

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer ("DLOF") is sent to you as an Eligible Shareholder (as defined below) of Igarashi Motors India Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager/the Registrar to the Offer (as defined below). In case you have recently sold your equity shares in Igarashi Motors India Limited, please hand over this DLOF, the accompanying Form of Acceptance-cum-Acknowledgement and the Transfer Deed to the member of the stock exchange through whom the said sale was effected.

OPEN OFFER ("OFFER") by



IGARASHI ELECTRIC WORKS LIMITED (THE "ACQUIRER")

(A company incorporated under the laws of Japan)

Registered Office: 1-2, Tode Honcho, Saiwai-Ku, Kawasaki, 212-0023, Japan | Tel. No.: +81 44 522 0525, Fax No. +81 44 544 8760

along with



MAPE SECURITIES PRIVATE LIMITED ("PAC 1")

Registered Office: 13R 14, 1st Floor, Nirlon House, 254 B Dr Annie Besant Road, Worli, Mumbai, Maharashtra – 400030

Tel. No.: +91 22 6154 4500, Fax: +91 22 6154 4540

and

ALPHA FDI HOLDINGS PTE. LTD ("PAC 2")

Registered Office: 8 Shenton Way, #19-01 AXA Tower, Singapore 068811 | Tel. No.: +65 6592 2063, Fax No. + 65 6324 0955

and

TATA CAPITAL GROWTH FUND I ("PAC 3")

Registered Office: C/o Tata Capital Limited, 1101, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013

Tel. No.: +91 22 6606 9233, Fax No. +91 22 6656 2699

and

IGARASHI ELECTRIC WORKS (H.K.) LTD ("PAC 4")

Registered Office: Block "A", 3rd Floor, Shui Ki Ind. Building, 18 Wong Chuk Hang Road, Aberdeen, Hong Kong | Tel. No.: 852 2553 9131, Fax No. 852 2873 5901

and

AGILE ELECTRIC SUB ASSEMBLY PRIVATE LIMITED ("PAC 5")

Registered Office: Plot Numbers A 33 and 36, Phase I, MEPZ-SEZ, Tambaram, Chennai – 600 045 | Tel. No.: +91 44 4229 8199, Fax No. +91 44 2262 8143

(PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 together referred to as "PACs")

to acquire up to 7,960,538 fully paid-up equity shares of face value of ₹ 10 (Rupees Ten) each, representing 26.01% of the of the fully diluted voting share capital of

IGARASHI MOTORS INDIA LIMITED (THE "TARGET COMPANY")

Registered Office: Plot Nos. B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram, Chennai 600 045

Tel. No.: +91 44 4229 8199, Fax Number: +91 44 2262 8143

at a price of ₹ 324.60 (Rupees Three Hundred Twenty Four and Paise Sixty only) per Equity Share (the "Offer Price") payable in cash

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the "SEBI SAST Regulations" and reference to a particular "Regulation" shall mean the particular regulation framed pursuant to the SEBI SAST Regulations).

Note:

1. The Offer is being made pursuant to and in compliance with the provisions of Regulations 3, 4 and 5(1).
2. The Offer is not conditional as to the minimum level of acceptance in terms of Regulation 19(1).
3. The Offer is not a competing offer in terms of Regulation 20.
4. In the event of withdrawal of the Offer, a public announcement will be made within two (2) Working Days of such withdrawal, in the same newspapers in which the Detailed Public Statement (as defined below) has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.
5. To the best knowledge and belief of the Acquirer and PACs, as of the date of this DLOF, there are no statutory approvals required by the Acquirer or PACs to implement the Offer. In case of any statutory approvals being required by the Acquirer and/or the PACs at a later date before the closure of the Tendering Period, the Offer will be subject to receipt of such statutory approvals. Non-resident Indian ("NRI") and erstwhile overseas corporate body ("OCB") shareholders, if any, must obtain all requisite approvals required for tendering the Equity Shares held by them pursuant to the Offer (including without limitation the approval from the Reserve Bank of India ("RBI")) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and any other documents required to accept the Offer.
6. The Offer is subject to revision, if any, pursuant to the SEBI SAST Regulations at the discretion of the Acquirer and the PACs at any time prior to three (3) Working Days before the commencement of the Tendering Period, i.e. up to Tuesday, September 15, 2015, in accordance with Regulation 18(4). In the event of such revision, the Acquirer and the PACs shall: (a) make corresponding increase to the escrow amounts, as more particularly set out in paragraphs V.B of this Draft Letter of Offer; (b) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (c) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision. Such revised offer price will be payable for all the Equity Shares validly tendered at any time during the Tendering Period of the Offer.
7. As described in the Public Announcement (as defined below) dated January 29, 2015, the Offer Price is the aggregate of the Base Offer Price paid and the amount computed at the rate of 10% per annum on the Base Offer Price from January 22, 2015 (i.e., the date of signing the SPA for the Underlying Transaction) until August 06, 2015, (i.e., the date of publication of Detailed Public Statement), in terms of Regulation 8(12).
8. **There are no competing offers to this Offer under Regulation 20 as on the date of this DLOF.**
9. A copy of the LOF (including the Form of Acceptance-cum-Acknowledgement) will be made available and a copy of Public Announcement and Detailed Public Statement is available on the website of the Securities and Exchange Board of India: www.sebi.gov.in.

MANAGER TO THE OFFER

	Religare Capital Markets Limited 901, 9 th Floor, Tower I, India Bulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013 Telephone: +91 22 6766 3663; Fax: +91 22 6766 3575; Website: www.religarecm.com Email: RCM-IMIL-Openoffer@religare.com Contact person: Ankit Bhatia
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REGISTRAR TO THE OFFER

	Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai 600 002 Telephone: +91 44 2846 0390; Fax: +91 44 2846 0129 Website: www.cameoindia.com Email: investor@cameoindia.com Contact person: Ms. Sreepriya.K
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ISSUE OPENS ON : TUESDAY, SEPTEMBER 22, 2015

ISSUE CLOSES ON: WEDNESDAY, OCTOBER 07, 2015

The tentative schedule of activities under this offer is as follows:

Activity	Schedule
Date of issue of the Public Announcement	Thursday, January 29, 2015
Date of completion of Underlying Transaction	Thursday, July 30, 2015
Date of publication of the Detailed Public Statement	Thursday, August 06, 2015
Filing of Draft Letter of Offer with SEBI	Wednesday, August 12, 2015
Last date for a competing offer	Thursday, August 27, 2015
Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Thursday, September 03, 2015
Identified Date*	Monday, September 07, 2015
Last date for dispatch of the Letter of Offer to the Eligible Shareholders of the Target Company	Monday, September 14, 2015
Last date for upward revision of the Offer Price and/or the Offer Size	Tuesday, September 15, 2015
Last date by which a committee of independent directors of the Target Company is required to give its recommendation for the Offer	Thursday, September 17, 2015
Date of publication of Offer opening public announcement in the newspapers in which the Detailed Public Statement has been published	Monday, September 21, 2015
Date of commencement of the Tendering Period (Offer opening date)	Tuesday, September 22, 2015
Date of Closure of the Tendering Period (Offer closing date)	Wednesday, October 07, 2015
Date by which all requirements including payment of consideration would be completed	Thursday, October 29, 2015

**The Identified Date is only for the purpose of determining the names of the Eligible Shareholders as on such date to whom the Letter of Offer will be sent and is the date falling on the tenth (10th) Working Day prior to the commencement of the Tendering Period. All the Eligible Shareholders (registered or unregistered), except the Acquirer, PACs and parties to Transaction Document (as defined below) including persons deemed to be acting in concert with such parties, are eligible to participate in the Offer at any time prior to the closure of the Tendering Period (as defined below).*

NOTE: Duly signed Acceptance-cum-Acknowledgement and the Transfer Deed(s), together with the share certificate(s), if applicable, should be dispatched by registered post/courier to the address mentioned at paragraph VII.5 or hand delivered to the Registrar to the Offer at their collection centers on or before closure of the Tendering Period, i.e. before Wednesday, October 07, 2015.

RISK FACTORS

I. Risks relating to the Offer

- a) The Offer is an open offer under the SEBI SAST Regulations to acquire up to 7,960,538 Equity Shares representing 26.01% of the issued, subscribed and paid up capital of the Target Company from the Eligible Shareholders. In the event the Offer is oversubscribed, acceptance will be on a proportionate basis and will be contingent upon the level of subscription. Accordingly, there is no assurance that all the Equity Shares tendered by the Eligible Shareholders in the Offer will be accepted. The unaccepted Equity Shares will be returned to the Eligible Shareholders in accordance with the schedule of activities for the Offer.
- b) To the best knowledge and belief of the Acquirer and PACs, as of the date of this DLOF, there are no statutory approvals required by the Acquirer or PACs that are pending to implement the Offer. In the event that either: (a) any statutory approval(s) are required or become applicable by the Acquirer or PACs to implement the Offer and such statutory approvals are not received; (b) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer and the PACs from performing its obligations hereunder; or (c) SEBI instructs the Acquirer and the PACs not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this DLOF and / or the Acquirer and the PACs shall have the right to withdraw the Offer in terms of Regulation 23 of the SEBI SAST Regulations. Consequently, the payment of consideration to the Eligible Shareholders whose Equity Shares are accepted under the Offer as well as the return of Equity Shares not accepted under the Offer by the Acquirer/PACs may get delayed. In case the delay is due to non-receipt of statutory approval(s), SEBI may, if it is satisfied that the non-receipt of any such approval 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 in accordance with Regulation 18(11) of the SEBI SAST Regulations for the purpose of completion of the Offer, subject to the Acquirer agreeing to pay interest to the relevant Eligible Shareholders for the delay at such rate as may be specified by SEBI. In addition, where such approvals extend to some but not all the Eligible Shareholders, the Acquirer has the option to make payment to such Eligible Shareholders with respect to whom no such approvals are required.
- c) Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Eligible Shareholders, even if the acceptance of Equity Shares under the Offer and dispatch of consideration are delayed.
- d) The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities and the Eligible Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares, even if the acceptance of the Equity Shares in the Offer and dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Eligible Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Eligible Shareholders will be solely responsible for their decisions regarding the participation in this Offer. None of the Acquirer, the PACs or the Manager to the Offer makes any assurance with respect to the market price of the Equity Shares before the commencement of the Offer, during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Eligible Shareholders on whether or not to participate in the Offer.
- e) The Acquirer, the PACs and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Draft Letter of Offer/Detailed Public Statement/Public Announcement/ advertisements or any materials issued by or at the instance of the Acquirer and PACs. Anyone placing reliance on any other source of information (not released by the Acquirer, the PACs, or the Manager to the Offer) will be doing so at his/her/their own risk.
- f) This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer residing in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This 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 Acquirer, the PACs or the Manager to the Offer to any new or additional registration requirements.
- g) The Eligible Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, and the appropriate course of action that they should take. The Acquirer and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
- h) The information contained in the DLOF is as of the date of this DLOF. The Acquirer, PACs and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this DLOF.

II. Probable risks involved in associating with the Acquirer and the PACs

- a) None of the Acquirer, the PACs or the Manager to the Offer (defined below) makes any assurance with respect to the financial performance of the Target Company or the continuance of past trends in the financial performance of the Target Company nor do they make any assurance with respect to the market price of the Equity Shares before, during or after the Offer. Each of the Acquirer and the PACs disclaim any responsibility or obligation with respect to any decision by the Eligible Shareholders on whether or not to participate in the Offer.
- b) None of the Acquirer, the PACs or the Manager to the Offer makes any assurance with respect to their investment or disinvestment relating to their proposed shareholding in the Target Company.
- c) The acquisition of Equity Shares may result in the public shareholding in the Target Company falling below the level required for continued listing. While the Acquirer and the PACs are required to reduce the non-public shareholding to the level specified and within the time stipulated in the Securities Contract (Regulation) Rules, 1957, as amended (“SCRR”), any failure to comply with the conditions of the SCRR and the listing agreement could have an adverse effect on the price and tradability of the Equity Shares.

The risk factors set forth above are indicative only, are limited to the Offer and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer and PACs and are not exhaustive. The risk factors set out above do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation in the Offer by an Eligible Shareholder. The Eligible Shareholders are advised to consult their stockbroker, tax advisor and/or investment consultant, if any, for understanding of the further risks associated with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “**Rupees**”, “**Rs.**”, “**₹**” or “**INR**” are to Indian Rupees, the official currency of the Republic of India, all references to “**JPY**” are to Japanese Yen, the official currency of Japan, all references to “**HKD**” are to Hong Kong Dollar, the official currency of Hong Kong, all references to “**US\$**” are to United States of America Dollar, the official currency of United States of America. In this Letter of Offer, any discrepancy in any table between the total and sums of amounts listed are due to rounding off and/or regrouping.

All financial data presented in JPY, HKD in this Draft Letter of Offer have been converted into ₹ for the purpose of convenience translation only.

Index

Section No.	Subject	Page No.
I	Disclaimer Clause	10
II	Details of the Offer	10
III	Background of the Acquirer and the PACs	14
IV	Background of the Target Company	29
V	Offer Price and Financial Arrangements	33
VI	Terms and Conditions of the Offer	36
VII	Procedure for Acceptance and Settlement of the Offer	37
VIII	Documents for Inspection	47
IX	Declaration by the Acquirer and the PACs	48

Key Definitions

Term	Description
Acquirer	Igarashi Electric Works Limited, a company incorporated under the laws of Japan.
AEDPL	Agile Electric Drives Technologies and Holdings Private Limited.
AEDPL Scheme	The scheme of amalgamation sanctioned by the High Court of Madras by its order dated July 20, 2012 under which AEDPL amalgamated with PAC 5.
Bank Guarantee	Has the meaning assigned to it in paragraph V.B.2.
Base Offer Price	₹ 307.92 per Equity Share.
BSE	BSE Limited.
CDSL	Central Depository Services (India) Limited.
Deed of Accession	Deed of Accession
Depositories	CDSL and NSDL.
DLOF / Draft Letter of Offer	The draft Letter of Offer dated August 12, 2015 filed with SEBI in accordance with Regulation 16(1) of the SEBI SAST Regulations.
DP	Depository participant.
DPS/Detailed Public Statement	Detailed Public Statement dated August 05, 2015 and published on August 06, 2015 on behalf of the Acquirer and the PACs in Financial Express (English), Jansatta (Hindi), Mumbai Lakshadeep (Marathi) and Makkal Kural (Tamil).
DTAA	Double Tax Avoidance Agreement.
Eligible Shareholders	All Equity Shareholders other than the Acquirer, the PACs, parties to the SPA, and persons deemed to be acting in concert with such parties.
Equity Shareholders	All equity shareholders of the Target Company, including beneficial owners of the Equity Shares.
Equity Shares	Fully paid-up equity shares of the Target Company having a face value of ₹ 10 each.
Escrow Account	Has the meaning assigned to it in paragraph V.B.3
Escrow Agreement	Has the meaning assigned to it in paragraph V.B.3
Escrow Bank	Has the meaning assigned to it in paragraph V.B.3
FEMA	Foreign Exchange Management Act, 1999, as amended.
FII	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as FPIs, such FPIs.
FPI	Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and includes a person who has been registered under these regulations. Any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration is deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
Form of Acceptance-cum-Acknowledgment	Form of acceptance-cum-acknowledgement attached to this Letter of Offer.
HKD	Hong Kong Dollar, the lawful currency of Hong Kong.
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Identified Date	September 07, 2015, being the date for the purpose of identifying Eligible Shareholders to whom the Letter of Offer will be sent.
I-T Act	Income-Tax Act, 1961, as amended.
Letter of Offer	Letter of Offer, dated [●], which shall be dispatched to the Eligible Shareholders in accordance with Regulation 18(2).
MAGPL	MAPE Advisory Group Private Limited.

Term	Description
Manager to the Offer	Religare Capital Markets Limited, the merchant banker appointed by the Acquirer and the PACs as the manager to the Offer pursuant to the SEBI SAST Regulations.
Maximum Consideration	The maximum consideration payable under the Offer, assuming full acceptance of the Offer, i.e. ₹ 2,583,990,635 (Indian Rupees Two Billion Five Hundred Eighty Three Million Nine Hundred Ninety Thousand and Six Hundred Thirty Five Only).
Mn/Million	1,000,000 units.
MSE	Madras Stock Exchange Limited.
NRI	Non-Resident Indian as defined in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Body as defined in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended.
Offer/Open Offer	The Offer, being made by the Acquirer and the PACs, for acquiring up to 7,960,538 Equity Shares from the Eligible Shareholders at the Offer Price payable in cash.
Offer Period	The period starting from January 22, 2015 (being the date of Original SPA), until the date on which payment consideration to Eligible Shareholders who have validly tendered their Equity Shares in the Offer is completed, or the date on which the Offer is withdrawn, as the case may be.
Offer Price	Price of ₹ 324.60 (Rupees Three Hundred Twenty Four and Paisa Sixty only) per Equity Share.
Offer Size	7,960,538 Equity Shares constituting 26.01% (Twenty Six point Zero One per cent) of the issued, subscribed and paid up capital of the Target Company as of the tenth (10th) Working Day from the closure of the Tendering Period at a price of ₹ 324.60 (Indian Rupees Three Hundred Twenty Four and Sixty Paisa only) per Equity Share, aggregating to ₹2,583,990,635 (Indian Rupees Two Billion Five Hundred Eighty Three Million Nine Hundred Ninety Thousand and Six Hundred Thirty Five Only).
Original SPA	The share purchase agreement dated January 22, 2015 amongst the Acquirer, MAGPL and the Sellers.
PACs	PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5.
PAC 1 / MAPE	MAPE Securities Private Limited.
PAC 2 / Alpha	Alpha FDI Holdings PTE. Ltd, a company incorporated under the laws of Singapore.
PAC 3 / TCGF	Tata Capital Growth Fund I.
PAC 4 / IEWLHK	Igarashi Electric Works (H.K.) Ltd, a company incorporated under the laws of Hong Kong.
PAC 5 / Agile	Agile Electric Sub Assembly Private Limited.
PAN	Permanent account number.
Public Announcement/PA	Public announcement of the Offer made by the Manager to the Offer on behalf of the Acquirer and MAGPL on January 29 2015, in accordance with Regulations 3, 4 and 5(1) of the SEBI SAST Regulations.
RBI	Reserve Bank of India.
Registrar to the Offer	Cameo Corporate Services Limited, having its registered office at Subramanian Building, No. 1, Club House Road, Chennai 600 002.
Regulation(s)	Refers to a regulation(s) framed pursuant to the SEBI SAST Regulations.
Rs./Rupees/ ₹ /INR	Indian Rupee, the lawful currency of the Republic of India.
SCRR	Securities Contract (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.

Term	Description
SEBI SAST Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
Sellers	Blackstone Capital Partners (Singapore) VI FDI Three PTE. Limited and BFIP (Cayman) VI-ESC FDI Three Limited.
SPA	The Original SPA together with the deed of accession dated July 09, 2015.
Stock Exchanges	BSE and NSE.
TCL	Tata Capital Limited.
TTCL/Trustee	Tata Trustee Company Limited.
Target Company	Igarashi Motors India Limited.
Tendering Period	Period commencing from September 22, 2015 and closing on October 07, 2015.
TRC	Tax residency certificate.
US\$	United States Dollar, the lawful currency of the United States of America.
Underlying Transaction	The primary acquisition of 51,972,854 equity shares of PAC 5 by the Acquirer, PAC 1, PAC 2 and PAC 3.
Working Day	A working day of SEBI.
WTC	Nil withholding tax certificate or lower withholding tax certificate, as applicable.

Note: All capitalised terms used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI SAST Regulations.

I. Disclaimer Clause

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT 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 A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE ELIGIBLE SHAREHOLDERS OF IGARASHI MOTORS INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACS OR THE COMPANY WHOSE EQUITY SHARES/CONTROL HAS BEEN 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 AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PACS DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, RELIGARE CAPITAL MARKETS LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 12, 2015 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 AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

II. Details of the Offer

A. Background to the Open Offer

- 1) The Open Offer is being made by the Acquirer and the PACs to the Eligible Shareholders of the Target Company, pursuant to Regulation 3, 4 and 5(1). There are no other persons acting in concert with the Acquirer other than the PACs for the purpose of the Offer.
- 2) This Offer is being made as a result of the acquisition of substantial shares and voting rights of PAC 5 by Acquirer, PAC 1, PAC 2 and PAC 3, accompanied with the acquisition of indirect control of the Target Company, by the Acquirer.
- 3) On January 22, 2015, Acquirer and MAGPL entered into an Original SPA with respect to the purchase of 97.9% of the issued and paid up share capital of PAC 5 from Blackstone Capital Partners (Singapore) VI FDI Three PTE. Limited and BFIP (Cayman) VI-ESC FDI Three Limited, for a total consideration of US\$ 106,400,000, of which 55.21% of the issued and paid up share capital of PAC 5 was to be acquired by the Acquirer and 42.69% of the issued and paid up share capital of PAC 5, by MAGPL.
- 4) The purchase of the equity shares of PAC 5 under the SPA was subject to certain rights to MAGPL and satisfaction of certain conditions precedent, including:
 - (a) MAGPL with the prior written approval of the Sellers, assign all or a part of its rights and benefits under the SPA to any third party (“**Co-Investor(s)**”), provided that the third party, become party to and be liable for the performance of the obligations of MAGPL as set out under the SPA, by executing the deed of accession.
 - (b) receipt of consents by the Sellers from Axis Bank Limited and ING Vysya Bank Limited in respect to loan agreements entered with PAC 5 and Axis Bank Limited and State Bank of India in respect to loan agreements entered with the Target Company.
- 5) With respect to the above, please note the following:
 - (a) A deed of accession dated July 09, 2015 was entered amongst Acquirer, MAGPL, PAC 1, PAC 2 and PAC 3 and the Sellers wherein, the Acquirer agreed to purchase 29,178,068 and 129,932 equity shares of PAC 5 representing 54.96% and 0.24% from Blackstone Capital Partners (Singapore) VI FDI Three PTE. Limited and BFIP (Cayman) VI-ESC FDI Three Limited respectively. MAGPL assigned all its rights and obligations under the Original SPA to PAC 1, PAC 2 and PAC 3 in separate parts vide the Deed of Accession, pursuant to which PAC 1, PAC 2 and PAC 3 have acquired 4,591,587, 15,630,934 and 2,442,333 equity shares representing 8.65%,

29.44% and 4.60% of issued and paid-up share capital of PAC 5 respectively from Blackstone Capital Partners (Singapore) VI FDI Three PTE. Limited and consequently, PAC 1, PAC 2 and PAC 3 are persons acting in concert and MAGPL has ceased to be a person acting in concert with the Acquirer and other PACs for the purpose of the Offer.

- (b) The consents mentioned at paragraph 4(b) above, were received by June 04, 2015 from the banks mentioned therein.
- 6) The Public Announcement at paragraph 3, stated that PAC 4 is not acting in concert with the Acquirer or MAGPL for the purpose of the Offer, but subsequently, PAC 4 has joined as a person acting in concert with the Acquirer and other PACs for the purpose of the Offer.
- 7) Accordingly, completion under the SPA occurred on July 30, 2015, pursuant to which the Acquirer, PAC 1, PAC 2 and PAC 3 acquired 51,972,854 equity shares of PAC 5. As on the date of this Draft Letter of Offer, the Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 together hold 52,839,254 equity shares of PAC 5, forming 99.53% of the equity share capital of PAC 5.
- 8) Pursuant to the completion of the underlying transaction under the SPA, PAC 5 has joined as a person acting in concert with the Acquirer and other PACs for the Offer.
- 9) The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) and is not a competitive bid in terms of Regulation 20.
- 10) The Acquirer and PACs have not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 11) The Acquirer, MAGPL, PAC 2 and PAC 3 have entered into a shareholders agreement dated May 26, 2015, wherein it was stated that the agreement shall be effective from the date on which the Underlying Transaction is completed i.e., July 30, 2015, which was amended vide shareholders' first amendment agreement dated July 29, 2015 for assignments of all the rights and obligations of MAGPL thereunder to PAC 1 and other matters. Further, a deed of accession for inclusion of PAC 5 as a party to the shareholders agreement was entered on July 30, 2015 (the shareholders agreement, shareholders' first amendment agreement and deed of accession thereto are collectively referred to as the "**Shareholders Agreement**"). The inter-se rights and obligations as shareholders of PAC 5 and other matters in connection therewith (including certain matters relating to the affairs and management of the Target Company) have been set out in the Shareholders Agreement. The key matters involving the Target Company as mentioned in the Shareholders Agreement are as follows:
- a) Acquirer and PAC 1 shall be the sole promoters of the Target and PAC 4 and PAC 5 shall be classified as promoter group of the Target Company.
- b) PAC 5 shall not, and the parties to the Shareholders Agreement shall procure that PAC 5 does not, exercise its voting rights in any general meeting of shareholders of the Target Company to vote in favor of any resolution pertaining to issuance of Securities by the Target Company (other than a resolution pertaining to a contemplated merger of PAC 5 with the Target Company), unless the terms thereof have been agreed in writing by PAC 2 and PAC 3.
- c) Acquirer, PAC 1 and PAC 4 shall recommend merger of PAC 5 with the Target Company to the board of directors of PAC 5 and the Target Company; and the Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 shall exercise their votes in favor of such a merger, provided that in case of PAC 2 and PAC 3, the merger should satisfy certain criteria specified in the Shareholders Agreement ("**Qualified Merger**").
- d) In the event that the Qualified Merger is not approved by the boards of directors of PAC 5 and Target on or prior to April 1, 2017 or the Qualified Merger is approved by the respective boards of directors of PAC 5 and Target on or prior to April 1, 2017, but is not completed prior to March 31, 2018 solely due to the Acquirer not having complied its obligations under the Shareholders Agreement, PAC 2 and PAC 3 shall have certain default put and default drag along rights as detailed in the Shareholders Agreement.
- e) PAC 2 and PAC 3 shall have, at all times, the right to nominate one (1) of the directors on the board of directors of the Target Company.
- f) Chairman of the board of directors of Target Company after the merger shall be an independent director.
- g) PAC 5 shall not vote in favour of any resolution proposed to the shareholders of the Target Company in respect of the following matters, without a prior written consent of PAC 2 and PAC 3:
- i. Amendment to memorandum of association and articles of association of the Target Company, to the extent prejudicial to any rights of PAC 2 and PAC 3, other than with respect to any alteration or amendment to the articles of association of the Target Company incorporated to give effect to a consolidation of Acquirer's control over the Target Company, including in connection with the appointment of any directors by the Acquirer and

PAC 4 to the board of directors of the Target Company, or the appointment of any key management personnel of the Target Company by the Acquirer and PAC 4, to the extent that such actions do not directly conflict with the rights of PAC 2 and PAC 3 under the Shareholders Agreement.

- ii. Any Transfer of any intellectual property right having a value in excess of Rupees Twenty Five Million (₹ 25,000,000).
- iii. Any related party transaction, including investments/loans/advances to related parties, outsourcing arrangements with related parties etc., and any termination, amendment, variation, renewal of any existing arrangements with related parties. The Target Company can continue to undertake related party transactions, which are consistent with its past practices, without requiring the affirmative vote of PAC 2 and PAC 3.
- iv. Entering into any agreement or arrangement to give effect to any of the foregoing matters.

The above described board seat and reserved matter rights of PAC 2 and PAC 3 in the Target Company shall fall away automatically if they cease to hold, at any time, at least twelve point five per cent (12.5%) of the issued and paid up share capital of PAC 5 on a fully diluted basis prior to the merger of PAC 5 with the Target Company in accordance with applicable law, or following the merger having become effective in accordance with applicable law, at least seven per cent (7%) of the issued and paid up share capital of the Target Company on a fully diluted basis; provided that in each case, such dilution of PAC 2 and PAC 3's shareholding in PAC 5 or the Target Company as the case may be, has not resulted from the exercise by PAC 2 or PAC 3 of any tag along rights following sale of equity securities or securities held by Acquirer or PAC 4 in PAC 5 or the Target Company.

The Shareholders Agreement also contains provisions in relation to PAC 5, for certain reserved matter rights to PAC 2 and PAC 3, pre-emptive rights, manner in which PAC 5 shall be managed, transfer of shares restrictions which include tag along, drag along, put option rights, representation and warranties, non-solicitation obligations, information rights, confidentiality and events of default among other matters. The Shareholders Agreement also enumerates certain actions such as amendment to charter documents of PAC 5 and/or its subsidiaries, any merger, de-merger, acquisition, restructuring, consolidation, voluntary winding up or dissolution of PAC 5, any capital raise, any decision relating to creation of any new employee stock option scheme etc., by PAC 5, which will require the consent of PAC 2 and PAC 3.

- 12) As on the date of the DLOF, Mr. Keiichi Igarashi, President and CEO of the Acquirer and Chairman of PAC 4, is on the Board of Directors of the Target Company. As of the date of the DLOF, there is no change proposed by either the Acquirer or any of the PACs to the current board of directors of the Target Company. The Acquirer and PACs reserve the right to appoint their respective nominee directors of the board of directors of the Target Company during the pendency of the Open Offer, in accordance with the SHA and provisions contained in the SEBI SAST Regulations and the Companies Act, 2013.
- 13) As per Regulation 26(6), the Board of Directors of the Target Company is required to, upon receipt of the Detailed Public Statement, constitute a committee of independent directors to provide its reasoned recommendations on the Open Offer to the Eligible Shareholders. As per Regulation 26(7) read with Regulation 26(6), the written reasoned recommendations of the committee of independent directors is required to be published by the Target Company at least two (2) Working Days prior to the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published and simultaneously, a copy of such recommendations needs to be sent to SEBI, BSE, NSE and to the Manager to the Offer.

B. Details of the Open Offer

- 1) The Public Announcement announcing the Open Offer, under Regulations 3, 4 and 5(1), was made on January 29, 2015 to the BSE, NSE and a copy thereof was also filed with SEBI and sent to the Target Company at its registered office.
- 2) The Detailed Public Statement in respect of the Open Offer was published on August 06, 2015 in the following newspapers:

Newspaper	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Mumbai Lakshadeep	Marathi	Mumbai edition
Makkal Kural	Tamil	Chennai edition

(The Public Announcement and the Detailed Public Statement are available on the SEBI website: www.sebi.gov.in)

- 3) The Acquirer and the PACs are making the Open Offer to the Eligible Shareholders under the SEBI SAST Regulations for the acquisition of up to the Offer Size i.e., 7,960,538 fully paid-up Equity Shares being 26.01% of the voting capital of the Target Company as of the tenth (10th) Working Day from the closure of the Tendering Period from the Eligible Shareholders at the Offer Price i.e., ₹ 324.60 per Equity Share, payable in cash, subject to the terms and conditions mentioned hereinafter. The Offer Price comprises the Base Offer Price i.e., ₹ 307.92 per Equity Share and an additional amount of ₹ 16.68 per Equity Share of the Target Company, being an amount greater than the sum determined at the rate of 10% per annum on the Base Offer Price for the period between January 22, 2015 (being the date on which the transaction was contracted and announced in the public domain) and August 06, 2015, being the date of publication of the Detailed Public Statement, in accordance with Regulation 8(12).
- 4) All Equity Shares validly tendered by the Eligible Shareholders pursuant to the Open Offer will be accepted at the Offer Price by PAC 5, in accordance with the terms and conditions contained in the Detailed Public Statement and the Draft Letter of Offer. In the event that the Equity Shares tendered in the Open Offer by the Eligible Shareholders are more than the Equity Shares to be acquired under the Open Offer, the acquisition of the Equity Shares from each Eligible Shareholder will be on a proportionate basis as detailed in paragraph VII.12 of this Draft Letter of Offer.
- 5) This Open Offer is not a competing offer under Regulation 20. To the best knowledge of the Acquirer, the PACs and the Target Company, there has been no competing offer as on the date of this Draft Letter of Offer.
- 6) The Acquirer and the PACs may withdraw the Open Offer in accordance with the conditions specified in paragraphs VI.15 of this Draft Letter of Offer. In the event of such withdrawal, it shall be notified in accordance with Regulation 23 by way of a public announcement in the same newspapers in which the Detailed Public Statement had appeared and simultaneously to, in writing, SEBI, the NSE and the BSE and the Target Company at its registered office.
- 7) The Acquirer and PACs have not acquired any Equity Shares of the Target Company since the date of entering SPA being January 22, 2015, up to the date of this Draft Letter of Offer. In the event of any acquisition of Equity Shares during the Offer Period by the Acquirer and/or the PACs, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall be revised to the highest price paid or payable for any such acquisition.
- 8) The Offer Price is subject to revisions pursuant to the SEBI SAST Regulations, if any, or at the discretion of the Acquirer and the PACs at any time prior to three (3) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4).
- 9) The Equity Shares of the Target Company are listed on BSE and NSE. Under Clause 40A of the equity listing agreement read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), the Target Company is required to maintain at least 25% public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company falls below the minimum level required as per the equity listing agreement entered into by the Target Company with the Stock Exchanges read with Rule 19A of the SCRR, the Acquirer hereby undertakes that the public shareholding in the Target Company will be enhanced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.
- 10) The Manager to the Offer, does not hold any Equity Shares in the Target Company. In terms of the SEBI SAST Regulations, the Manager to the Offer shall not deal on its own account in the Equity Shares during the Offer Period.

C. Object of the Open Offer

- 1) The Offer is being made as a result of the acquisition of substantial shares and voting rights of PAC 5 by Acquirer, PAC 1, PAC 2 and PAC 3, accompanied with the acquisition of indirect control of the Target Company, by the Acquirer, in terms of Regulations 3, 4 read with Regulation 5(1). It may be noted that as on the date of this Draft Letter of Offer, Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 together own 99.53% of the equity share capital of PAC 5.
- 2) The Acquirer, PAC 1, PAC 2, and PAC 3 currently intend to merge PAC 5 with the Target Company, which they believe would result in operational efficiencies. The Acquirer also reserve the right to streamline/restructure the operations, assets, liabilities and/or businesses of the Target Company through arrangement/reconstruction, restructuring, demerger and/or sale of assets or undertakings, at a later date, as may be allowed under the then

prevailing/applicable act, rules, regulation, guidelines etc. The Acquirer and/or the PACs may also dispose-off or otherwise encumber any assets or investments of the Target Company or any of its subsidiaries, through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalizing the assets, investments or liabilities of the Target Company and/or its subsidiaries, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and subject to the prevailing applicable laws.

- 3) Except as disclosed in this DLOF, the Acquirer and PACs do not currently have any intention to alienate any material assets of the Target Company or of any of its subsidiaries outside the ordinary course of business for a period of 2 years after completion of the Open Offer, other than those already disclosed and/or publicly announced by the Target Company. Other than the above, if the Acquirer and PACs intend to alienate any material asset of the Target Company or any of its subsidiaries, within a period of 2 years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per proviso to Regulation 25(2), to the extent applicable

III. Background of the Acquirer and the PACs

A. Information about the Acquirer:

Igarashi Electric Works Limited, Japan

- 1) Acquirer is a company incorporated under the laws of Japan on January 19, 1952 vide company corporate no. 0200-01-070574. There has been no change in the name of the Acquirer since incorporation and its head office is located at 1-2, Tode Hon-cho, Saiwai-Ku, Kawasaki, 212-0023, Japan.
- 2) The Acquirer belongs to and is the parent entity of the Igarashi group. The Acquirer is in the business of manufacturing and sale of electric motors, electric devices and handling intermediate parts.
- 3) The Acquirer holds 29,308,000 equity shares representing 55.21% of the paid up capital of PAC 5. PAC 4 is a wholly owned subsidiary of the Acquirer. Acquirer is not related in any manner to PAC 1, PAC 2 and PAC 3.
- 4) Mr. Keiichi Igarashi is the majority shareholder and person in control of the Acquirer holding 70.29% (Seventy point Two Nine per cent) shares of the Acquirer.
- 5) As on the date of DLOF, the capital of IEWL was JPY 20,000,000 (Twenty Million Japanese Yen) divided into 40,000 shares and the shareholding pattern of the Acquirer is as follows:

S.No.	Category of the Shareholder	No. of equity shares held	%
1	Person in control	28,115	70.29
2	FII / Mutual Funds / FIs / Banks	Nil	Nil
3	Others	11,885	29.71
	Total	40,000	100.00

- 6) Pursuant to the completion of the Underlying Transaction and as on date of this DPS, the Acquirer is the promoter of the Target Company. The Acquirer's direct and indirect shareholding in the Target Company is as follows:

Particulars	No. of Equity Shares of the Target Company	% of issued, subscribed and paid up capital of Target Company
<i>Pre-Underlying Transaction</i>		
Acquirer's direct shareholding	967, 648	3.16
Acquirer's indirect shareholding through PAC 4	2,499,993	8.17
<i>Pursuant to Underlying Transaction</i>		
Acquirer's indirect shareholding through PAC 5, which is a subsidiary of the Acquirer	12,830,059	41.92
TOTAL	16,297,700	53.25

7) The details of directors of the Acquirer as on the date of this DLOF are as follows:

Name	Date of Appointment	Designation	Qualifications	Experience
Keiichi Igarashi	February 20, 1999	President & CEO	1990 Chuo University, BA of Engineering	Worked at Panasonic (Japan) from 1990 to 1995 as Quality engineer. Working with Igarashi group since 1995.
Naoaki Ito	January 1, 2005	Managing Director	BA of Commerce from Keio University	Worked at Bank of Yokohama from 1974-2001. During the period, he worked at Singapore branch for 7 years and at Thailand branch for 4 years. 2002 - Joined the Acquirer.
Toshiyasu Kobayashi	February 28, 2011	Director	1973 - Kashiwazaki technical high school mechanics course	Working with the Acquirer since 1973.
Haruo Igarashi	December 22, 2011	Director	2010 - University of Phoenix, BA of Business Administration	Worked with International components corporation from 1991-1995. Working with the Acquirer since 1996.

- 8) Apart from Mr. Keiichi Igarashi, President and CEO of the Acquirer who is also on the Board of Directors of the Target Company, no other directors or key employees of the Acquirer have any interest in the Target Company. Mr. Keiichi Igarashi has not participated and will not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter in relation to the Offer, in his capacity as a non-executive director on the board of directors of the Target Company in accordance with Regulation 24(4).
- 9) None of the securities issued by the Acquirer are listed on any stock exchanges in India or abroad.
- 10) The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 11) The Acquirer has complied with the relevant provisions of Chapter II of the SEBI SAST Regulations 1997 and Chapter V of the SEBI SAST Regulations, except for non-disclosure under Regulation 7(1A) of the SEBI SAST Regulations for sale of 4,856,034 Equity Shares of the Target Company, on March 30, 2011.

- 12) Brief financial information of the Acquirer, as derived from the standalone limited review report for the four months period ended April 30, 2015 and the audited standalone financial statements as at and for the financial years ended December 31, 2014, December 31, 2013 and December 31, 2012 and are as follows:

Profit and Loss Statement

(In millions)

Particulars	Limited Review for the period ended April 30, 2015		Year Ended December 31, 2014		Year Ended December 31, 2013		Year Ended December 31, 2012	
	JPY	₹	JPY	₹	JPY	₹	JPY	₹
Income from operations	1,017.61	532.31	2,891.69	1,670.26	2,675.07	1,607.63	3,045.66	2,044.51
Other Income	838.69	438.71	208.67	120.53	1,158.40	696.16	261.62	175.62
Total Income	1,856.29	971.02	3,100.36	1,790.78	3,833.47	2,303.79	3,307.28	2,220.13
Total Expenditure	1,323.70	692.42	2,894.96	1,672.14	2,589.39	1,556.14	2,949.00	1,979.62
Profit Before Depreciation Interest and Tax	532.59	278.60	205.40	118.64	1,244.08	747.65	358.28	240.51
Depreciation	10.00	5.23	29.42	17.00	15.22	9.15	15.29	10.27
Interest	24.11	12.61	34.67	20.03	31.19	18.74	39.38	26.44
Profit Before exceptional item and Tax	498.48	260.75	141.31	81.62	1,197.68	719.76	303.60	203.80
Extraordinary items	(16.00)	(8.37)	(664.69)	(383.93)	(11.15)	(6.70)	7.16	4.81
Profit Before Tax	482.48	252.38	(523.38)	(302.31)	1,186.53	713.06	310.76	208.61
Provision for Tax	0.00 ⁽⁴⁾	0.00 ⁽⁴⁾	0.38	0.22	48.18	28.96	20.23	13.58
Profit After Tax	482.48	252.38	(523.76)	(302.53)	1,138.35	684.11	290.54	195.03

Balance Sheet Statement

(In millions)

Particulars	Limited Review for the period ended April 30, 2015		Year Ended December 31, 2014		Year Ended December 31, 2013		Year Ended December 31, 2012	
	JPY	₹	JPY	₹	JPY	₹	JPY	₹
Sources of funds								
Paid up share capital	20.00	10.71	20.00	10.59	20.00	11.79	20.00	12.73
Accumulated Earnings	2,550.65	1,365.36	2,068.17	1,094.68	2,591.93	1,528.46	1,453.59	925.35
Networth	2,570.65	1,376.07	2,088.17	1,105.27	2,611.93	1,540.26	1,473.59	938.08
Current Liabilities	1,598.99	855.94	1,702.34	901.05	1,087.21	641.13	1,415.46	901.08
Non Current Liabilities	9,025.99	4,831.61	9,457.74	5,005.98	3,202.26	1,888.37	1,273.35	810.61
Total	13,195.62	7,063.61	13,248.24	7,012.30	6,901.40	4,069.76	4,162.39	2,649.78
Uses of funds								
Net fixed assets	2,593.64	1,388.38	2,543.58	1,346.31	583.59	344.14	552.08	351.46
Investments and other assets	3,199.34	1,712.61	2,897.20	1,533.49	1,353.34	798.07	1,355.31	862.79
Current Assets	7,375.60	3,948.16	7,780.43	4,118.18	4,964.47	2,927.55	2,255.00	1,435.53
Deferred Assets	27.03	14.47	27.03	14.31	-	-	-	-
Total	13,195.62	7,063.61	13,248.24	7,012.30	6,901.40	4,069.76	4,162.39	2,649.78

Other Financial Data

Particulars	Limited Review for the period ended April 30, 2015		Year Ended December 31, 2014		Year Ended December 31, 2013		Year Ended December 31, 2012	
	JPY	₹	JPY	₹	JPY	₹	JPY	₹
Dividend (%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Basic and Diluted EPS	12,061.95 ⁽⁵⁾	6,309.56 ⁽⁵⁾	(13,094.09)	(7,563.22)	28,458.66	17,102.70	7,263.44	4,875.84

The Acquirer does not record contingent liabilities.

Notes:

- (1) The convenience translation rates used for converting JPY to Indian Rupees are 0.54, 0.64, 0.59 and 0.53 for calculation of Balance Sheet figures as at April 30, 2015 and December 31, 2012, 2013 and 2014 respectively, and 0.52, 0.67, 0.60 and 0.58 for calculation of Profit and Loss account figures for the four months period ending April 30, 2015 and the twelve months period ending December 31 2012, 2013 and 2014 respectively.
- (2) The financial information for the four months period ending April 30, 2015 has been extracted from the limited review standalone financial statements of the Acquirer which have been reviewed by Mr. Kenkichi Sasai, the statutory auditor of the Acquirer.
- (3) The financial information for the financial years ending December 31, 2012, 2013 and 2014 have been extracted from the audited standalone financial statements of the Acquirer which have been audited by Mr. Kenkichi Sasai, the statutory auditor of the Acquirer.
- (4) The Acquirer has not made any provisions for taxation for the four months period ending April 30, 2015, on account of accumulated losses
- (5) Not annualized.

B. Information about the persons acting in concert

B1. MAPE Securities Private Limited – PAC 1

- 1) PAC 1 is a private limited company incorporated on June 22, 2006 with the Registrar of Companies, Maharashtra under the name and style of 'MAPE ADMISI Securities Private Limited'. The name of PAC 1 was changed to 'MAPE Securities Private Limited' on November 25, 2008 and a fresh certificate of incorporation was issued. The corporate identity number of PAC 1 is U74992MH2006PTC162787 and the registered office is situated at 13R 14, 1st Floor, Nirlon House, 254 B Dr Annie Besant Road, Worli, Mumbai, Maharashtra - 400030.
- 2) PAC 1 provides financial advisory services and is a SEBI registered stock broking entity. PAC 1 belongs to the MAPE group of companies and is a wholly owned subsidiary and controlled by MAGPL, a boutique investment bank.
- 3) As on the date of this DLOF, the paid up share capital of PAC 1 was ₹60,000,000 (Rupees Sixty Million) divided into 6,000,000 equity shares of face value ₹10 each.
- 4) Pursuant to the completion of the Underlying Transaction, PAC 1 holds 4,591,587 equity shares of PAC 5, representing 8.65% of the paid up capital of PAC 5. PAC 1 is not related in any manner with the Acquirer, PAC 2, PAC 3 and PAC 4.
- 5) As on the date of this DLOF and pursuant to the completion of the Underlying Transaction, PAC 1 is the promoter of Target. None of the directors or key employees of PAC 1 have any interest in the Target Company.
- 6) The details of directors of PAC 1 as on the date of this DLOF are as follows:

Name and Director Identification Number	Date of Appointment	Designation	Qualifications	Experience
Jacob Mathew (00996521)	17 th July, 2007	Whole time Director	B.Tech (Civil Engg.) and PGDM (IIM – Calcutta)	22 years' experience in the financial sector
M Ramprasad (00004275)	22 nd June, 2006	Director	B.Sc (Chemistry) and MBA	22 years' experience in the financial sector

- 7) None of the securities issued by PAC 1 are listed on any stock exchanges in India or abroad.
- 8) PAC 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.

- 9) PAC 1 has not acquired Equity Shares or any other securities of the Target Company since its incorporation and hence the applicable provisions of Chapter II of SEBI SAST Regulations, 1997 and Chapter V of SEBI SAST Regulations are not applicable.
- 10) Brief financial information of PAC 1, as derived from its audited standalone financial statements as at and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013 is as follows:

Profit and Loss Statement

(₹ in millions)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Income from operations	16.80	24.94	98.61
Other Income	23.16	10.57	7.19
Total Income	39.96	35.51	105.80
Total Expenditure	35.62	14.26	87.53
Profit Before Depreciation Interest and Tax	4.34	21.25	18.28
Depreciation	0.85	0.41	0.80
Interest and Other financial cost	0.37	1.99	10.34
Profit Before Tax	3.12	18.85	7.14
Provision for Tax	0.81	3.95	2.10
Profit After Tax	2.31	14.90	5.04

Balance Sheet Statement

(₹ in millions)

Particulars	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Sources of funds			
Paid up share capital	60.00	60.00	60.00
Reserves and Surplus	153.87	151.56	136.66
Networth	213.87	211.56	196.66
Secured Loans	-	1.14	6.67
Long Term Provisions	0.17	0.11	0.31
Total	214.03	212.81	203.64
Uses of funds			
Net fixed assets	0.23	1.09	1.84
Non-Current Investments	26.16	30.00	-
Other Non-Current Assets	2.50	17.00	-
Long Term Loans and Advances	19.47	20.50	26.29
Net Current Assets	165.67	144.22	175.51
Total	214.03	212.81	203.64

Other Financial Data

Particulars	Year Ending March 31, 2015	Year Ending March 31, 2014	Year Ending March 31, 2013
Dividend (%)	Nil	Nil	Nil
Basic and Diluted EPS (₹)	0.38	2.48	0.84

Contingent Liabilities as March 31, 2015 - Nil.

Notes:

- a) The financial information for the financial years ending March 31, 2013 and 2014 have been extracted from the audited standalone financial statements of PAC 1 which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Price Waterhouse & Co., Chartered Accountants, Firm Regn No. 050032S, the statutory auditor of PAC 1.

- b) *The financial information for the financial year ending March 31, 2015 has been extracted from the audited standalone financial statements of PAC 1 which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Price Waterhouse Chartered Accountants LLP, Firm Regn No. 012754N/N500016, the statutory auditor of PAC 1.*

B2. Alpha FDI Holdings PTE. LTD - PAC 2

- 1) PAC 2 is a private limited company incorporated under the laws of Singapore on May 20, 2015, under the name and style of “Alpha FDI Holdings PTE LTD.”. The company registration number of PAC 2 is 201523657N and the registered corporate office of PAC 2 is located at 8 Shenton Way, #19-01 AXA Tower, Singapore 068811.
- 2) PAC 2 is a wholly owned subsidiary and is controlled by Alpha TC Holdings PTE Ltd.
- 3) PAC 2 is an indirect wholly owned subsidiary of Tata Capital Growth Fund LP, which in turn is entirely owned by global institutional investors. Thus, PAC 2 does not belong to any particular group. The principal activity of PAC 2 is that of an investment holding company.
- 4) PAC 2 holds 15,630,934 equity shares representing 29.44% of the paid up capital of PAC 5. PAC 2 is not related to the Acquirer, PAC 1 or PAC 4. The investment manager of PAC 3 i.e. TCL, is the investment advisor to the investment manager of PAC 2.
- 5) As of the date of this DLOF, PAC 2, its directors and key employees do not have any interest in the Target Company except pursuant to the Underlying Transaction, which has triggered this Offer.
- 6) As PAC 2 has been incorporated on May 20, 2015, the first financial statements have not been drawn up to the date of this DLOF. The issued, subscribed and paid up capital of PAC 2 as on the date of this DLOF is US\$ 35,030,001 (US Dollars Thirty Five Million Thirty Thousand One only) divided into 1 (One) equity share of US\$1 each and 35,030,000 (Thirty Five Million Thirty Thousand only) redeemable preference shares of US\$1 each.
- 7) The details of directors of PAC 2 as on the date of this DLOF are as follows:

Name	Date of Appointment	Designation	Qualifications	Experience
Jagannathan Niranjana	20 th May, 2015	Director	Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore Bachelor of Technology from the Indian Institute of Technology, Bombay	Over 20 years of experience in investment banking in India and has worked across M&A Advisory, Equity / Debt Capital market Transactions.
Lee Wei Hsiung	20 th May, 2015	Director	Institute of Chartered Secretaries & Administrators (ICSA) - Practicing Chartered Secretary	13 years of experience in corporate secretarial services.

- 8) None of the securities issued by PAC 2 are listed on any stock exchanges in India or abroad.
- 9) PAC 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 10) PAC 2 has not acquired Equity Shares or any other securities of the Target Company since its incorporation and hence the applicable provisions of Chapter II of SEBI SAST Regulations, 1997 and Chapter V of SEBI SAST Regulations are not applicable.

B3. Tata Capital Growth Fund I - PAC 3

- 1) PAC 3 is a domestic venture capital fund, established as an irrevocable trust under the Indian Trusts Act, 1882, through the indenture dated June 03, 2009 between Mr. Shailesh H Rajadhyaksha as settlor and Tata Trustee Company Limited (“Trustee”/ “TTCL”), as trustee. The indenture was modified through deed of amendment dated February 17, 2010 and through a supplementary Trust Deed to the Indenture of Trust dated March 06, 2012 and an investment management agreement was entered amongst TTCL and Tata Capital Limited (“TCL”) as investment manager to PAC 3 on March 11, 2010.
- 2) PAC 3 is registered under SEBI (Venture Capital Funds) Regulations, 1996 having registration no. IN/VCF/09-10/148. The principal office of PAC 3 is at C/o Tata Capital Limited, One Forbes, Dr. VB Gandhi Marg, Fort, Mumbai 400 001.
- 3) PAC 3 is primarily engaged in making portfolio investments in companies. The Trustee is in control of PAC 3 as per the indenture of trust and subsequent amendments thereto.
- 4) PAC 3 holds 2,442,333 equity shares representing 4.60% of the paid up capital of PAC 5. PAC 3 is not related to the Acquirer, PAC 1 or PAC 4. The investment manager of PAC 3, i.e., TCL is the investment advisor to the investment manager of PAC 2.

- 5) The beneficiaries of PAC 3 are as follows:

Name / Nature of Investor	Investment Percentage
TCL	73.75
Institutions / Others	25.66
Individuals	0.59
Total	100.00

- 6) As of the date of this DLOF, PAC 3, TTCL and its directors and key employees do not have any interest in the Target Company except pursuant to the Underlying Transaction, which have triggered this Offer.
- 7) As on the date of this DLOF, Mr. Akhil Awasthi, Mr. Pramod Ahuja and Mr. Sanjay Chaudhary, employees of TCL, are the key managerial personnel of PAC 3. The details of directors of TTCL as on the date of this DLOF are as follows:

Name and Director Identification Number	Date of Appointment	Designation	Qualifications	Experience
Mr. Pratip Kar DIN: 03346142	22 nd October, 2013	Director	M. Sc. Physics, MBA (INSEAD)	Executive Director on the Board of Securities and Exchange Board of India (1988 to 2006 August). He was also Dean at the Tata Management Training Center (Pune) during the period from September 01, 2006 to March 31, 2009. He was the member of the Advisory Council, India of the Global Corporate Governance Forum, International Finance Corporation, Washington D.C from 2009 to 2012. He was also the Director of Globsyn Business School from 2009 to 2012. He was an independent director of Tata Asset Management Ltd. from

Name and Director Identification Number	Date of Appointment	Designation	Qualifications	Experience
				April' 2012 to September'2013. He is currently on the board of Tata AIA Life Insurance Company Ltd. as an Independent Director.
Mr. K. A. Chaukar DIN: 00033830	10 th June, 2011	Director	Graduate in Economics, PGDM –IIM Ahmedabad	He was Managing Director of Tata Industries Ltd (TIL). Earlier he was also the Managing Director of ICICI Securities & Finance Company Limited and on the Board of Directors of ICICI Limited.
N. J. N. Vazifdar DIN: 01240467	08 th May, 2009	Director	MMS – Finance, FCS, FCA	He has over 26 years experience in the accounting, finance and corporate secretarial functions and compliance, having worked in leading Indian companies and foreign collaborations in India such as Godrej, ColourChem, Mahindra UGINE and Kotak Mahindra. He was member on the Boards of other companies as an Independent Director and his advice is frequently sought on issues relating to corporate laws and corporate governance.
Mr. Cyrus Vachha DIN: 06722644	07 th November, 2013	Director	B.A. (Hon) – Economics & Political Science	Mr. Cyrus F. Vachha was involved in the area of finance since 1968. He was the Chief Manager & held various positions in ANZ Grindlays Bank, PLC from March'1968 to February'1991. He was the Founding Member & Deputy Chief Executive Officer –India in ABN AMRO Bank and held various positions, from February 1991 to April 1999. He is currently on the Board of Brady & Morris Engineering Ltd. as an Independent Director

- 8) PAC 3 being a trust does not have any share capital and its units are not listed on any of the stock exchanges in India or abroad.

- 9) PAC 3 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 10) PAC 3 has not acquired Equity Shares or any other securities of the Target Company since its incorporation and hence the applicable provisions of Chapter II of SEBI SAST Regulations, 1997 and Chapter V of SEBI SAST Regulations are not applicable.
- 11) Brief financials of PAC 3, as derived from the standalone audited financial statements as at and for the financial years ended March 31, 2015, 2014 and 2013, are as follows:

Profit and Loss Statement

(₹ in millions)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue from operations	64.794	54.179	29.540
Other Income	0.100	0.080	0.000
Total Income	64.894	54.259	29.540
Total Expenditure	76.165	196.166	440.526
Profit / Loss Before Depreciation Interest and Tax	(11.271)	(141.907)	(410.986)
Depreciation and Amortization	-	-	-
Interest	-	-	-
Profit / Loss Before Tax	(11.271)	(141.907)	(410.986)
Provision for Tax	1.046	0.617	0.383
Profit / Loss After Tax	(12.317)	(142.524)	(411.369)

Balance Sheet Statement

(₹ in millions)

Particulars	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Capital and Liabilities			
Unit holders Funds			
Fund Corpus	0.001	0.001	0.001
Unit Capital	2,279.299	1,790.619	1,716.276
Reserves and Surplus	(853.159)	(840.842)	(698.319)
Networth	1,426.141	949.778	1,017.958
Non Current Liabilities	-	-	-
Total	1,426.141	949.778	1,017.958
Uses of funds			
Net fixed assets	-	-	-
Non Current Investments	1,346.527	934.027	1,017.499
Long Term Loans and Advances	0.018	0.009	0.002
Net Current Assets	79.596	15.742	0.457
Total	1,426.141	949.778	1,017.958

PAC 3 has nil contingent liabilities as at March 31, 2015.

Notes:

- a) The financial information for the financial year ended March 31, 2013 has been extracted from the audited standalone financial statements of PAC 3, which have been prepared in accordance with Indian GAAP. The financial statements have been audited by Deloitte Haskins & Sells Chartered Accountants, Firm Regn No. 117366W, the statutory auditor of PAC 3.
- b) The financial information for the financial years ended March 31, 2014 and 2015 have been extracted from the audited standalone financial statements of PAC 3, which have been prepared in accordance with Indian GAAP. The financial statements have been audited by Deloitte Haskins & Sells LLP., Chartered Accountants, Firm Regn No. 117366W/W-100018, the statutory auditor of PAC 3.

B4. Igarashi Electric Works (H.K.) Ltd – PAC 4

- 1) PAC 4 is a company incorporated under the laws of Hong Kong on September 14, 1973 vide certificate of incorporation no. 35416. There has been no change in the name of PAC 4 since incorporation and its head office is located at Block “A”, 3rd Floor, Shui Ki Ind. Building, 18 Wong Chuk Hang Road, Aberdeen, Hong Kong.
- 2) PAC 4 belongs to the Igarashi group of companies and is in the business of manufacturing and sale of electric motors, electric devices, etc.
- 3) PAC 4 is a wholly owned subsidiary of the Acquirer and is not related in any manner to PAC 1, PAC 2 and PAC 3. PAC 4 holds 866,400 equity shares representing 1.63% of the paid up capital of PAC 5. PAC 4 and PAC 5 are the subsidiaries of the Acquirer.
- 4) As on the date of this DLOF, the paid up share capital of PAC 4 is HK\$37,000,000 divided into 370,000 equity shares of HK\$100 each.
- 5) As on date of this DLOF, PAC 4 is part of the promoter group of the Target Company and holds 2,499,993 Equity Shares representing 8.17% of the issued, subscribed and paid up capital of the Target Company.
- 6) The details of directors of PAC 4 as on the date of this DLOF are as follows:

Name and Director Identification Number	Date of Appointment	Designation	Qualification	Experience
Kazuharu Igarashi DIN: 00558629	September 14, 1973	Director	Bachelor of Economics from Nihon University, Japan	Working with Igarashi group since 1960
Keiichi Igarashi DIN: 00356779	March 27, 1995	Chairman	Bachelor's Degree of Reliability Engineering from Chuo University, Japan	Worked at Panasonic (Japan) from 1990 to 1995 as Quality engineer. Working with Igarashi group since 1995.
Keiji Esumi	January 12, 2009	Managing Director	Graduate from Shimane Prefectural Izumo Technical High School, Japan and majored in Chemistry.	Worked at Panasonic (Japan) from 1971 to 2008, majorly responsible for few departments such as R&D, Production Technology, QA and Production. Working with Igarashi group since 2009
Woo Shui Fun	January 2, 1981	Director	Diploma of Finance Management from HKMA. Certificate of Higher Accounting & Costing from LCC.	Worked at Charles Mar Fan & Co. CPA as Auditor from 1973 to 1976. Working with Igarashi group since 1976

Name and Director Identification Number	Date of Appointment	Designation	Qualification	Experience
Liu Ka Lung	July 1, 1984	Director	Member of SGS Advisory Board for Systems and Services Certification from 2008 to 2010; Member of IEng MIMechIE since 1991; Associate Member of HKMA since 1981; Corporate Member of the “iteme” institution of Technician Engineers in Mechanical Engineering since 1981 Full Technological Certificate of City and Guilds of London Institute since 1981	Working with Igarashi group since 1976.

- 7) Apart from Mr. Keiichi Igarashi, Chairman of PAC 4 who is also on the Board of Directors of the Target Company, no other directors or key employees of PAC 4 have any interest in the Target Company. Mr. Kazuharu Igarashi, Director of PAC 4 was a director on the Board of Directors of the Target Company up to March 31, 2015 and has ceased to be a director of the Target Company since April 1, 2015. Mr. Keiichi Igarashi has not participated and will not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter in relation to the Offer, in his capacity as a non-executive director on the board of directors of the Target Company in accordance with Regulation 24(4).
- 8) None of the securities issued by PAC 4 are listed on any stock exchanges in India or abroad.
- 9) PAC 4 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 10) PAC 4 has complied with the relevant provisions of Chapter II of the SEBI SAST Regulations 1997 and Chapter V of the SEBI SAST Regulations, as applicable.

- 11) Brief financial information of PAC 4, as derived from the standalone limited review report for the four months period ended April 30, 2015 and the audited standalone financial statements as at and for the financial years ended December 31, 2014, December 31, 2013 and December 31, 2012 and are as follows:

Profit and Loss Account

(In millions)

Particulars	Limited Review for the four months period ended April 30, 2015		Audited					
			Year Ended December 31, 2014		Year Ended December 31, 2013		Year Ended December 31, 2012	
	HKD	₹	HKD	₹	HKD	₹	HKD	₹
Revenue	246.59	1983.57	936.57	7,372.53	758.57	5,726.14	639.54	4,406.28
Other Income	1.79	14.43	8.47	66.66	9.08	68.54	10.02	69.04
Other Net Income	0.10	0.78	0.41	3.24	0.19	1.44	0.00	0.00
Total Income	248.48	1998.78	945.45	7442.43	767.84	5,796.12	649.56	4,475.32
Total Expenditure	229.11	1843.02	818.51	6,443.18	668.19	5,043.93	589.86	4,063.99
Profit Before Depreciation Finance Cost and Tax	19.36	155.75	126.94	999.26	99.65	752.19	59.70	411.33
Depreciation	4.19	33.71	12.14	95.54	11.02	83.15	11.50	79.22
Finance Cost	1.10	8.81	3.48	27.38	4.63	34.93	4.33	29.85
Profit Before exceptional item and Tax	14.08	113.24	111.33	876.34	84.00	634.11	43.87	302.26
Fair value gain / (loss) on investment in listed shares	36.00	289.56	62.80	494.33	-2.04	-15.39	15.30	105.42
Impairment Loss on long term loans receivable	-	-	-	-	-	-	(44.00)	(303.15)
Loss on disposal of investment in subsidiary	-	-	-	-	-	-	(5.40)	(37.21)
Profit Before Tax	50.07	402.80	174.12	1370.67	81.96	618.72	9.77	67.32
Income Tax	1.24	9.93	9.29	73.12	7.21	54.46	4.24	29.24
Profit After Tax	48.84	392.86	164.83	1297.55	74.75	564.26	5.53	38.08

Balance Sheet Statement

(In millions)

Particulars	Limited Review for the four months period ended April 30, 2015		Audited					
			As at December 31, 2014		As at December 31, 2013		As at December 31, 2012	
	HKD	₹	HKD	₹	HKD	₹	HKD	₹
Sources of funds								
Share Capital	37.00	303.18	37.00	301.18	37.00	295.15	37.00	261.55
Cash Flow Hedging Reserve	(2.02)	(16.51)	-	-	-	-	2.35	16.65
Accumulated Earnings	352.76	2,890.54	383.92	3,125.15	219.09	1,747.68	214.34	1,515.20
Networth	387.75	3,177.21	420.92	3,426.33	256.09	2,042.83	253.70	1,793.40
Current Liabilities	205.83	1,686.61	197.93	1,611.18	211.12	1,684.07	163.83	1,158.11
Non Current Liabilities	2.07	16.98	1.61	13.08	1.19	9.53	0.69	4.87
Total	595.65	4,880.80	620.47	5,050.59	468.40	3,736.42	418.22	2,956.38
Uses of funds								
Net fixed assets	54.13	443.53	44.48	362.03	36.03	287.40	36.05	254.85
Deposits and Loans and Advances	45.73	374.73	78.18	636.36	82.78	660.32	60.30	426.26
Other Non current assets	132.61	1,086.59	96.52	785.67	51.96	414.51	53.74	379.86
Current Assets	363.18	2,975.94	401.29	3,266.53	297.63	2,374.19	268.13	1,895.41
Total	595.65	4,880.80	620.47	5,050.59	468.40	3,736.42	418.22	2,956.38

Other Financial Data

Particulars	Limited Review for the four months period ended April 30, 2015		Audited					
			Year Ended December 31, 2014		Year Ended December 31, 2013		Year Ended December 31, 2012	
	HKD	₹	HKD	₹	HKD	₹	HKD	₹
Dividend (%)	Nil		216.22		189.20		27.05	
Basic and Diluted EPS	132.00 ⁽⁴⁾	1,061.79 ⁽⁴⁾	445.50	3,506.89	202.03	1,525.02	14.94	102.93

Commitments and Contingent Liabilities as at April 30, 2015:

(In millions)

Particulars	HKD	₹
Commitments contracted and authorized, but not provided for plant and machinery	15.56	127.50
Commitment under operating leases	0.13	1.07
Guarantees given to banks in connection with facilities granted to related companies	56.20	460.50

Notes:

- (1) The convenience translation rates used for converting from HKD to Indian Rupees are 8.19, 7.07, 7.98 and 8.14 for calculation of Net worth as at April 30, 2015 and December 31, 2012, 2013 and 2014 respectively, and 8.04, 6.89, 7.55 and 7.87 for calculation of total revenue, net income and earnings per share for the four months period ending April 30, 2015 and the twelve months period ending 2012, 2013 and 2014 respectively.
- (2) The financial information for the four months period ending April 30, 2015 have been extracted from the standalone limited review financial statements of PAC 4, which have been reviewed by Ng & Wong, Certified Public Accountants, the statutory auditor of PAC 4.
- (3) The financial information for financial years ending December 31, 2012, 2013 and 2014 have been extracted from the audited standalone financial statements of PAC 4. These financial statements have been audited by Ng & Wong, Certified Public Accountants, the statutory auditor of PAC 4.
- (4) Not annualized.

B5. Agile Electric Sub Assembly Private Limited – PAC 5

- 1) PAC 5 is a private company limited by shares and was incorporated on August 10, 2005 with the Registrar of Companies, Tamil Nadu under the name of 'Igarashi Brush Cards Private Limited'. The name of PAC 5 was changed to 'Agile Electric Sub Assembly Private Limited' on January 24, 2008 and a fresh certificate of incorporation was issued. The corporate identity number of PAC 5 is U34300TN2005PTC057151.
- 2) The registered office of PAC 5 is located at Plot Numbers A 33 and 36, Phase I, MEPZ–SEZ, Tambaram, Chennai – 600 045.
- 3) The principal activity of PAC 5 is that of manufacture, fabrication, repair, maintenance, purchase, sale, lease or otherwise dealing in all types of electric generators, alternators, sub-assemblies, parts for sub-assemblies, production of AC motors and assembly lines for electric motors.
- 4) PAC 5 acquired 12,824,225 (Twelve Million Eight Hundred Twenty Four Thousand Two Hundred Twenty Five) Equity Shares of the Target Company pursuant a court approved scheme of amalgamation (AEDPL Scheme) sanctioned by the High Court of Madras on July 20, 2012. The appointed date and effective date of AEDPL Scheme was April 1, 2011 and August 4, 2012 respectively. Under the AEDPL Scheme, AEDPL was dissolved without being wound up and 38 equity shares of PAC 5 were allotted for every 100 fully paid-up equity shares held in AEDPL. Prior to this amalgamation, AEDPL was the promoter of the Target Company.
- 5) Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 hold 29,308,000, 4,591,587, 15,630,934, 2,442,333 and 866,400 equity shares representing 55.21%, 8.65%, 29.44%, 4.60% and 1.63% of the paid up capital of PAC 5 respectively. PAC 4 and PAC 5 are the subsidiaries of the Acquirer.
- 6) The Acquirer is the majority shareholder and promoter of PAC 5 pursuant to the completion of Underlying Transaction.

- 7) As on the date of this DLOF, the paid up equity share capital of PAC 5 is ₹ 53,08,92,540 divided into 53,089,254 equity shares of ₹ 10/- each. Shareholding pattern of PAC 5 as on the date of this DLOF is as follows:

S. No.	Shareholder's Category	No. of Shares Held	% Holding
1	Promoter and Promoter Group		
	Igarashi Electric Works Limited, Japan	29,308,000	55.21
	Igarashi Electric Works (H.K.) Limited	866,400	1.63
	Total Promoter & Promoter Group	30,174,400	56.84
3	FII/Mutual Funds/FIs/Banks	Nil	Nil
4	Public	22,914,854	43.16
	Total Paid Up Capital	53,08,92,540	100.00

- 8) As of the date of this DLOF, PAC 5 is part of the promoter group of the Target Company and directly owns 12,830,059 (Twelve Million Eight Hundred Thirty Thousand Fifty Nine only) Equity Shares representing 41.92% (Forty One point Nine Zero per cent) of the issued, subscribed and paid up capital of the Target Company.
- 9) None of the securities issued by PAC 5 are listed on any stock exchanges in India or abroad.
- 10) PAC 5 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 11) The details of directors of PAC 5 as on the date of this DLOF are as follows:

Name and Director Identification Number	Date of Appointment	Designation	Qualifications	Experience
Mr. R Chandrasekaran DIN: 00012643	19 th February, 2011	Director	Post graduate degree in Commerce	26 years in the auto components industry in the areas of Finance, Accounts, Treasury, Taxation, Commercial, HR and Information Technology.
Mr. Seiji Kamota DIN: 07236805	30 th July 2015	Director	Bachelor of Commerce from Waseda University	Joined Mitsubishi Bank in 1981, and retired from the bank (Bank of Tokyo-Mitsubishi UFJ) in 2011. During the period, he worked in Singapore for 2 years, in Indonesia for 3 years, in the U.S.A. for 3 years, and in Malaysia for 3 years. Joined the Acquirer in 2011 and is responsible for Corporate Planning.
Mr. Akhil Awasthi DIN: 00148350	30 th July 2015	Director	1) Mechanical Engineer 2)M.B.A. from University of Delhi 3) Advanced Management Program at Harvard Business School	Over 25 years of experience in financial services (private equity, asset management and corporate banking) of which over 18 years are in Indian private equity.

- 12) Apart from Mr. R Chandrasekaran, Director of PAC 5, who is also the chief financial officer of the Target Company, no other directors or key employees of PAC 5 have any interest in the Target Company.
- 13) PAC 5 has complied with the relevant provisions of Chapter II of the SEBI SAST Regulations 1997 and Chapter V of the SEBI SAST Regulations, as applicable.
- 14) Brief financial information of PAC 5, as derived from its audited standalone financial statements as at and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013 is as follows:

Profit and Loss Statement

(₹ in millions)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Income from operations	2,907.03	2,512.17	2,640.83
Other Income	58.83	20.06	3.55
Total Income	2,965.86	2,532.23	2,644.38
Total Expenditure	2,453.40	2,145.92	2,248.34
Profit Before Depreciation Interest and Tax	512.46	386.31	396.04
Depreciation and Amortization	120.07	96.98	89.58
Interest	162.50	208.86	199.92
Profit Before Tax	229.88	80.47	106.54
Provision for Tax	81.35	37.46	45.35
Profit After Tax	148.53	43.01	61.19

Balance Sheet Statement

(₹ in millions)

Particulars	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Sources of funds			
Paid up share capital	530.89	530.89	469.12
Reserves and Surplus	1,167.43	1,019.29	717.67
Networth	1,698.32	1,550.18	1,186.79
Secured loans	510.62	667.27	861.22
Unsecured loans	580.00	580.00	479.00
Deferred Tax Liability	163.89	132.54	111.28
Total	2,952.82	2,929.99	2,638.29
Uses of funds			
Net fixed assets	1,480.56	1,522.62	1,366.63
Non Current Investments	907.81	907.81	907.43
Long Term Loans and advances	61.49	50.11	24.01
Non Current Assets	7.63	7.07	-
Net current assets	495.32	442.38	340.22
Total	2,952.82	2,929.99	2,638.29

Other Financial Data

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Dividend (%)	Nil	Nil	Nil
Basic and Diluted EPS (₹)	2.80	0.85	1.30

Contingent Liabilities and commitments as on March 31, 2015

Particulars	₹ in millions
Bills Discounted	20.20
Income Tax liability that may arise in respect of matters on which the Company is under appeal	33.34
Employees Provident Fund demand on dues for trainees	5.54
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	16.73

Notes:

- a) The financial information for the financial years ending March 31, 2013, 2014 and 2015 have been extracted from the audited standalone financial statements of PAC 5, which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Sharp and Tannan Chartered Accountants, Firm Regn. No. 003792S, the statutory auditor of PAC 5.

B6. Other persons which may be deemed to be acting in concert with the Acquirer and the PACs

- 1) Other than PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5, no other persons are acting in concert with the Acquirer and the PACs for the purposes of the Offer within the meaning of Regulation 2(1)(q)(1). However, as per Regulation 2(1)(q)(2), there may be other entities or persons which may be deemed to be acting in concert with the Acquirer and the PACs.

IV. Background of the Target Company

Note: The information in this section has been sourced from information published by the Target Company or publicly available sources and confirmations provided by the Target Company.

- 1) The Target Company was incorporated on January 10, 1992 with the Registrar of Companies, Tamil Nadu at Chennai as a public limited company under the name and style of 'CG Igarashi Motors Limited'. The name of the Target Company was changed to 'Igarashi Motors India Limited' on July 30, 2003 and a fresh certificate of incorporation was issued by the Assistant Registrar of Companies. The corporate identity number of the Target Company is L29142TN1992PLC021997.
- 2) The registered office of the Target Company is situated at Plot Nos. B-12 to B-15, Phase II, MEPZ- SEZ, Tambaram, Chennai 600 045. Telephone Number: +91 44 4229 8114, Fax Number: +91 44 2262 8143, Email ID: investorservices@igarashimotors.co.in.
- 3) The Target Company is currently engaged in the business of assembling DC motors and actuation systems for various automotive and non-automotive applications, the manufacture of sub-assemblies that go into a DC motor and the production of certain parts of electric motors.
- 4) As of the date of this DLOF, the total authorised share capital of the Target Company is ₹ 350,000,000 (Rupees Three Hundred Fifty Million only) consisting of 35,000,000 Equity Shares. The capital structure of the Target Company as of the date of this DLOF is as follows:

Equity Shares of Target Company	No. of Equity Shares/ voting rights	% of Equity Shares/ voting rights
Fully paid up Equity Shares	30,608,444	100.00
Partly paid Up Equity Shares	NIL	NIL
Total paid up Equity Shares	30,608,444	100.00
Total voting rights in Target Company	30,608,444	100.00

- 5) As on the date of this DLOF, there are no outstanding partly paid up equity shares or convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.
- 6) The Equity Shares of the Target Company are listed on the BSE (Scrip Code: 517380), the NSE (Symbol: IGARASHI) under the ISIN: INE188B01013. The Equity Shares of the Target Company have been voluntarily delisted from MSE with effect from August 25, 2014. (Source: Target Company filings with Stock Exchanges)

- 7) As on the date of this Draft Letter of Offer, the composition of the board of directors of the Target Company is as follows:

Name	Director Identification Number	Date of appointment	Designation
Hemant Madhusudan Nerurkar	00265887	23 rd June 2014	Independent Director
Keiichi Igarashi	00356779	17 th July 2003	Director
S. Radhakrishnan	01246033	23 rd June 2014	Independent Director
P. Mukund	00007788	12 th July 1999	Managing Director
K. K. Nohria	00060015	23 rd July 2015	Additional Director

Mr. Keiichi Igarashi, President and CEO of the Acquirer and Chairman of PAC 4, is on the Board of Directors of the Target Company.

- 8) Mr. Amit Dixit has resigned from the board of the Target Company with effect from July 30, 2015 and Mr. Kazuharu Igarashi, Director of PAC 4 was a director on the Board of Directors of the Target Company up to March 31, 2015 and has ceased to be a director of the Target Company from April 1, 2015.
- 9) There has been no mergers/demergers/spin-offs involving the Target Company during the last three (3) years.
- 10) As of this date of this DLOF, all the Equity Shares of the Target Company are listed on the Stock Exchanges. The trading of Equity Shares of the Target Company has not been suspended on any of the Stock Exchanges where such Equity Shares are listed.
- 11) Brief financial information of the Target Company as extracted from the limited review standalone financial statement for the period ended June 30, 2015 and audited standalone financial statements as at and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013, are as follows:

Profit and Loss Statement

(₹ In millions)

Particulars	Limited Review for the three months period ended June 30, 2015	Audited		
		Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Income from operations	1,086.57	3,850.78	3,612.28	2,907.80
Other Income	49.85	171.44	96.76	23.92
Total Income	1,136.42	4,022.22	3,709.04	2,931.72
Total Expenditure	833.82	3,060.34	2,940.69	2,384.10
Profit Before Depreciation and Tax	302.60	961.88	768.35	547.62
Depreciation	45.76	187.98	156.14	133.66
Interest and Other financial cost	16.96	57.42	110.80	120.38
Profit Before Tax and Exceptional item	239.88	716.48	501.41	293.58
Exceptional item	-	-	82.50	-
Profit Before Tax	239.88	716.48	583.91	293.58
Provision for Tax	83.70	226.96	122.47	80.02
Profit After Tax	156.18	489.52	461.44	213.56

Balance Sheet Statement
(₹ In millions)

Particulars		Limited Review for the three months period ended June 30, 2015 ⁽²⁾	Audited		
			As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Sources of funds					
Paid up share capital	306.08	306.08	304.45	204.19	
Reserves and Surplus	2359.48	2203.44	1,888.20	1,023.18	
Networth	2,665.56	2,509.52	2,192.65	1,227.37	
Secured loans	525.51	404.17	377.17	626.92	
Unsecured loans	22.93	12.82	26.10	37.36	
Deferred Tax Liability	86.55	89.35	102.32	102.45	
Total	3,300.55	3,015.86	2,698.24	1,994.10	
Uses of funds					
Net fixed assets	1218.18	1222.65	1,268.20	1,250.58	
Non-Current Investments	261.26	261.26	211.86	286.16	
Long Term Loans and advances	34.67	33.82	35.00	19.69	
Net current assets	1786.44	1498.13	1,183.18	437.67	
Total	3,300.55	3,015.86	2,698.24	1,994.10	

Other Financial Data

Particulars	Limited Review for the three months period ended June 30, 2015	Audited		
		Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Dividend (%)	Nil	44%	30%	Nil
Basic EPS (₹)	5.10 ⁽³⁾	16.01	20.22	10.46
Diluted EPS (₹)	5.10 ⁽³⁾	16.01	20.14	10.25

- (1) The financial information for the three months period ending June 30, 2015 has been extracted from the limited review report of the Target Company and for the financial years ending March 31, 2013, 2014 and 2015 has been extracted from the Annual Reports of the Target Company.
- (2) Certified by the Target Company.
- (3) Not annualized.

12) Shareholding pattern of the Target Company pre and post completion of the Offer is as follows:

Shareholders' Category	Shareholding & voting rights prior to the completion of transaction under SPA ^{(1)#}		Shareholding & Voting Rights acquired through SPA		Shares/Voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and Offer (assuming full acceptances) ⁽²⁾	
	No. of equity shares	%	No. of equity shares	%	No. of equity shares	%	No. of equity shares	%
(1) Promoter Group including Acquirer and the PACs								
Promoters⁽²⁾								
a. Acquirer	967,648	3.16	-	-	-	-	967,648	3.16
Total	967,648	3.16	-	-	-	-	967,648	3.16
Promoter Group⁽²⁾								
a. PAC 4	2,499,993	8.17	-	-	-	-	2,499,993	8.17
b. PAC 5	12,830,059	41.92	-	-	7,960,538	26.01	20,790,597	67.92
Total	15,330,052	50.08			7,960,538	26.01	23,290,590	76.09
Total Promoter Group⁽²⁾ (including Promoter)	16,297,700	53.25	-	-	7,960,538	26.01	24,258,238	79.25
(2) Parties to the SPA other than mentioned at (1)	-	-	-	-	-	-	-	-
(3) Public (other than parties to SPA, Acquirer and PACs)⁽³⁾								
a) Institutions (Mutual Funds / UTI, FIs/ Banks/ FIIs/ FVCI etc.) ⁽⁴⁾	800,408	2.61	-	-	(7,960,538)	(26.01)	6,350,206	20.75
b) Others	13,510,336	44.14	-	-				
Total (3)	14,310,744	46.75	-	-	-	-	6,350,206	20.75
GRAND TOTAL (1+2+3)	30,608,444	100.00	-	-	-	-	30,608,444	100.00

(1)Based on shareholding pattern as on June 30, 2015, subject to adjustments made as stated under Para 1(e) of the PA and pursuant to the letter dated July 30, 2015 by the Acquirer and PAC 1 to the Target Company.

The paid-up voting equity share capital of the Target Company on a fully diluted basis as on the date of PA was 30,617,444 (Thirty Million Six Hundred Seventeen Thousand Four Hundred Forty Four only) Equity Shares, calculated as the sum of (a) total fully paid-up Equity Shares of the Target Company outstanding as of the date of the PA (30,608,444 equity shares) and (b) Equity Shares of the Target Company proposed to be issued upon conversion of the employee stock options (9,000 Equity Shares). Subsequent to the date of the PA, 9,000 employee stock options which were granted to the employees of the Target Company had lapsed / withdrawn and as on the date of this DLOF, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company. The shareholding percentages mentioned in the above table are excluding the 9,000 employee stock options outstanding as on the date of PA.

(2) Pursuant to the letter dated July 30, 2015 by the Acquirer and PAC 1 to the Target Company (Source: Stock Exchange filings).

(3) The number of shareholders of the Target Company in the public category are 11,427.

(4) Institutions (Mutual Funds / UTI, FIs/ Banks/ FIIs/ FVCI etc.) holding shares as on June 30, 2015 in the Target Company:

S.No	Name of Shareholder	Equity Shares held	% of issued, subscribed and paid up capital
1	ICICI Bank Limited (FI)	10,809	0.04
2	Acadian Emerging Markets Small Cap Equity Fund LLC (FII)	21,710	0.07
3	Pension Reserves Investment Trust Fund – Arcadian (FII)	10,807	0.04
4	Virginia Retirement System (FII)	30,185	0.10
5	IDFC Equity Opportunity – Series I (Mutual Fund)	535,000	1.75
6	Axis Bank Limited (Banks)	3,252	0.01
7	Pinebridge Global Funds (FPI)	110,000	0.36
8	Pinebridge India Equity Fund (FPI)	78,645	0.26

V. Offer Price and Financial Arrangements

A. Justification of Offer Price

- 1) The Offer is being made pursuant to indirect acquisition of Equity Shares of the Target Company in compliance with the provisions of Regulations 3, 4 and 5(1) at an Offer Price of ₹324.60 (Rupees Three Hundred Twenty Four and Paise Sixty only) per Equity Share payable in cash.
- 2) The Equity Shares of the Target Company are listed on BSE (Scrip Code: 517380; Scrip ID: IGARASHI) and NSE (Symbol: IGARASHI) under the ISIN - INE188B01013. The Equity Shares of the Target Company have been voluntarily delisted from MSE with effect from August 25, 2014. (Source: Stock Exchange filings by Target Company)
- 3) The trading turnover of the Equity Shares of the Target Company on BSE and NSE from January 01, 2014 to December 31, 2014 (Twelve calendar months preceding the calendar month in which the PA was made) is set forth below:

Stock Exchange	Number of Equity Shares traded	Weighted average number of Equity Shares outstanding	Trading turnover (as a percentage of total listed Equity Shares)
BSE	15,826,495	30,164,278	52.47%
NSE	37,927,514	30,164,278	125.74%

(Source for the BSE and the NSE trading information: www.bseindia.com and www.nseindia.com)

- 4) Since the Equity Shares of the Target Company have an annual trading turnover of more than 10% of total weighted average number of Equity Shares on the Stock Exchanges, in terms of Regulation 2(1)(j), the Equity Shares of the Target Company are frequently traded.
- 5) The Base Offer Price of ₹307.92 (Rupees Three Hundred Seven and Paise Ninety Two only) per Equity Share of the Target Company is justified in terms of Regulation 8(3) and 8(5), in view of the following:

Particulars	Price per Equity Share (₹)
(a) the highest negotiated price per share of the Target Company under the SPA.	292.79 ⁽¹⁾
(b) the volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by PACs, during the fifty-two weeks immediately preceding the earlier of, i) the date on which the Original SPA was contracted and ii) the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period
(c) the highest price paid or payable for any acquisition, by the Acquirer or by PACs, during the twenty-six weeks immediately preceding the earlier of, i) the date on which the primary acquisition is contracted and ii) the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period
(d) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, i) the date on which the Original SPA is contracted, being January 22, 2015 and ii) the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, being January 22, 2015 and iii) the date of the public announcement of the open offer for shares of the target company made under SEBI SAST Regulations, being January 29, 2015	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period

(e) the volume-weighted average market price of the Equity Shares for a period of sixty trading days immediately preceding the earlier of, i) the date on which the Original SPA is contracted and ii) the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015, as traded on NSE, where the maximum volume of trading in the Equity Shares of the target company was recorded during such period.	307.92
(f) the per share value computed under sub-regulation (5) of Regulation 8	292.79 ⁽¹⁾
Highest of the above	307.92

(1) In accordance with the terms of SPA, US\$ 106,400,000 ("initial consideration") was payable to the sellers for acquisition of 51,972,854 equity shares of PAC 5, of which, an amount of US\$ 59,734,000 was payable by the Acquirer to Blackstone Capital Partners (Singapore) VI FDI Three Pte. Ltd., towards acquisition of 29,178,068 equity shares of PAC 5. The SPA also assigned a price of ₹ 278.8 (Indian Rupees Two Hundred and Seventy Eight and paise Eighty only) per Equity Share of the Target Company as of the date of the SPA (the volume weighted average traded price of the Target Company's Equity Shares during the previous six (6) months i.e., for the period July 17, 2014 to January 16, 2015 on the NSE). In accordance with the terms of the SPA, a total of US\$ 2,996,400 was payable as interest and the same was borne entirely by the Acquirer. Such interest amounted to 5.02% of US\$ 59,734,000 payable by the Acquirer for acquisition of 29,178,068 equity shares. Accordingly the price parameters mentioned at points (a) and (f) above have been revised from ₹ 278.8 to ₹ 292.79 by considering the interest amount of ₹ 13.99 calculated at the rate of 5.02% on ₹ 278.8, which was ascribed to the price per equity share of the Target Company under the SPA.

(2) M/s. Ramesh Babu & Associates, Chartered Accountants with Registration No. 06789S having their office at 19, New No. 45, Third Main Road, Gandhi Nagar, Adyar, Chennai - 600020; Telephone Number: 044 4269 5101; vide its certificate dated January 29, 2015, has certified the workings of offer price under Regulation 8(3), other than the upward revision made pursuant to note (1) above.

- 6) In terms of Regulation 8(5), a price of ₹278.8 (Rupees Two Hundred and Seventy Eight and paise Eighty only) per Equity Share as of the date of the SPA and corresponding to the volume weighted average closing price of the Target Company's Equity Shares during the previous six (6) months i.e., for the period July 17, 2014 to January 16, 2015 on the NSE was ascribed to the 41.9% of the Equity Shares of the Target Company which are held by PAC 5 by the Acquirer and MAGPL.
- 7) There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9), other than a dividend of ₹4.44 per equity share paid for fiscal year 2015 by the Target Company with ex-dividend date being July 14, 2015. The Acquirer and PACs have not considered any downward revision in the Offer Price on account of the above corporate action.
- 8) Further, in accordance with Regulation 8(12), the Base Offer Price has been enhanced by an amount equal to ₹ 16.68 (Rupees Sixteen and Paise Sixty Eight Only), which is higher than the sum to be determined in accordance with Regulation 8(12) at the rate of 10% (Ten per cent) per annum on ₹307.92 (Rupees Three Hundred Seven and Ninety Two Paise only) for a period of 197 days, from the date on which the Underlying Transaction was contracted and announced in the public domain i.e., January 22, 2015, up to the date of publication of the DPS i.e., August 6, 2015, both days inclusive. In view of the parameters considered and presented above, in the opinion of the Acquirer, PACs and Manager to the Offer, the Offer Price of ₹324.60 (Rupees Three Hundred Twenty Four and Paise Sixty only) being the highest of the prices mentioned above as enhanced pursuant to Regulation 8(12), is justified in terms of Regulations 8(3).
- 9) As of the date of this Draft Letter of Offer and except as stated at point V.A.8, there has been no revision in the Offer Price or to the Offer Size.
- 10) In the event of acquisition of the Equity Shares by the Acquirer and/or the PACs during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8). However, the Acquirer and/or the PACs shall not acquire any Equity Shares after the third (3rd) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

- 11) The Acquirer and the PACs reserve the right to revise the Offer Price and/or the Offer Size upwards up to three (3) Working Days prior to the commencement of the Tendering Period in terms of Regulation 18(4), i.e. up to Tuesday, September 15, 2015, in accordance with the SEBI SAST Regulations.
- 12) An upward revision to the Offer Price and/or the Offer Size, if any, would be done in compliance with other formalities prescribed under the SEBI SAST Regulations. In the event of such revision, the Acquirer and the PACs shall:
 - (a) make further deposits into the Escrow Account and / or increase the Bank Guarantee;
 - (b) issue a supplement to the Letter of Offer in the same newspapers in which the DPS has been published; and
 - (c) simultaneously with the issue of such supplement, inform the Stock Exchanges, SEBI and the Target Company at its registered office of such revision.
- 13) The Acquirer and PACs would pay such revised price for all the Equity Shares validly tendered and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer.

B. Financial Arrangements

- 1) The Offer Size is ₹ 2,583,990,635 (Rupees Two Billion Five Hundred Eighty Three Million Nine Hundred Ninety Thousand and Six Hundred Thirty Five Only) assuming full acceptance of the Equity Shares tendered in this Offer.
- 2) By way of security for performance of the Acquirer and the PACs obligations under the SEBI SAST Regulations, PAC 5 has furnished an unconditional, irrevocable and on demand bank guarantee dated August 1, 2015, in favour of the Manager to the Offer from Axis Bank Limited, acting through its Corporate Banking Branch Office located at Ground Floor, Karumuthu Nilayam, No.192, Anna Salai, Chennai 600 002, having Bank Guarantee No: 11650100008081 for an amount of ₹ 650,000,000 (Rupees Six Hundred Fifty Million only) ("**Bank Guarantee**"). The Bank Guarantee is valid up to December 31, 2015. The Manager to the Offer has been duly authorised to realise the value of the Bank Guarantee in terms of the SEBI SAST Regulations. The Acquirer, PAC 4 and PAC 5 have undertaken to renew the Bank Guarantee for such period so as to be in compliance with Regulation 17(6).
- 3) In accordance with Regulation 17(4), PAC 5, the Manager to the Offer and Axis Bank Limited, having its registered office at Trishul, 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006 ("**Escrow Bank**") have entered into an escrow agreement on July 30, 2015 ("**Escrow Agreement**"). Pursuant to the Escrow Agreement, PAC 5 has established an escrow account under the name and title of "IMIL – Open Offer Escrow Account" bearing no. 915020024359259 ("**Escrow Account**") with the Escrow Bank and has made a cash deposit of ₹ 26,000,000 (Rupees Twenty Six Million only) in the Escrow Account in accordance with Regulation 17(3)(a) read with Regulation 17(4), which is in excess of 1% (One per cent) of the Maximum Consideration. The cash deposit has been confirmed pursuant to a confirmation letter dated August 01, 2015, issued by the Escrow Bank. The Manager to the Offer has been solely authorised by PAC 5 to operate and realise the monies lying to the credit of the Escrow Account in terms of Regulation 17(5).
- 4) The amount deposited in the Escrow Account, along with the Bank Guarantee amount are in excess of 25% of the Maximum Consideration in accordance with Regulation 17(1).
- 5) In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account and / or Bank Guarantee shall be increased by the Acquirer, PAC 4 and PAC 5 in terms of Regulation 17(2), prior to effecting such revision.
- 6) The Acquirer and PACs have adequate resources to meet the financial requirements of this Offer and have made firm financial arrangements for fulfilling the payment obligations under the Offer. The Acquirer, PAC 4 and PAC 5 propose to fund the Offer out of their cash balances outstanding and other liquid assets. CA Ashwin Patel, Membership No. 127052, Proprietor of M/s. Ashwin Patel & Associates, Chartered Accountants with Firm Registration No. 133722W having his office at B-105, Akshar Apt. No.2, Near Dattani Gram, Anand Nagar, Mathuradas Extn Road, Kandivali – West, Mumbai – 400 067, Tel: +91 22 2861 7450, vide his certificate dated August 03, 2015, has certified that the Acquirer and PACs have made firm financial arrangements to meet their payment obligations under the Offer.
- 7) Based on the above, the Manager to the Offer is satisfied of the ability of the Acquirer and the PACs to implement the Offer in accordance with the SEBI SAST Regulations and that firm financial arrangements have been made by the Acquirer and the PACs, through verifiable means, to fulfill their obligations under the Offer.

VI. Terms and Conditions of the Offer

- 1) The Tendering Period will commence on Tuesday, September 22, 2015 and will close on Wednesday, October 07, 2015.
- 2) The Offer is not conditional and is not subject to any minimum level of acceptance.
- 3) The Offer is being made to all Eligible Shareholders (i) whose names appear in the register of members of the Target Company at the close of business hours on Monday, September 07, 2015, i.e. the Identified Date, (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories as on the Identified Date and (iii) to persons who acquire Equity Shares before the closure of the Tendering Period and tender these Equity Shares into the Offer in accordance with this Draft Letter of Offer,. Persons who have acquired Equity Shares (irrespective of the date of purchase) but whose names do not appear on the register of members of the Target Company on the Identified Date are also eligible to participate in the Offer.
- 4) This Letter of Offer specifying the detailed terms and conditions of the Offer along with the Form of Acceptance-cum-Acknowledgement will be mailed to all the Eligible Shareholders as on the Identified Date. Non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate the Offer in any way. The last date by which the Draft Letter of Offer would be dispatched to each of the Eligible Shareholders is Monday, September 14, 2015.
- 5) There shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares in the Offer. The Eligible Shareholders who tender their Equity Shares under the Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and shall ensure that such Equity Shares when acquired by the Acquirer will be acquired free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including but not limited to the rights to all dividends, bonus and rights declared thereafter.
- 6) Eligible Shareholders to whom the Offer is being made are free to offer their shareholding in the Target Company in whole or in part while accepting the Offer. The acceptance must be unconditional and should be absolute and unqualified. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by an Eligible Shareholder, the Manager to the Offer, the Acquirer and the PACs reserve the right to reject the acceptance of this Offer from such Eligible Shareholder.
- 7) Eligible Shareholders who hold Equity Shares in physical form and who wish to tender their Equity Shares will be required to submit the Form of Acceptance-cum-Acknowledgement, duly signed and completed in the manner specified therein together with all the necessary documents, as specified in Part VII of this Letter of Offer entitled "Procedure for Acceptance and Settlement of the Offer", to the Registrar to the Offer at any of its collection centers, mentioned under paragraph VII.3 of this Draft Letter of Offer so that the same are received by the Registrar to the Offer no later than the date of closure of the Tendering Period, i.e. Wednesday, October 07, 2015.
- 8) In respect of dematerialised Equity Shares, Eligible Shareholders must ensure that the credit for the Equity Shares tendered must be received in the special depository account (as specified in paragraph VII.6.a) no later than Wednesday, October 07, 2015. If the Eligible Shareholders hold their Equity Shares through CDSL, their Depository Participant Instruction will have to take the form of an inter- depository delivery instruction from CDSL for the purpose of crediting their Equity Shares in favour of the special depository account with NSDL as mentioned in paragraph VII.6.a.
- 9) Eligible Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or those who have not received the Letter of Offer may also participate in the Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their agreement to participate in the Offer as per the terms and conditions of the Offer, so as to reach the Registrar to the Offer on or before closure of the Tendering Period i.e., no later than Wednesday, October 07, 2015. This is to be sent to the Registrar to the Offer together with:
 - a. In case of Eligible Shareholders holding Equity Shares in dematerialised form, the name, address, number of Equity Shares held, number of Equity Shares offered, Depository Participant name, DP ID number, beneficiary account number along with a photocopy of the delivery instruction in "off- market" mode, duly acknowledged by the DP in favour of the demat account styled '**CAMEO CORPORATE SERVICES LIMITED ESCROW A/C IMIL OPEN OFFER**', as per instructions mentioned below; and
 - b. In case of Eligible Shareholders holding Equity Shares in physical form, the relevant share certificate(s) and transfer deeds.

- c. In case of unregistered Eligible Shareholders holding Equity Shares in physical form, the relevant share certificate(s), transfer deeds and broker contract note.
- 10) Eligible Shareholders who have tendered shares in acceptance of the Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 11) No indemnity shall be required from unregistered Equity Shareholders regarding their title to their Equity Shares.
- 12) The Acquirer and the PACs shall not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interests in this regard.
- 13) The instructions, authorisations and provisions contained in the Form of Acceptance-cum- Acknowledgement constitute an integral part of this Letter of Offer.
- 14) The Acquirer and the PACs shall, within ten (10) Working Days from the last date of the Tendering Period of the Offer, complete all requirements under the SEBI SAST Regulations and other applicable law relating to the Offer including payment of consideration to the Eligible Shareholders who have validly tendered their acceptance to the Offer and for that purpose open a special account provided under Regulation 21(1).

Statutory and other approvals

- 15) To the best knowledge and belief of the Acquirer and PACs, as of the date of this Draft Letter of Offer, there are no statutory approvals required by the Acquirer or any of the PACs to implement the Offer. If any statutory approvals are required or become applicable by the Acquirer or any of the PACs prior to completion of the Offer, the Offer will be subject to such statutory approval(s) and the Acquirer and/or the PACs shall make necessary applications for such approvals. There are no other conditions stipulated under the SPA which are outstanding in terms of Regulation 23(1)(c). If such statutory approval(s), as may be required at a later date, are not obtained or in the event any such statutory approval is finally refused, the Acquirer and PACs shall have the right to withdraw the Offer in terms of Regulation 23.
- 16) NRI and OCB Eligible Shareholders, must obtain all requisite approvals required to tender such Equity Shares held by them, in this Offer including without limitation, the approval from the RBI or FIPB and submit such approvals along with the documents required to accept this Offer. In the event such approvals are not submitted by NRI and OCB Eligible Shareholders, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, Eligible Shareholders who are not persons resident in India (including NRIs, OCBs and foreign institutional investors) had obtained any approvals (including from the RBI or the 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, along with the other documents required to be tendered to accept this Offer. If, the Equity Shares are held under general permission of the RBI, the non-resident Eligible Shareholder should state that the Equity Shares are held under general permission and whether on repatriable basis or non repatriable basis. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer.
- 17) In case of delay/non-receipt of any approval, SEBI may, if satisfied that non-receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and PACs to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer and PACs agreeing to pay interest to the Eligible Shareholders as directed by SEBI, in terms of Regulation 18(11).

VII. Procedure for Acceptance and Settlement of the Offer

- 1) A tender of Equity Shares pursuant to any of the procedures described in the Draft Letter of Offer will constitute a binding agreement between the Acquirer and the tendering holder, including the tendering holder's acceptance of the terms and conditions of the Draft Letter of Offer.
- 2) SEBI vide Notification No. LAD-NRO/GN/2014-15/28/542 dated March 24, 2015, have amended the SEBI SAST Regulations for facilitating the tendering of Equity Shares by the shareholders and settlement of same, through the stock exchange mechanism and have notified the procedure vide circular dated April 13, 2015, wherein it has been stated that the mechanism shall be applicable to offers for which public announcement is made on or after July 01, 2015. The same is not applicable to the present Offer and the Acquirer and PACs have not voluntarily opted for the same.

- 3) Eligible Shareholders of the Target Company who wish to accept the Offer and tender their Equity Shares can hand deliver the Form of Acceptance-cum-Acknowledgment duly signed along with all the relevant documents at any of the collection centers of the Registrar to the Offer mentioned below during the working hours on or before the date of closure of the Tendering Period, i.e. no later than Wednesday, October 07, 2015, in accordance with the procedure as set out in the Letter of Offer.

S. No	City	Contact Person	Address	Telephone/email/fax	Mode
1	Ahmedabad	Mr. M. Bala Subramanian	Cameo Corporate Services Ltd, C/o Shree Vidhya Consultancy, No.4, II Floor, Prasiddhi Complex - 1, Opp.: Ambedkar Hall, Saraspur, Ahmedabad - 380018	Tel: +91 79 2292 0024 / +91 93270 55153 Email: bhavani0811@gmail.com	Hand Delivery
2	Bangalore	Mr. Janardhana	Cameo Corporate Services Ltd, No.9., KRV Tower, 4th Floor, T C Palya Main Road, Akshaya Nagar, Near Rammurthy Nagar, (Above SBI, Akshay Nagar branch), Bangalore - 560 016	Tel: +91 97402 66722 Email: janardhana@cameoindia.com	Hand Delivery
3	Chennai	Ms. Sreepriya.K	Cameo Corporate Services Ltd, Subramanian Building, No.1, Club House Road, Chennai - 600 002	Tel: +91 44 2846 0390 Fax: +91 44 2846 1989 Email: investor@cameoindia.com	Post and Hand delivery
4	Mumbai	Mr. Prashant Sanil	Cameo Corporate Services Ltd, 3rd Floor, 304, Sai Sadan, 76-78 Mody Street, Fort, Mumbai - 400 001	Tel: +91 22 2264 4325 Fax: +91 22 2264 4325 Email: prashant@cameoindia.com	Hand Delivery
5.	Hyderabad	Mr. Ramesh CP	Cameo Corporate Services Ltd, Plot No.21-22, Meena Arcade, II Floor, Goel Corporate Housing Society, Moti Valley Tirumalagiri, Secunderabad – 500 015	Tel: +91 99899 02345 Email: Ramesh.cp@cameoindia.com	Hand Delivery
6	Jaipur	Mr. Ashok Kumar	Cameo Corporate Services Ltd, C/o. Saraswat India Ltd, G-4&G-5, Ground Floor, Jaipur Tower, Opp All India Radia, Mirza Ismail Road, Jaipur - 302001	Tel: +91 141 2204100 / +91 99291 07583	Hand Delivery
7	New Delhi	Mr. R Sridhar	Cameo Corporate Services Ltd, C/o Sterling Services, F-63 1st Floor, Bhagat Singh Market, Near gole Market, Opp Jain Bhawan, New Delhi - 110 001	Tel: +91 11 4353 3256 / +91 93125 46905 Email: sterlingincorporation@gmail.com	Hand Delivery
8	Kolkata	Ms.Nirmala Sadhu	Cameo Corporate Services Ltd, C/o.Ms.Niramala Sadhu, 80, Vivekananda Road, Near Girish Park, Metro Station, Opposite Balika Sikha Sadan School, Kolkata – 700006	Tel: +91 98307 63224 +91 91633 15657 Email: Sireen15@gmail.com	Hand Delivery

Note: Business Hours: Monday to Friday 10:00 AM to 1.00 PM and 2.00 PM to 4:30 PM, except public holidays

- 4) Equity Shares should not be submitted / tendered to the Manager to the Offer, the Acquirer, the PACs or the Target Company.

- 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, Cameo Corporate Services Limited (Address: Subramanian Building, No. 1, Club House Road, Chennai 600 002; Telephone number: +91 44 2846 0390; Fax number: +91 44 2846 0129; Email address: investor@cameoindia.com; and contact person: Ms. Sreepriya.K)
- 6) In case of non-receipt of the Letter of Offer, the Eligible Shareholders may: (i) download the same from the SEBI website, (<http://www.sebi.gov.in>); (ii) obtain a copy of the same by writing to the Manager to the Offer or the Registrar to the Offer; or (iii) make an application to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, distinctive numbers, folio number, number of Equity Shares offered along with documents as mentioned below so as to reach the Registrar to the Offer on or before the closure of the Tendering Period i.e., no later than Wednesday, October 07, 2015, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “off-market” mode or counterfoil of the delivery instruction in “off-market” mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Tendering Period i.e., no later than Wednesday, October 07, 2015.
- (a) In respect of dematerialised Equity Shares, Eligible Shareholders must ensure that the credit for the Equity Shares tendered is received in the special depository account as specified below on or before Wednesday, October 07, 2015. If the Eligible Shareholders hold their Equity Shares through CDSL, their Depository Participant Instruction will have to take the form of an inter-depository delivery instruction to CDSL for the purpose of crediting their Equity Shares in favour of the special depository account with NSDL as mentioned below.

Depository Name	National Securities Depository Limited
Account Name	CAMEO CORPORATE SERVICES LIMITED ESCROW A/C IMIL OPEN OFFER
DP Name	Stock Holding Corporation of India Ltd.
DP ID Number	IN301080
Beneficiary Account Number/ Client ID No.	22852259
ISIN	INE188B01013
Mode	Off-Market
Date of Credit	On or before Wednesday, October 07, 2015

It is the sole responsibility of the Eligible Shareholders to ensure credit of their Equity Shares in the depository account above, prior to the closure of the Offer.

- (b) Eligible Shareholders who are holding the Equity Shares in physical form and who wish to tender the Equity Shares in the Offer are required to submit the Form of Acceptance- cum-Acknowledgment together with the original share certificate(s), valid Transfer Deed(s) and such other documents as may be specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgment, duly signed and addressed to the Registrar to the Offer, either by hand delivery on weekdays at any of the centers mentioned in point VII.3 or by registered post or courier at the address mentioned at point VII.5, so as to reach the Registrar to the Offer on or before the closure of the Tendering Period i.e., no later than Wednesday, October 07, 2015, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgment.

Documents to be delivered by all Eligible Shareholders:

(a) For Equity Shares held in the DEMATERIALISED FORM:

- (i) Form of Acceptance-cum-Acknowledgment duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Equity Shares, as per the records of the DP.
- (ii) 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.

Please note the following:

- (i) For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgment.
- (ii) The Registrar to the Offer is not bound to accept those Form of Acceptance-cum-Acknowledgment, for which corresponding Equity Shares have not been credited to the above special depository account. In case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement, but credit of Equity Shares to the special depository account, prior to the Closure of the Tendering Period, the Acquirer may, in its sole discretion, deem the Equity Shares to have been accepted under the Offer.

(b) IN CASE OF EQUITY SHARES HELD IN THE PHYSICAL MODE BY REGISTERED EQUITY SHAREHOLDERS:

- (i) Form of Acceptance-cum-Acknowledgement should be duly completed and signed, in accordance with the instructions contained therein, by all Eligible Shareholders. In case of Equity Shares held in joint names, names should be filled up in the same order in which they hold Equity Shares in the Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.
- (ii) Original Equity Share certificate(s).
- (iii) Valid Equity Share transfer form(s) duly signed by transferor (by all the Eligible Shareholders in case the Equity Shares are in joint names) as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place(s). The transfer form(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.

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.

- (iv) For Equity Shares held in physical mode by resident Eligible 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, prior to the Closure of the Tendering Period, the Acquirer may, in its sole discretion, deem the Equity Shares to have been accepted under the Offer.

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED.

(c) In case of Equity Shares held in the PHYSICAL MODE by PERSONS NOT REGISTERED AS EQUITY SHAREHOLDERS:

- (i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
 - (ii) Original Equity Share certificate(s) accompanied by valid share transfer forms as received from the market, wherein the name of the transferee has not been filled in.
 - (iii) Original broker contract note of a registered broker of a recognised stock exchange in relation to the purchase of the Equity Shares being tendered in this case.
 - (iv) In case the 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 share certificate(s) and the transfer deed(s).
 - (v) No indemnity regarding title is required from persons not registered as Equity Shareholders.
- 7) Non-resident Eligible Shareholders should, in addition to the above, enclose copy(ies) of permission(s) received from RBI or any other regulatory authority to acquire Equity Shares held by them in the Target Company. OCBs are requested to seek a specific approval of the RBI for tendering their Equity Shares in the Offer and a copy of such approval must be provided along with other requisite documents in the event that any OCB Eligible Shareholder tenders its Equity Shares in the Open Offer. In case the above approvals from the RBI are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered.

- 8) Eligible Shareholders who have sent the Equity Shares held by them for dematerialisation need to ensure that the process of getting the Equity Shares held by them dematerialised is completed in time for the credit in the special depository account, to be received on or before the closure of the Tendering Period, i.e. no later than Wednesday, October 07, 2015, or else their application will be rejected.
- 9) Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer.
- 10) Applications in respect of Equity Shares that are the subject matter of litigation wherein the Eligible Shareholders of the Target Company may be prohibited from transferring such Equity Shares during the pendency of the said litigation are liable to be rejected if the directions/orders regarding such Equity Shares are not received together with the Equity Shares tendered under the Offer. The Draft Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 11) The Eligible Shareholders should also provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of 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 Eligible Shareholder) if the original Eligible Shareholder has expired;
 - Duly attested power of attorney if any person apart from the Eligible Shareholder has signed the acceptance form and/or transfer deed(s);
 - No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance;
 - In case of companies, the necessary corporate authorisation (including certified copy of board and/or general meeting resolution(s)); and
 - Any other relevant documents
- 12) In case the number of Equity Shares validly tendered in the Offer by the Eligible Shareholders are more than the Equity Shares to be acquired under the Offer, the acquisition of Equity Shares from each Eligible Shareholder will be 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 in such a way that the acquisition from any Eligible Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. As the Equity Shares trade in the compulsory dematerialised settlement segment of the BSE, the minimum marketable lot for the Equity Shares is one Equity Share.
- 13) Subject to the receipt of any approvals that may be applicable as per paragraph VI.15, the Acquirer and PACs intend to complete all formalities, including the payment of consideration within a period of ten (10) Working Days from the closure of the Tendering Period, i.e. Wednesday, October 21, 2015, and for the purpose open a special account as provided under Regulation 21(1), provided that where the Acquirer and PACs are unable to make the payment to the Eligible Shareholders who have accepted the Offer before the said period of ten (10) Working Days due to non-receipt of such approvals, SEBI may, if satisfied that non-receipt of such approvals was not due to any wilful default or neglect of the Acquirer and PACs or failure of the Acquirer and PACs to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer and PACs agreeing to pay interest to the Eligible Shareholders for delay beyond such ten (10) Working Days period, as may be specified by SEBI from time to time, provided where the statutory approvals extend to some but not all holders of the Equity Shares of the Target Company, the Acquirer and PACs have the option to make payment to such holders of the Equity Shares of the Target Company in respect of whom no statutory approvals are required in order to complete this Offer.
- 14) The unaccepted share certificates, transfer forms and other documents, if any, would be returned by registered post / speed post at the Eligible Shareholders' sole risk. Unaccepted Equity Shares held in dematerialised form will be credited back to the beneficial owners' depository account with the respective depository participant as per details received from their depository participant. It will be the responsibility of the Eligible Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective depository participants when transferred by the Registrar to the Offer. Eligible Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 15) The Registrar to the Offer will hold in trust the Form of Acceptance, Equity Shares, share certificates, transfer deed(s) and/or other documents on behalf of the Eligible Shareholders of the Target Company who have accepted the Offer, until the drafts / pay orders for the consideration are dispatched and unaccepted share certificate/Equity Shares, if any, are dispatched/returned to the relevant Eligible Shareholders.

16) Payment to those Eligible Shareholders whose share certificates and/or other documents are found valid and in order and are approved by the Acquirer and PACs through various mode in following order of preference:

- (i) **National Electronic Clearing Services (“NECS”)/National Electronic Funds Transfer (“NEFT”)/Real Time Gross Settlement (“RTGS”):** Payment shall be undertaken through any of the above modes wherever the Eligible Shareholder’s bank has been assigned the IFSC, which can be linked to an MICR, if any, available to that particular bank branch or wherever the Eligible Shareholders have registered their nine digit MICR number and their bank account number with their DP.
- (ii) **Direct Credit (“DC”):** Eligible Shareholder(s) having bank accounts with the Escrow Bank, as mentioned in the Form of Acceptance-cum-Acknowledgement, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirer.
- (iii) For all other Eligible Shareholders, including Eligible Shareholder(s) holding Equity Shares in physical form and those who have not updated their bank particulars with the MICR code, the payments will be dispatched through registered post / speed post. Such payments will be made by pay orders or demand drafts drawn on the Escrow Bank and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such pay orders or demand drafts at other centres will be payable by the Eligible Shareholder(s)

So as to avoid fraudulent encashment in transit, the Eligible Shareholder(s) holding Equity Shares in physical form should provide details of bank account of the first/sole shareholder as provided in the Form of Acceptance-cum-Acknowledgment and the consideration demand draft / pay order will be drawn accordingly. For Equity Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars, and not on the basis of any details provided in the Form of Acceptance-cum-Acknowledgment. In case of Eligible Shareholder(s) holding 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/her registered address (at their own risk). The decision regarding (i) the acquisition (in part or full), of the Equity Shares tendered pursuant to the Offer, or (ii) rejection of the Equity Shares tendered pursuant to the Offer along with (a) any corresponding payment for the acquired Equity Shares and/or (b) return of share certificates for any rejected Equity Shares or Equity Shares accepted in part, will be dispatched to the Eligible Shareholders by registered post / speed post, at the Eligible Shareholder’s sole risk. Equity Shares held in dematerialised form to the extent not acquired will be credited back to the respective beneficiary account with their respective Depository Participants as per the details furnished by the beneficial owners in the Form of Acceptance-cum-Acknowledgment.

- 17) For Eligible Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through DC/ECS/NEFT/RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered post / speed post at the Eligible Shareholder’s sole risk.
- 18) All demand drafts/pay orders 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.
- 19) In case of rejection of Equity Shares tendered for any reason, the unaccepted original share certificates, Transfer Forms and other documents, if any, will be returned by registered post / speed post at the Eligible Shareholder’s/unregistered holder’s sole risk as per the details provided in the Form of Acceptance-cum-Acknowledgement. Equity Shares held in dematerialised form, to the extent not accepted, will be returned to the beneficial owner to the credit of the beneficial owner’s DP account with the respective DP as per the details furnished by the beneficial owner(s) in the Form of Acceptance-cum-Acknowledgement.
- 20) A copy of the Draft Letter of Offer (including Form of Acceptance-cum-Acknowledgment) will be available on SEBI’s website (www.sebi.gov.in) during the period the Offer is open.

Tax Provisions

General

- 21) As per the provisions of section 195(1) of the I-T Act, 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 under the Offer would be chargeable to capital gains or as business profits, as the case may be, under the provisions of I-T Act, the Acquirer/PACs will be required to deduct taxes at source (including surcharge and education cess), as applicable.

- 22) The payment of any interest (paid for delay in payment of the Offer Price) by the Acquirer/PACs to a resident and non-resident Eligible Shareholder may be chargeable to tax, as income from other sources under Section 56 of the I-T Act in the hands of such Eligible Shareholder. The Acquirer/PACs will be required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the I-T Act on such interest (paid for delay in payment in the Offer Price).
- 23) Resident and non-resident Eligible Shareholders (including FIIs / FPIs and FII sub-accounts) as per the I-T Act are required to submit their Permanent Account Number (“PAN”) for income-tax purposes. In case the PAN is not submitted (including where such PAN has been applied for but not obtained), or is invalid or does not belong to the Eligible Shareholder, the Acquirer/PACs will arrange to deduct tax at the rate of 20% (as provided in Section 206AA of the I-T Act) or at the rates in force or at the rate specified in the relevant provisions of the I-T Act as discussed in paragraphs below, whichever is higher.
- 24) All non-resident Eligible Shareholders shall certify its nature of income arising from the sale of the Equity Shares i.e., whether capital gains or business income or interest, if any, by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement.
- 25) Each Eligible Shareholder shall certify its tax residency status (i.e. whether resident or non- resident) and its tax status (i.e. whether individual, firm, company, association of persons/body of individuals, trust, any other, etc.) by selecting the appropriate box in the Form of Acceptance-cum- Acknowledgement. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer/PACs, it would be assumed that the Eligible Shareholder is a non-resident Eligible Shareholder and taxes shall be deducted at the maximum rate as may be applicable to the Eligible Shareholder under the I-T Act, on the gross consideration towards acquisition of Equity Shares and interest, if any, payable to such Eligible Shareholder under the Offer.
- 26) Securities transaction tax will not be applicable to the Equity Shares accepted in the Offer.
- 27) All references to maximum rate include applicable surcharge and education cess, as may be applicable.
- 28) Any Eligible Shareholder claiming benefit under any DTAA between India and any other foreign country should furnish a TRC provided to him/it by the Income Tax Authority of such other foreign country of which it claims to be a tax resident. In case such TRC is in a language other than English, then the apostile or consularised version (as may be applicable) of such TRC in the English language shall be provided. The reference of TRC shall include such apostile or consularised version of the translated TRC. In addition, such Eligible Shareholder shall need to provide a self-attested declaration containing the following information in Form 10F to the Income Tax Rules, 1962:
 - (a) Status of the Eligible Shareholder (whether an individual, a company, a firm, etc.);
 - (b) PAN of the Eligible Shareholder, if allotted;
 - (c) Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);
 - (d) The Eligible Shareholder’s tax identification number in the country or specified territory of residence and, in case there is no such number, then a unique number on the basis of which such Eligible Shareholder is identified by the government of the country or specified territory of which the Eligible Shareholder claims to be a resident;
 - (e) Period for which the residential status, as mentioned in the TRC, is applicable; and
 - (f) Address of the Eligible Shareholder during the period for which the TRC is applicable.

Withholding tax implications for Non-resident Eligible Shareholders (other than FIIs/FPIs and FII sub- accounts)

- 29) While tendering Equity Shares under the Offer, all non-resident Eligible Shareholders (other than FIIs / FPIs and FII sub-accounts) including NRIs/OCBs/foreign Eligible Shareholders shall be required to submit a valid WTC issued by the Income-tax Authorities under section 195(3) or section 197 of the I-T Act along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer/PACs before remitting the consideration (and the interest paid for the delay in payment of the Offer Price, if any). The Acquirer/PACs will arrange to deduct taxes at source in accordance with such WTC issued by the Income-tax Authorities under section 195(3) or section 197 of the I-T Act only if such WTC has been submitted along with the Form of Acceptance-cum-Acknowledgement and the said WTC is valid and effective as of the date on which tax is required to be deducted at source.
- 30) In case the aforesaid WTC is not submitted as aforesaid or is otherwise not valid and effective as of the date on which tax is required to be deducted at source, the Acquirer/PACs will arrange to deduct tax at the maximum rate as may be applicable to the Eligible Shareholder under the I-T Act, on the gross consideration towards acquisition of Equity Shares and interest, if any, payable to such Eligible Shareholder under the Offer.

- 31) All non-resident Eligible Shareholders (excluding FII / FPI and FII sub accounts) will be required to submit their PAN for income tax purposes. In case PAN is not submitted or is invalid or does not belong to the Eligible Shareholder, the Acquirer/PACs will arrange to deduct tax at the rate of 20% (as provided in section 206AA of the Income Tax Act) or the rate, as may be applicable to the category of the Shareholder under the I-T Act, whichever is higher.
- 32) All non-resident Eligible Shareholders (excluding FII / FPI and FII sub accounts) claiming benefit under any DTAA between India and any other foreign country should furnish the TRC provided to him/it by the Income Tax Authority of such other foreign country of which he/it claims to be a tax resident. In addition, such Eligible Shareholder shall also be required to provide a self attested declaration containing the following information in Form 10F to the Income Tax Rules, 1962:
 - (a) Status of the Eligible Shareholder (whether an individual, a company, a firm, etc.);
 - (b) PAN of the Eligible Shareholder, if allotted;
 - (c) Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);
 - (d) The Eligible Shareholder's tax identification number in the country or specified territory of residence and, in case there is no such number, then a unique number on the basis of which such Eligible Shareholder is identified by the government of the country or specified territory of which the Eligible Shareholder claims to be a resident;
 - (e) Period for which the residential status, as mentioned in the TRC, is applicable; and
 - (f) Address of the Eligible Shareholder during the period for which the TRC is applicable.
- 33) It is to be noted that benefit under DTAA or withholding of tax at lower/nil rate will not be entertained in absence of a valid WTC issued by the income tax authorities under Section 195(3) or Section 197 of the I-T Act.
- 34) All non-resident Eligible Shareholders (excluding FII / FPI and FII sub accounts) should certify the nature of its income arising from the sale of Equity Shares as per the I-T Act in the Form of Acceptance-cum-Acknowledgement as either capital gains or business income.
- 35) All non-resident Eligible Shareholders (excluding FII / FPI and FII subaccounts) where the income arising from the sale of Equity Shares as per the I-T Act is in the nature of business income will be required to provide a self declaration that such non-resident Eligible Shareholder does not have any permanent establishment or business connection in India in terms of Indian tax laws. However, such non-resident Eligible Shareholders will also be required to submit a WTC for the purposes of withholding taxes at source, else taxes will be withheld at the maximum rate applicable to the relevant category to which such shareholder belongs under the I-T Act.

Withholding tax implications for FIIs / FPIs and FII sub-accounts

- 36) As per the provisions of section 196D(2) of the I-T 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 I-T Act to a FII / FPI or the FII sub-account, as defined in section 115AD of the I-T Act. The Acquirer/PACs would not withhold tax on the purchase consideration to a FII / FPI or FII sub- account subject to the receipt of a confirmation from the FII / FPI or the FII sub-account, as the case may be, of the following:
 - (a) Residential status of the FII/FPI/FII sub-account;
 - (b) FII/FPI/FII sub-account is holding the Equity Shares in the Target Company on the capital account and not on the trade account as on the date of tendering the Equity Shares under the Offer;
 - (c) Income arising from sale of the Equity Shares is in nature of capital gain and not business income or income from other sources in the hands of the FII/FPI/FII sub-account; and
 - (d) FII/FPI/FII sub-account neither has a business connection in India as defined in Explanation 2 to section 9(1)(i) of the I-T Act (along with the provisos thereto) nor a permanent establishment in India under any treaty (if applicable) to the FII/FPI/FII sub- account.
- 37) In the absence of the confirmation specified in the paragraph above, the Acquirer/PACs will deduct tax at the maximum rate applicable to such FII/FPI/FII sub-account under the I-T Act on the gross consideration payable to such FII/FPI/FII sub-account towards acquisition of Equity Shares under the Offer. Should the FII/FPI/FII sub-account submit a WTC issued by the Income-tax Authorities under section 195(3) or section 197 of the I-T Act while tendering the Equity Shares, indicating the amount of tax to be deducted by the Acquirer, the Acquirer/PACs will deduct tax in accordance with such WTC only if the said WTC has been submitted along with the Form of Acceptance-cum-Acknowledgement and the WTC is valid and effective as of the date on which tax is required to be deducted at source.

- 38) In respect of interest income (paid for delay in payment of the Offer Price), should the FII/FPI/FII sub-account submit a WTC issued by the Income-tax Authorities under section 195(3) or section 197 of the I-T Act indicating the amount of tax to be deducted by the Acquirer/PACs, the Acquirer/PACs will deduct tax in accordance with the WTC so submitted only if the said WTC has been submitted along with the Form of Acceptance-cum-Acknowledgement and such WTC is valid and effective as of the date on which tax is required to be deducted at source. In absence of such WTC, the Acquirer/PACs will arrange to deduct tax at the maximum rate applicable to the category to which such FII/FPI/FII sub-account belongs.
- 39) It is to be noted that benefit under the applicable DTAA or withholding of tax at source at lower or nil rate will not be entertained without an appropriate certificate issued under section 195 or section 197 of the I-T Act and the TRC provided to it by the Income Tax Authority of such other foreign country of which it claims to be a tax resident. In addition, such Eligible Shareholder shall also be required to provide a self attested declaration containing the following information in Form 10F to the Income Tax Rules, 1962:
- (a) Status of the Eligible Shareholder (whether an individual, a company, a firm, etc.);
 - (b) PAN of the Eligible Shareholder, if allotted;
 - (c) Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);
 - (d) The Eligible Shareholder's tax identification number in the country or specified territory of residence and, in case there is no such number, then a unique number on the basis of which such Eligible Shareholder is identified by the government of the country or specified territory of which the Eligible Shareholder claims to be a resident;
 - (e) Period for which the residential status, as mentioned in the TRC, is applicable; and
 - (f) Address of the Eligible Shareholder during the period for which the TRC is applicable.
- 40) All FII's will be required to submit their PAN for income tax purposes. In case a PAN is not submitted or is invalid or does not belong to the Eligible Shareholder, the Acquirer/PACs will arrange to deduct tax at the rate of 20% (as provided in section 206AA of the I-T Act) or the rate, as may be applicable to the category of the Shareholder under the Income Tax Act, whichever is higher.

Withholding tax implications for resident Eligible Shareholders

- 41) In absence of any specific provision under the I-T Act, the Acquirer/PACs will not deduct tax on the consideration payable to resident Eligible Shareholders for acquisition of Equity Shares under the Offer.
- 42) The Acquirer/PACs will deduct the tax at the stipulated rates (including applicable surcharge, education cess and secondary higher education cess) on interest (paid for the delay in payment of the Offer Price), if any, payable to resident Eligible Shareholders, if amount of interest payable is in excess of Rs.5,000 (Rupees five thousand only) as per the provisions of section 194A the I-T Act.
- 43) The resident Eligible Shareholder claiming no tax is to be deducted or tax to be deducted at a lower rate on interest amount (relatable to the delay in payment of the Offer Price), should submit along with the Form of Acceptance-cum-Acknowledgement a WTC issued by the Income Tax Authorities under section 197 of the I-T Act indicating the amount of tax to be deducted by the Acquirer/PACs or, in the case of resident Eligible 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 Eligible Shareholder furnishes PAN in such declaration along with a self attested copy of PAN Card. In case the aforesaid WTC or Form 15G or 15H, if applicable, is not submitted, and the amount of interest (relatable to the delay in payment of the Offer Price) payable exceeds Rs. 5,000 (Rupees five thousand only), the Acquirer/PACs will arrange to deduct tax at the maximum rate as may be applicable to the Eligible Shareholder under the I-T Act. Also, no tax is to be deducted on interest amount in the case of the resident Eligible Shareholder being an entity specified as a Mutual Fund under section 10(23D) of the I-T Act or an entity specified under section 194A(3)(iii) of the I-T Act if it submits a self attested copy of the relevant registration, or notification along with the Form of Acceptance-cum- Acknowledgement.

Issue of tax deduction at source certificate

- 44) The Acquirer/PACs will issue a certificate in the prescribed form to the Eligible Shareholders (resident and non-resident) who have been paid the consideration and interest (paid for delay in payment of the Offer Price) after deduction of tax, if any, on the same, certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of section 203 of the I-T Act read with the Income-tax Rules, 1962.

Withholding taxes in respect of overseas jurisdictions

- 45) Apart from the above, the Acquirer and the PACs will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdiction where the non-resident Eligible Shareholder is a resident for tax purposes (“Overseas Tax”).
- 46) For this purpose, the non-resident Eligible Shareholder shall duly represent in the Form of Acceptance-cum-Acknowledgement the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Eligible Shareholder is a tax resident, and the Acquirer and the PACs will be entitled to rely on this representation at their sole discretion
- 47) Eligible Shareholders who wish to tender their Equity Shares must submit the following information/documents, as applicable, along with the Form of Acceptance-cum- Acknowledgement:

Information requirement from non-resident Eligible Shareholders

- (a) Self attested copy of PAN card;
- (b) Confirmation in respect of residential status (for tax purposes), status of Eligible Shareholders (e.g. Individual, HUF, Firm, Company, FII, Trust, or any other - please specify);
- (c) WTC issued by the Income-tax Authorities under section 195(3) or section 197 of the I-T Act;
- (d) TRC along with such information as prescribed in paragraph VII.32, where the non- resident Eligible Shareholder is claiming a benefit under the DTAA;
- (e) In case of other non-resident Eligible Shareholders (excluding a FII), a self-attested declaration certifying the nature of income arising from the sale of Equity Shares i.e., whether capital gains or business income or interest, if any, by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement;
- (f) Self declaration that the non-resident Eligible Shareholder (including a FII) does not have any permanent establishment or business connection in terms of Indian tax laws in case where the income arising from the sale of Equity Shares is in the nature of business income;
- (g) In case of FII/FPI/FII sub-account, confirmation as referred in paragraph VII.36 above;
- (h) Self attested copy of SEBI registration certificate for FII/FPI/FII sub-account; and
- (i) Approvals from the RBI and other approval(s) obtained for acquiring the Equity Shares, if applicable.

Information requirement in case of resident Eligible Shareholder

- (a) Self attested copy of PAN card;
 - (b) Confirmation in respect of residential status (for tax purposes), status of Eligible Shareholders (e.g. Individual, Firm, Company, Trust, or any other - please specify);
 - (c) WTC issued by the Income Tax Authorities under section 197 of the I-T Act (applicable only for the interest payment relatable to delay in payment of the Offer Price, if any);
 - (d) A self declaration form in Form 15G or Form 15H (in duplicate), as applicable for interest payment (relatable to delay in payment of the Offer Price), if any; and
 - (e) For Mutual Funds and specified entities under section 194A(3)(iii) of the I-T Act – self attested copy of relevant registration or notification (applicable only for the interest payment, if any).
- 48) Notwithstanding the details given above, all payments will be made to all the Eligible Shareholders subject to compliance with the prevailing tax laws. The tax deducted under the Offer is not the final liability of the Eligible Shareholders or in no way discharges the obligation of Eligible Shareholders to disclose the amount received pursuant to the Offer in their respective tax returns. The tax rates and other provisions may undergo change.
 - 49) All Eligible Shareholders are advised to consult their tax advisors for 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 Acquirer, the PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth hereinabove. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

VIII. Documents for Inspection

Copies of the following documents will be available for inspection to the Eligible Shareholders at the office of the Manager to the Offer at 901, 9th Floor, Tower I, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013 on any Working Day, i.e. Monday to Friday and not being a bank holiday in Mumbai, between 10:30 a.m. to 1:00 p.m. from the date of opening of the Offer until the closure of the Offer:

1. Copies of the articles of association and certificate of all registered matters of the Acquirer;
2. Limited review standalone financial statements for the four months period ending April 30, 2015 and audited standalone financial statements for the financial years ended December 31, 2014, December 31, 2013 and December 31, 2012 of the Acquirer;
3. Constitutional documents of PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5;
4. Annual reports of the Target Company for the financial years ended March 31, 2013, March 31, 2014 and March 31, 2015;
5. Certificate dated August 03, 2015 from CA Ashwin Patel, Membership No. 127052, Proprietor of M/s. Ashwin Patel & Associates, Chartered Accountants with Firm Registration No. 133722W having his office at B-105, Akshar Apt. No.2, Near Dattani Gram, Anand Nagar, Mathuradas Extn Road, Kandivali – West, Mumbai – 400 067, Tel: +91 22 2861 7450, certifying the adequacy of financial resources of the Acquirer and PACs to fulfill their Offer obligations;
6. Bank Guarantee dated August 1, 2015 issued by Axis Bank Limited for ₹ 650,000,000 in favour of the Manager to the Offer;
7. Escrow Agreement dated July 30, 2015 amongst PAC 5, Axis Bank Limited and the Manager to the Offer;
8. Letter dated August 01, 2015 from Axis Bank Limited, confirming the deposit of ₹ 26,000,000 in the Cash Escrow Account and a lien in favour of Manager to the Offer;
9. Copy of Original SPA dated January 22, 2015, Deed of Accession to SPA dated July 09, 2015, Shareholders Agreement dated May 26, 2015, Shareholders Amendment Agreement dated July 29, 2015 and Deed of Accession to Shareholders Agreement dated July 30, 2015.
10. Pricing certificate for calculations of Base Offer Price dated January 29, 2015 from M/s. Ramesh Babu & Associates, Chartered Accountants with Registration No. 06789S having their office at 19, New No. 45, Third Main Road, Gandhi Nagar, Adyar, Chennai - 600020;
11. Copy of the Public Announcement dated January 29, 2015 and published copy of the Detailed Public Statement dated August 05, 2015 and the Offer opening advertisement to be published as per regulation 18(7);
12. Copy of the recommendation of the committee of the independent directors of the Target Company to be published as per Regulation 26(7);
13. Copy of agreement dated July 31, 2015 between PAC 5 and Registrar to the Offer for opening of special depository account.
14. Copy of the letter number [●] from SEBI dated [●] containing its comments on the DLOF.

IX. Declaration by the Acquirer and the PACs

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company, the Acquirer and the PACs have relied on the information provided by the Target Company or as available in public domain and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer and the PACs accept full responsibility for the information contained in this Draft Letter of Offer in relation to them and the Offer, including the attached Form of Acceptance-cum- Acknowledgement (other than such information as has been obtained from public sources or provided or confirmed by the Target Company or any subsidiaries or entities controlled by the Target Company).

The Acquirer and the PACs also accept full responsibility for their obligations under the Offer and shall be severally and jointly liable for ensuring compliance with the SEBI SAST Regulations.

The information contained in this Draft Letter of Offer is as of the date of this Draft Letter of Offer, unless expressly stated otherwise.

Signed by

For and on behalf of the Acquirer Igarashi Electric Works Limited Sd /- Authorised Signatory Name: Naoaki Ito Place: Kawasaki, Japan Date: August 12, 2015	For and on behalf of PAC 1 MAPE Securities Private Limited Sd /- Authorised Signatory Name: Sughosh Moharikar Place: Mumbai, India Date: August 12, 2015
For and on behalf of PAC 2 Alpha FDI Holdings PTE Ltd. Sd /- Authorised Signatory Name: J Niranjana Place: Singapore Date: August 12, 2015	For and on behalf of PAC 3 Tata Capital Growth Fund I Sd /- Authorised Signatory Name: Pramod Ahuja Place: Mumbai, India Date: August 12, 2015
On behalf of the PAC 4 Igarashi Electric Works (H.K.) Ltd Sd /- Authorised Signatory Name: Kazuharu Igarashi Place: Kawasaki, Japan Date: August 12, 2015	PAC 5 Agile Electric Sub Assembly Private Limited Sd/- Authorised Signatory Name: R Chandrasekaran Place: Chennai, India Date: August 12, 2015