

DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

DELTA MAGNETS LIMITED

Registered Office: B-87, MIDC, Ambad, Nasik, Maharashtra – 422010. Phone No.: 0253 – 2382238; Fax No.: 0253 – 2382926; Email ID: secretarial@jmggroup.in
Open Offer for Acquisition of upto 15,79,153 Equity Shares from the Shareholders of Delta Magnets Limited by SSI Trading Private Limited (“SSITPL”) and Delta Real Estate Consultancy Private Limited (“DRECPL”).

This Detailed Public Statement (“DPS”) is being issued by Aryaman Financial Services Limited, the Manager to the Offer (“Manager”), on behalf of SSI Trading Private Limited (“SSITPL”) and Delta Real Estate Consultancy Private Limited (“DRECPL”) (“collectively after referred to as Acquirers”), in compliance with Regulation 13 (4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (if any) (“SEBI (SAST) Regulations”) pursuant to the Public Announcement filed on May 25, 2012 with the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”), Securities and Exchange Board of India (“SEBI”) and with Delta Magnets Limited (“DML”) / “Target Company” / “TC”) in terms of Regulation 3, 4 and all the other applicable provisions of the SEBI (SAST) Regulations, 2011.

I. ACQUIRERS, TARGET COMPANY AND OFFER

(A) DETAILS OF ACQUIRERS

(1) Details of SSI Trading Private Limited (“SSITPL”) – Acquirer No. 1

- The Acquirer No. 1, SSI Trading Private Limited was incorporated on March 07, 2012 under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra, as a private limited company. It is a newly incorporated company and has not changed its name since incorporation. The CIN No. of SSITPL is U52599MH2012PTC227802.
- The Registered office of SSITPL is situated at Bhagwati Bhuvan Condominium, 31-B, Carmichael Road, Behind Jaslok Hospital, Mumbai – 400 026.
- The main object of SSITPL is to carry on in India and abroad as the traders, sellers, buyers, resellers, distributors, exporters, importers, merchants, commission agents and to buy, sell, import, export or otherwise deal in goods produce, ware, articles, things, merchandise, materials and deal in all kinds of goods for the above and no money circulation scheme be carried out by SSITPL. However as on date, SSITPL has not started any business activity.
- Mr. Ram Shroff and Mrs. Sharmilee R. Shroff are the promoters & directors of SSITPL. Mr. Ram Shroff along with their family & associates are persons in control of SSITPL and hold 100% shareholding of SSITPL.
- Mr. Ram Shroff is already on the Board of the Target Company since August 2011. He will not participate in any deliberations of the Board of Directors of Target Company or vote on any matter in relation to the Offer in terms of Regulation 24(4) of the Regulations.
- The shares of the SSITPL are not listed on any stock exchange.
- Presently, SSITPL & its directors do not have any interest in the Target Company except to the extent of their current shareholding (direct & indirect).

- (a) to the extent of acquiring Equity Shares in the Target Company under the Share Subscription Agreement (SSA) as mentioned in Paragraph II (A) below and
- (b) to the extent of becoming part of the Promoter Group of the Target Company.
- (c) This being the First year of the company, the key financial information is not available. As certified by Mr. Kamal Kumar Jain (Membership No. 75754), Proprietor of K. Kumar Jain & Co., Chartered Accountants, having office at 209-B, Pandya Mansion, 625, JSS Road, Chira Bazar, Marine Lines, Mumbai – 400 002, vide certificate dated May 25, 2012, the networth of the Company as on May 25, 2012 is Rs. 340.87 Lacs (Rupees Three Crores Forty Lacs & Eighty Seven Thousand Only). The Networth consists of paid-up capital and premium only.

- SSITPL has not entered into any non-compete arrangement and/or agreement with anyone with respect to the operation of Target Company.
- SSITPL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 (“SEBI Act”) as amended or under any other regulation made under the SEBI Act.
- (2) **Details of Delta Real Estate Consultancy Private Limited (“DRECPL”) – Acquirer No. 2**
- The Acquirer No. 2 was originally incorporated as “Delta Township and Real Estate Private Limited” on April 03, 2008 under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra, as a private limited company. The name of the Company was changed to “Delta Real Estate Consultancy Private Limited” on September 24, 2008 and a fresh Certificate of Incorporation consequent to change in name was obtained on October 17, 2008 from the Registrar of Companies under the Companies Act, 1956. The CIN No. of DRECPL is U45400MH2008PTC180800.
- The Registered office of DRECPL is situated at 18, Ali Chambers, 2nd Floor, Nagindas Master Road, Fort, Mumbai – 400 001.
- The main object of DRECPL is to build, construct, alter, improve, maintain, enlarge, pull down, remove or replace and to develop, work, manage, carry out and control any buildings, office, chawls and other works and conveniences and to contribute, to subscribe or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out or control thereof.
- DRECPL is a part of JM Group and Mr. Jaydev Mody is the Promoter of DRECPL. Mr. Jaydev Mody along with their family & associates are persons in control of Company and hold 100% shareholding of DRECPL.
- The present directors of DRECPL are Mr. Jaydev Mody, Mr. Rajeev Ashok Pirmal and Ms. Ambika S. Kothari.
- Mr. Jaydev Mody and Ms. Ambika S. Kothari are already on the Board of the Target Company since March 2008 and August 2010 respectively. They will not participate in any deliberations of the Board of Directors of Target Company or vote on any matter in relation to the Offer in terms of Regulation 24(4) of the Regulations.
- The shares of DRECPL are not listed on any stock exchange.
- Presently, DRECPL, its directors, its key managerial employee do not have any interest in the Target Company except.
- (a) to the extent of their current shareholding (direct & indirect),
- (b) to the extent of acquiring Equity Shares of the Target Company under this Open Offer and
- (c) to the extent of be part of the Promoter Group of the Target Company.

- The Key financial information of the DRECPL based on the audited financial statements for the financial year ended March 31, 2009, 2010, 2011 and un-audited financial information for the financial year ended March 31, 2012 are as follows:

Particulars	31-Mar-09	31-Mar-10	31-Mar-11	31-Mar-12
Total Revenue	-	-	-	0.19
Net Income	(0.24)	(0.31)	(0.51)	(0.44)
Earnings Per Share (Rs.)	(2.42)	(3.06)	(5.10)	(4.39)
Networth / Shareholder’s Fund	0.76	0.45	(0.06)	(0.50)

The above financial are certified by Mr. Amit Desai, Proprietor of Amit Desai & Co. (Firm Registration No. 130710W), Chartered Accountants, having office at 43, Sunbeam Apartments, 3A Pedder Road, Mumbai – 400 026, vide his certificate dated May 25, 2012.

(3) Other Information about Acquirers

- There is no agreement amongst the Acquirers and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- The Acquirers are not registered as an intermediary with SEBI. There have been no merger / de-merger, spin-off in the Acquirers during the past three years. The Acquirers do not have any intention to de-list the Target Company in the succeeding three years after the instant offer.
- The Acquirers / their Promoters / Directors have not acquired any Equity Shares of the Target Company during the 52 (Fifty Two) weeks immediately preceding the date of the Public Announcement except acquisition of 15 (Fifteen) Equity Shares on November 29, 2011 by Mr. Ram Shroff, who is Promoter & Director of SSITPL.
- There are no “Persons Acting in Concert” within the meaning of Regulation 2(1)(q)(i) of the Regulations in relation to this Open Offer. Due to the applicability of Regulation 2(1)(q)(ii) of the Regulations, there could be certain entities deemed to be Persons Acting in Concert with the Acquirers.
- The Acquirers / their Promoters / Directors and the Target Company, its Promoters / Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the “SEBI Act”) or under any other Regulation made under the SEBI Act.

(B) DETAILS OF SELLERS – NOT APPLICABLE.

(C) DETAILS OF TARGET COMPANY – DELTA MAGNETS LIMITED (“DML”)

- The Target Company was originally incorporated as a private limited company in the name of “G. P. Electronics Private Limited” on September 23, 1982 under the Companies Act, 1956. It was converted into a public limited company on July 16, 1984 and the name was changed to “G. P. Electronics Limited”. Further the name of the Target Company was changed to “Delta Magnets Limited” and a fresh Certificate of Incorporation consequent to change in name was obtained on October 31, 2008 from the Registrar of Companies under the Companies Act, 1956. The Corporate Identity No. is L320109MH1982PLC028280.
- The Registered Office of the Target Company is situated at B-87, MIDC, Ambad, Nasik, Maharashtra – 422010 and Corporate Office situated at Bayside Mall, 1st Floor, Opp. Bostel Central Mall, Tardeo Road, Haji Ali, Mumbai, Maharashtra – 400 034.
- The shares of the Target Company are presently listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”). Based on the information available on BSE and NSE, the Equity Shares of the Target Company are not frequently traded on both BSE and the NSE (within the meaning of definition of “frequently traded shares” under Regulation 2(1)(j) of the Regulations).
- The authorised share capital of the Target Company as on the date of the PA and DPS is Rs. 10,00,00,000 (Rupees Ten Crores Only) consisting of 50,00,000 (Fifty Lacs) Equity Shares of Rs. 10 each and 50,00,000 (Fifty Lacs) Unclassified Shares of Rs. 10 each. The Board of Directors of the Target Company in their meeting held on May 25, 2012 have duly reclassified 50,00,000 (Fifty Lacs) Unclassified Shares of Rs. 10 each to 50,00,000 (Fifty Lacs) Equity Shares of Rs. 10 each, ranking pari passu with the existing Equity Shares subject to its shareholder’s approval. A notice of Extra-ordinary General Meeting (“EGM”) dated May 25, 2012 has already been dispatched to its shareholders inter alia to approve such re-classification in the Authorized share capital of the Target Company and consequent amendment to the Memorandum of Association of the Target Company. The EGM will be held on June 21, 2012 and the result of the EGM shall be announced on the same day.
- The issued and paid up share capital of the Target Company as on the date of DPS is Rs. 4,86,08,630 (Rupees Four Crores Eighty Six Lacs Eight Thousand Six Hundred & Thirty Only) divided into 48,60,863 (Forty Eight Lacs Sixty Thousand Eight Hundred Sixty Three) Equity Shares of the face value of Rs. 10 each. The Expanded Paid up Equity Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors dated May 25, 2012 shall be Rs. 6,07,36,630 (Rupees Six Crores Seven Lacs Thirty Six Thousand Six Hundred & Thirty Only) divided into 60,73,663 (Sixty Lacs Seventy Three Thousands Six Hundred Sixty Three) equity shares of the face value of Rs. 10 each.
- There are currently no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.
- The Key financial information of the Target Company based on the audited financial statements for the financial year ended March 31, 2010, 2011 and 2012 are as follows:

Particulars	31-Mar-10	31-Mar-11	31-Mar-12
Total Revenue	1,012.01	1,259.41	1,281.56
Net Income	13.10	83.79	(80.74)
Earnings Per Share (Rs.)	0.27	1.72	(1.66)
Networth / Shareholder’s Fund	799.61	883.36	802.62

The above financial are certified by Mr. Amit Desai, Proprietor of Amit Desai & Co. (Firm Registration No. 130710W), Chartered Accountants, having office at 43, Sunbeam Apartments, 3A Pedder Road, Mumbai – 400 026, vide his certificate dated May 25, 2012.

(D) DETAILS OF THE OFFER

- The Acquirers are making an Open Offer to acquire up to 15,79,153 (Fifteen Lacs Seventy Nine Thousand One Hundred & Fifty Three) Equity Shares of the face value of Rs. 10 each, being constituting 26% of the Expanded Paid up Share Capital of the Target Company post the preferential allotment approved by the meeting of Board of Directors dated May 25, 2012 at a price of Rs. 28.10/- (Rupees Twenty Eight and Ten Paise Only) per fully paid up Equity Share payable in cash, subject to the terms and conditions set out in the PA, this Detailed Public Statement and the Letter of Offer, that will be sent to the shareholders of the Target Company.
- This Open Offer is made under SEBI (SAST) Regulations, 2011 to all the shareholders of the Target Company, in term of the Regulation 7(b) of the Regulations, other than the Acquirers, persons deemed to be acting in concert with Acquirers and existing Promoters / Promoter Group of the Target Company.
- 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 from the expiry of the tendering period. Credit for the consideration will be made 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.
- The subscription of 12,12,800 (Twelve Lacs Twelve Thousand Eight Hundred) Equity Shares by SSITPL is subject to the in-principle approval of the Stock Exchanges for listing of the shares proposed to be issued under Preferential Issue as approved by the Board of Directors of the Target Company in its meeting held on May 25, 2012 and approved by the shareholders by way of EGM. The EGM will be held on June 21, 2012 and the result of the EGM shall be announced on the same day.
- The Open Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 15,79,153 (Fifteen Lacs Seventy Nine Thousand One Hundred & Fifty Three) Equity Shares constituting 26% of the Expanded Paid up Equity Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors of Target Company dated May 25, 2012.
- The Equity 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 dividend, bonus and rights offer declared thereof.
- The Acquirers / their Promoters / Directors have not acquired any Equity Shares of the Target Company during the 52 (Fifty Two) weeks immediately preceding the date of the Public Announcement except acquisition of 15

(Fifteen) Equity Shares on November 29, 2011 by Mr. Ram Shroff, who is Promoter & Director of SSITPL.

- This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- The Manager to the Offer, Aryaman Financial Services Limited does not hold any Equity Shares in the Target Company as on the date of the Public Announcement and this Detailed Public Statement. 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.
- (E) The Acquirers do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries 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. Target Company’s future policy for disposal of its assets, if any, for two years from the completion of 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 the Regulations.
- (F) Pursuant to this Open Offer, the Public Shareholding in the Target Company may reduce to less than the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement. The Acquirers undertakes that if the Public Shareholding is reduced to below such minimum level it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and other provisions of applicable laws, within the time period mentioned therein.

II. BACKGROUND TO THE OFFER

- (A) SSI Trading Private Limited (“SSITPL”) had approached the Target Company and its promoters/ promoter group to recapitalize itself as a promoter of the Target Company as well as to invest in the capital of the Target Company by way of subscription of 12,12,800 (Twelve Lacs Twelve Thousand Eight Hundred) Equity Shares on preferential basis and take joint control of the management of the Target Company. The Target Company and its promoters/ promoter group has agreed to both the proposal of SSITPL and they have entered into a Share Subscription Agreement dated May 25, 2012. The Board of Directors of the Target Company in their meeting held on May 25, 2012 have duly authorized the abovementioned Preferential Allotment for cash at a price of Rs. 28.10/- (Rupees Twenty Eight and Ten Paise Only) per equity share subject to its shareholder’s approval. A notice for EGM dated May 25, 2012 has already been dispatched to its shareholders inter alia to approve this Preferential Allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions including the SEBI (SAST) Regulations. The EGM will be held on June 21, 2012 and the result of the EGM shall be announced on the same day. The consideration payable by the SSITPL for the Preferential Allotment shall be Rs. 3,40,79,680 (Rupees Three Crores Forty Lacs Seventy Nine Thousand Six Hundred & Eighty Only).
- The highlights of this agreement are as follows:**
- SSITPL to become promoter of the Target Company.
- SSITPL has right to nominate one Director on the Board of the Target Company who shall be liable to retire by rotation.
- Until the time SSITPL directly or indirectly holds more than 5.00% of the issued and paid up capital of the Target Company it shall have a right to nominate 1 (one) Director on the Board.
- (B) The present Promoters Group (including DRECPL) are holding in aggregate 30,19,062 (Thirty Lacs Nineteen Thousand & Sixty Two) Equity Shares constituting 62.11% of the existing Paid up Equity Share Capital of the Target Company. Post preferential allotment of Equity Shares to SSITPL and recognition of SSITPL as a Promoter of the Target Company, the shareholding of the promoter group will increased to 42,33,977 (Forty Two Lacs Thirty Three Thousand Nine Hundred & Seventy Seven) Equity Shares constituting 69.71% of the Expanded Paid up Equity Share Capital of the Target Company post preferential allotment. As a result of the same as well as recognizing SSITPL as the promoter of the Target Company, this mandatory Open Offer is being made by the Acquirers in compliance with Regulations 3, 4 and other applicable provisions of SEBI (SAST) Regulations, 2011.
- (C) It is proposed that upon the Preferential Allotment of equity shares and upon completion of all formalities under the Regulations, Mr. Ram Shroff (who is currently a Director on the Board in his personal capacity) shall be recognized as a Director on the Board of the Target Company as a nominee of SSITPL to provide managerial, technical, financial and marketing expertise to the Target Company on an ongoing basis and DML shall take effective steps to recognize Mr. Ram Shroff as SSITPL’s nominee on its Board.
- (D) The Acquirers propose to continue the existing business of the Target Company. The main purpose of takeover is to expand the Target Company’s business activities in the present line of activities through exercising effective management and control over the Target Company. However, no firm decision in this regard has been taken or
- (E) The consideration for the preferential allotment payable to the Target Company and the consideration for the shares accepted under the Open Offer payable to the respective shareholders shall be paid in cash.

III. SHAREHOLDING AND ACQUISITION DETAILS

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

Details	SSITPL		DRECPL		Total	
	No. of Shares	In %	No. of Shares	In %	No. of Shares	In %
Shareholding as on the PA date	2,115 ⁽²⁾	0.03%	30,19,062 ⁽³⁾	49.71%	30,21,177	49.74%
Shares proposed to be acquired which triggered off the Regulation	12,12,800	19.97%	Nil	0.00%	12,12,800	19.97%
Shares acquired between the PA date and the DPS date	Nil	0.00%	Nil	0.00%	Nil	0.00%
Shares proposed to be acquired in the Open Offer (assuming full acceptance) ⁽⁴⁾					15,79,153	26.00%
Post Offer Shareholding ⁽⁴⁾					58,13,130	95.71%

Notes:

- (1) All % are calculated on the Expanded Paid up Shares Capital of the Target Company, as on 10th working day after closing of tendering period.
- (2) SSITPL (Acquirer 1) is not holding any share of the Target Company. However Mr. Ram Shroff, Promoter & Director of SSITPL, is currently holding 2,115 Equity Shares constituting 0.03% of the Expanded Paid up Shares Capital of the Target Company. These shareholdings have been included in the current shareholding of SSITPL as indirect shareholding.
- (3) DRECPL (Acquirer 2) is currently holding 10,05,981 Equity Shares constituting 16.56% of the Expanded Paid up Shares Capital of the Target Company in a capacity of trustee for Anjali J Mody Trust. Other than DRECPL (Acquirer 2), the present Promoters viz. Ziabai Jaydev Mody, Aryansh Finance & Investments Pvt. Ltd. and Bay-side Property Developers Pvt. Ltd. are holding an aggregate 20,13,081 Equity Shares constituting 33.14% of the Expanded Paid up Shares Capital of the Target Company. Aryansh Finance & Investments Pvt. Ltd. and Bayside Property Developers Pvt. Ltd. holds Equity Shares in the capacity of trustees for Aarti J Mody Trust and Aditi J Mody Trust respectively. These shareholdings have been included in the current shareholding of DRECPL as indirect shareholding.
- (4) The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and acting together under an informal understanding.

IV. OFFER PRICE

- (A) The Equity Shares of the Target Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (together referred to as “Stock Exchanges”).
- (B) The annualized trading turn-over in the Equity Shares of the Target Company in the above mentioned Stock Exchanges based on trading volume during the 12 (Twelve) calendar months prior to the month of Public Announcement (May 01, 2011 to April 30, 2012) is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of Public Announcement	Total Number of Listed Shares	Annualized Trading Turn-over (in terms of % to Total Listed Shares)
BSE	2,52,069	4,860,863	5.19%
NSE	18,904	4,860,863	0.39%

(Source: www.bseindia.com and www.nseindia.com)

- (C) Based on the information available on the websites of the Stock Exchanges, the Equity Shares of the Target Company are not frequently traded on the BSE and the NSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of Rs. 28.10/- (Rupees Twenty Eight and Ten Paise Only) per fully paid up Equity Share has been determined and justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

(a)	Highest Negotiated Price per equity share for any acquisition under the Agreement attracting the obligation to make the PA	Rs. 28.10
(b)	The volume-weighted average price paid or payable for acquisition during the 52 (Fifty Two) weeks immediately preceding the date of PA	Rs. 26.15
(c)	The highest price paid or payable for any acquisition during 26 (Twenty Six) weeks period immediately preceding the date of PA	Rs. 26.15
(d)	The volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period)	Not Applicable
(e)	Other Parameters based on Audited Financial	For the Year Ended March 31, 2012
(1)	Book Value per Equity Share (Rs)	16.51
(2)	Earnings Per Equity Share (Rs)	(1.66)
(3)	Return on Net worth (%)	(10.06)
(4)	P/E Ratio (considering the Offer Price of Rs. 28.10/- per share)	Since the EPS is negative, P/E ratio is Not Applicable.
(5)	The average industry P/E for the sector in which Target Company operates. (Source: Capital Market, Volume: XXVII/06, Dated: May 14-27, 2012, Industry: Electronics – Components)	15.40

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 28.10/- (Rupees Twenty Eight and Ten Paise Only) per fully paid up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

- (D) There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- (E) As on date, there is no revision in open offer price or open offer size. In case of any revision in the open offer price or open offer size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the 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.
- (F) If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to 3 (Three) working days before the date of commencement of the tendering period and would be notified to the shareholders.

V. FINANCIAL ARRANGEMENTS

- (A) The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 15,79,153 (Fifteen Lacs Seventy Nine Thousand One Hundred Fifty Three) Equity Shares of Rs. 10/- each from the public shareholders of the Target Company at an Offer Price of Rs. 28.10/- (Rupees Twenty Eight and Ten Paise Only) per Equity Share is Rs. 4,43,74,200/- (Rupees Four Crore Forty Three Lacs Seventy Four Thousand & Two Hundred Only) (the “Maximum Consideration”).
- (B) The Acquirers have adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources and no funds are borrowed from banks or financial institution for the purpose of this Open Offer by the Acquirers.
- (C) The Acquirers, the Manager to the Offer and Axis Bank Limited, a banking corporation incorporated under the laws of India and having one of its branch offices at Jeevan Prakash Building, Sir P.M Road, Fort Mumbai – 400 001, have entered into an Escrow Agreement dated May 25, 2012 for the purpose of the Offer (the “Escrow Agreement”) in accordance with Regulation 17 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, the Acquirers have deposited Rs. 4,43,75,000/- (Rupees Four Crores Forty Three Lacs Seventy Five Thousand Only) in cash in the Escrow Account which is in excess of 100% of the Maximum Consideration. The Manager to the Offer has been duly authorised by the Acquirers to realize the value of the Escrow Account and operate the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- (D) The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the

SEBI (SAST) Regulations.

- (E) The Acquirers have adequate resources to meet the financial requirements of the Open Offer. No funds are borrowed from banks or financial institution for the purpose of this Open Offer by the Acquirers. Mr. Amit Desai, Proprietor of Amit Desai & Co. (Firm Registration No. 130710W), Chartered Accountants, having its office at 43, Sunbeam Apartments, 3A Pedder Road, Mumbai – 400 026; Tel.: 022 – 2351 2240; E-mail: amit_desai26@hotmail.com vide certificate dated May 25, 2012 have confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this Open Offer in full.
- (F) Based on the above and in the light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirer’s obligations through verifiable means in relation to the Offer in accordance with the Regulations.

VI. STATUTORY AND OTHER APPROVALS

- (A) The subscription of 12,12,800 (Twelve Lacs Twelve Thousand Eight Hundred) Equity Shares by SSITPL is subject to in-principle approval of the Stock Exchanges for listing of the shares proposed to be issued under preferential issue as approved by the Board of Directors of the Target Company in its meeting held on May 25, 2012 and approved by the shareholders in the Extra-ordinary General Meeting which is going to be held on June 21, 2012.
- (B) 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 approvals of Reserve Bank of India (“RBI”) which have been obtained at the time of acquisition of 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.
- (C) As on the date of this DPS, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.
- (D) In case of any delay in the receipt of any statutory approval, Regulation 18(1) 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

VII. TENTATIVE SCHEDULE OF THE ACTIVITIES PERTAINING TO THE OFFER

Public Announcement	Friday, May 25, 2012
Publication of Detail Public Statement	Tuesday, May 29, 2012
Filing of Draft Letter of Offer with SEBI	Monday, June 04, 2012
Last Date for a Competitive Bid	Tuesday, June 19, 2012
Receipt of Comments from SEBI on Draft Letter of Offer	Monday, June 25, 2012
Identified Date*	Monday, June 25, 2012
Date by which Letter of Offer be posted to the Shareholder	Monday, July 02, 2012
Last Day of Revision of Offer Price / Share	Tuesday, July 03, 2012
Comments on the Offer by a Committee of Independent Directors constituted by the BoDs of the Target Company	Wednesday, July 04, 2012
Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers	Friday, July 06, 2012
Date of Opening of the Offer	Monday, July 09, 2012
Date of Closing of the Offer	Friday, July 20, 2012
Date of communicating the rejection / acceptance and payment of consideration for the acquired share	Monday, July 30, 2012

* 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 owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirers, persons deemed to be acting in concert with Acquirers and existing Promoters / Promoter Group of the Target Company) are eligible to participate in the offer anytime before the closure of the Offer.

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

- (A) All the shareholders (registered or unregistered) of the Target Company, except Acquirers, persons deemed to be acting in concert with Acquirers and existing Promoters / Promoter Group of the Target Company, owning equity shares any time before the Closure of the Open Offer, are eligible to participate in the Open Offer.
- (B) A Letter of Offer, specifying the detailed terms and conditions of this Offer, along with a Form of Acceptance-cum-Acknowledgement (“Form of Acceptance”), will be dispatched to all the eligible shareholders of the Target Company, whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on June 25, 2012 (“Identified Date”).
- (C) The shareholders of the Target Company who hold the Equity Shares in physical form and wish to tender their Equity Shares will be required to send the duly completed Form of Acceptance, original Share Certificate(s) and Blank Transfer deed(s) duly signed and witnessed, in accordance with the instructions specified in the Letter of Offer, to the Registrar to the Offer either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach to the Registrar to the Offer, on or before the Date of Closure of the Offer, i.e. Friday, July 20, 2012, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance.
- (D) The beneficial owners and shareholders holding shares in the dematerialized form, will be required to send their Form of Acceptance cum Acknowledgment and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on Mondays to Fridays between 10.00 AM to 5.00 PM and on Saturdays between 10.00 AM to 2.00 PM, on or before the Date of Closure of the Open Offer, i.e. Friday, July 20, 2012, along with a photocopy of the delivery instructions in “Off-market” mode or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the depository participant (“DP”), in favor of “Delta Magnets