of: an Agreement, if any.	NIL	Not Applicable
3.	Shares acquired after the PA but before 3 working days prior to commencement of tendering period. - Through market purchases - Through negotiated deals/ off market deals	 NIL NIL	 Not Applicable Not Applicable
4.	Shares acquired in the Open Offer	2,81,854	6.97%
5.	Shares acquired during exempted 21-day period after offer (if applicable)	NIL	Not Applicable
6.	Post - Offer Shareholding	12,35,462*	30.54%*

** Post Offer Shareholding reduced by 1,15,300 Equity shares held by FITPL whose Shareholding added in the Public Category post Open Offer.*

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J. GIVE FURTHER DETAILS, AS UNDER, REGARDING THE ACQUISITIONS MENTIONED AT POINTS 3 & 5 OF THE ABOVE TABLE:

1.	Name(s) of the entity who acquired the shares	N. A.
2.	Whether disclosure about the above entity(s) was given in the LoF as either Acquirer or PAC	N. A.
3.	No of shares acquired per entity	N. A.
4.	Purchase price per share	N. A.
5.	Mode of acquisition	N. A.
6.	Date of acquisition	N. A.
7.	Name of the Seller in case identifiable	N. A.

K. PRE AND POST OFFER SHAREHOLDING PATTERN OF THE TARGET COMPANY:

Sr. No.	Class of Entities	Shareholding in a TC			
		Pre-Offer		Post Offer	
		No.	%	No.	%
1.	• Acquirer • PAC 1 • PAC 2 • PAC 3	9,53,608	23.57%	12,35,462	30.54%
	• PAC 4	1,15,300	2.85%	NIL*	NIL*
2.	Erstwhile Promoters (persons who cease to be Promoters pursuant to the Offer)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3.	Continuing Promoters (Promoter Group)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4.	Sellers if not in 1 and 2	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5.	Other Public Shareholders	29,76,709	73.58%	28,10,155*	69.46%*
	TOTAL	**40,45,617**	**100.00%**	**40,45,617**	**100.00%**

* *The Shareholding of FITPL is included under Public Category.*

L. DETAILS OF PUBLIC SHAREHOLDING IN TARGET COMPANY:

Sr. No	Particulars	Number of Shares	% of Voting Capital
1.	Indicate the minimum public shareholding the TC is required to maintain for continuous listing	10,11,405	25.00%
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will taken in accordance with the disclosures given in the LOO	28,10,155	69.46%

M. OTHER RELEVANT INFORMATION, IF ANY: NOT APPLICABLE.

For **Mark Corporate Advisors Private Limited**

Manish Gaur
Asst. Vice-President

Place: Mumbai

Date: September 07, 2015