DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Public Shareholder(s) of Jost's Engineering Company Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in Jost's Engineering Company Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgment and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

JAI PRAKASH AGARWAL residing at 2601-A, 26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai-400013; Telephone: +91 8108084800

AND

VISHAL JAIN residing at A-501, Mantri Pride, 1st Block, Jayanagar, Bangalore – 560011; Telephone: +91 9740994186, together referred to as the "**Acquirers**"

AND

Krishna Agarwal, Abhishek Agarwal, J.P. Agarwal & Sons (HUF), all residing at 2601-A, 26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai - 400013 (Telephone: +91 9819554800; +91 9820720790; +91 8108084800 respectively), Rajendra Kumar Agarwal and Anita Agarwal, both residing at South City Residency, Tower No. 4, Flat No. 33A & 33B, 375, Prince Anwar Shah Road, Kolkata – 700045 (Telephone: +91 9331013761; +91 9836800968 respectively) and Shikha Jain residing at A-501, Mantri Pride, 1st Block, Jayanagar, Bangalore – 560011; Telephone: +91 8431666623, together referred to as the "**Persons Acting in Concert / PACs**"

MAKE A CASH OFFER OF `410 (INDIAN RUPEES FOUR HUNDRED AND TEN ONLY) ("OFFER PRICE") PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF ` 10 (INDIAN RUPEES TEN) EACH, TO ACQUIRE UP TO 198,810 (ONE HUNDRED AND NINETY EIGHT THOUSAND EIGHT HUNDRED AND TEN ONLY) FULLY PAID UP EQUITY SHARES REPRESENTING 26% (TWENTY SIX PERCENT) OF THE PAID UP SHARE CAPITAL, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED FROM TIME TO TIME ("SEBI (SAST) REGULATIONS") FROM THE PUBLIC SHAREHOLDERS OF

JOSTS ENGINEERING COMPANY LIMITED

A public limited company incorporated under the Companies Act, 1956

Registered Office: Great Social Building 60, Sir Phirozeshah Mehta Road, Mumbai 400001.
Tel: 022 - 61202300 Fax: 022 – 61202345

ATTENTION:

1. This Offer is made in compliance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. To the best of the knowledge of the Acquirers and PACs there are no statutory approvals required to complete the acquisition of the Offer Shares. Also see the Details of the Proposed Offer in Part II – Details of the Offer.
5. The acquisition of Offer Shares tendered by Non-resident Indians ("**NRIs**") and Overseas Corporate Bodies ("**OCBs**") is subject to and if applicable, the approval / exemption from the Reserve Bank of India ("**RBI**") being submitted by such NRIs / OCBs together with their 'form of acceptance cum acknowledgement'.
6. Certain conditions in the SPA have been made a condition for the acquisition of Offer Shares. Please see Part II paragraph 7 (d) for details.
7. The Offer Price is subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers and PACs at any time prior to 3 (Three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18 (4) of the SEBI (SAST) Regulations. In the event of such upward revision, the Acquirers and PACs shall (i) make corresponding increases to the escrow amounts, as more particularly set out in Part V – Justification of Offer Price of the DLOF; (ii) make a public announcement in the same newspapers in which the DPS was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchange and the Target Company at its registered office of such revision.
8. **If there is a competing offer, the open offers under all subsisting bids will open and close on the same date.**

A copy of the PA, DPS and the LoF (including the Form of Acceptance cum Acknowledgement) is also available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
o3 CAPITAL GLOBAL ADVISORY PRIVATE LIMITED #27, Magrath Road, Bangalore – 560001 Tel. No.: +91 80 4241 0000 Fax No.: +91 80 4241 0022 Email: yogesh.bhati@o3capital.com Contact Person: Yogesh Bhati SEBI Registration Number: INM000011815	**BIGSHARE SERVICES PRIVATE LIMITED** E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072 Tel: +91-22-404 30 200 Fax: +91-22-2847 5207 E-Mail: openoffer@bigshareonline.com Contact Person :Ashok Shetty SEBI Reg. No.: INR000001385
OFFER OPENS ON: OCTOBER 28, 2014	**OFFER CLOSES ON: NOVEMBER 12, 2014**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day
Date of the Public Announcement	August 30, 2014	Saturday
Date of Detailed Public Statement	September 5, 2014	Friday
Date by which the draft Letter of Offer is to be filed with SEBI	September 12, 2014	Friday
Last date for a competing bid, if any	September 26, 2014	Friday
Identified Date*	October 10, 2014	Friday
Last date by which the Letter of Offer will be dispatched to the shareholders	October 17, 2014	Friday
Last date for upward revision of the Offer Price and / or the Offer Size	October 20, 2014	Monday
Last date by which a committee of Independent Directors of the Target Company shall give its recommendation to the Public Shareholders	October 22, 2014	Wednesday
Publication of advertisement containing announcement of the schedule of activities of this Open Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances, in the newspaper where the DPS was published and notification to SEBI, BSE and the Target Company at its registered office.	October 27, 2014	Monday
Date of commencement of tendering period	October 28, 2014	Tuesday
Date of closure of tendering period	November 12, 2014	Wednesday
Last date of communicating of rejecting / acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	November 26, 2014	Wednesday
Issue of post offer advertisement	December 3, 2014	Wednesday
Last date for filing of final report with SEBI	December 3, 2014	Wednesday

***** *Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers, PACs and the Sellers) who own the Equity Shares of the Target Company are eligible to participate in the Offer any time before the closing of the tendering period.*

Note: Duly signed application form and Transfer Deed(s) together with the share certificate(s) in case of physical shares and duly signed application form and delivery instruction slip in case dematerialized shares should be dispatched by Registered Post or hand delivered to the Registrar to the Offer at the above address to arrive not later than 5:30 pm on or before November 12, 2014.

RISK FACTORS

Risk factors relating to the transaction

- To the best of the knowledge of the Acquirers and the PACs there are no statutory approvals required to complete the acquisition of the Equity Shares under the SPA, except for obtainment of an approval from the Reserve Bank of India ("**RBI**") (if applicable) for acquisition of the Sale Shares held by the NRI Sellers. Unless otherwise waived by the Acquirers in accordance with the provisions of the SPA (*as detailed below),* the Offer would be subject to the receipt of such statutory approvals.

- Other than the above and the risk of non-performance of the obligations under the SPA by the parties to the SPA, there are no other specific risk factors in relation to the transactions under the SPA, which may result in the withdrawal of this Open Offer.

Risk factors relating to the Offer

- To the best of the knowledge of the Acquirers and the PACs, there are no statutory approvals required to complete the acquisition of the Offer Shares. If any statutory approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to the receipt of such statutory approvals. In the event of non-receipt of any of the statutory approvals, which may become applicable for the purchase of the Offer Shares and / or the Equity Shares as described above, the Acquirers and PACs shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the SEBI (SAST) Regulations. In the event of such a withdrawal of the Offer, the Acquirers and the PACs (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and simultaneously inform in writing, SEBI, BSE and the Target Company at its registered office.

- The acquisition of the Offer Shares tendered by NRIs and OCBs is subject to and if applicable, the approval / exemption from the RBI being submitted by such NRIs and OCBs together with the 'form of acceptance cum acknowledgement'.

- Public Shareholders should note that, under the SEBI (SAST) Regulations, once they have tendered their Equity Shares, they will not be able to withdraw their Equity Shares from the Offer even in the event of a delay in the acceptance of the Equity Shares under the Offer and / or the dispatch of consideration. The Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares. There may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

- The Registrar to the Offer will hold the Equity Shares tendered in the Offer in trust until the completion of the Offer formalities.

- In the event that either (a) there is any litigation that leads to an injunction or stay on this Offer or restricts or restrains the Acquirers and / or the PACs from performing their obligations hereunder; or (b) SEBI instructs the Acquirers and / or the PACs not to proceed with this Offer, then this Offer process may be delayed beyond the tentative schedule of activities disclosed in this DLoF. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer, may be delayed.

- The Acquirers, the PACs and the Manager accept no responsibility for the statements made otherwise than in the LoF, DPS and PA and anyone placing reliance on any other source of information (not released by the Acquirers, the PACs or the Manager) would be doing so at his, her or their own risk.

- The information contained in this DLoF is as of date of this DLoF. The Acquirers, PACs and the Manager are under no obligation to update the information contained herein at any time after the date of the LoF.

Probable risks involved in associating with the Acquirers and the PACs

- Neither the Acquirers nor the PACs have any experience in managing the business in which the Target is engaged. Further, neither the Acquirers, the PACs nor the Manager makes any assurance with respect to the financial and operating performance of the Target Company, its affiliates or associates.

- None of the Acquirers, the PACs or the Manager can provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.

- None of the Acquirers, the PACs or the Manager makes any assurance with respect to the investment or disinvestment plans of the Acquirers or the PACs in relation to their proposed shareholding in the Target Company.

The risk factors set forth above are indicative only and are not intended to provide a complete analysis of all the risks as perceived in relation to the Offer or associating with the Acquirers and the PACs. They are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by any Public Shareholder in the Offer. Public Shareholders are advised to consult their stockbroker, investment consultant or tax advisor for an understanding of the further risks associated with their participation in the Offer.

NO OFFER / SOLICITATION / REGISTRATION IN THE UNITED STATES OF AMERICA AND CERTAIN OTHER JURISDICTIONS

United States of America

This DLoF together with the DPS that was published on September 5, 2014 and the PA dated August 30, 2014 in regards to this Offer, has not been and shall not be registered under the United States Securities Act of 1933, as amended under the exemptions available thereunder ("**Securities Act**") or any US state securities laws. The Offer is not, and under no circumstances is to be construed as, an offering of any securities in the United States or as a solicitation therein or an invitation to subscribe to any securities including the Equity Shares.

The disclosures in this DLoF and the Offer particulars including but not limited to the Offer Price, Offer Size and procedure for acceptance and settlement of the Offer is governed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and other applicable laws, rules and regulations of India that may different from those of any domestic tender offer under the US laws.

United Kingdom

This DLoF together with the DPS that was published on September 5, 2014 and the PA dated August 30, 2014 in regards to this Offer, has not been registered or approved under the UK Financial Services and Markets Act. The disclosures in this DLoF and the Offer particulars including but not limited to the Offer Price, Offer Size and procedures for acceptance and settlement of the Offer is governed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and other applicable laws, rules and regulations of India that may different from those of any domestic tender offer under the UK laws.

General

This DLoF together with the DPS that was published on September 5, 2014 and the PA dated August 30, 2014 in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The information contained in this DLoF is as of date of this DLoF. The Acquirers, PACs and the Manager are under no obligation to update the information contained herein at any time after the date of this DLoF.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LoF shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the DLoF and / or LoF by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this DLoF and / or the LoF under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. Accordingly no such Public Shareholder may tender his, her or its Equity Shares in this Offer. In the event any such Public Shareholder tenders his / her / its Equity Share in this Offer, the same is liable to be rejected.

Persons in possession of this DLoF and / or the LoF are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable laws, rules, regulations and statutes to participate in this Offer.

CURRENCY OF PRESENTATION

In this DLoF, all references to Rs. / INR / ` are to Indian Rupee(s), the official currency of India. Minor differences, if any in totals in this DLoF are due to rounding off.

TABLE OF CONTENTS

DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirers	Jai Prakash Agarwal and Vishal Jain
Board	The board of directors of the Target Company.
BSE	BSE Limited
Break Fee	Under the SPA, a break fee of 25% (Twenty Five Per Cent) of the Purchase Consideration.
CDSL	Central Depository Services (India) Limited
Consideration	Total consideration payable under the Offer, subject to a maximum of ` 8,15,12,100 ()
Depositories	CDSL and NSDL
Depository Participant	HDFC Bank Limited, with which the Registrar to the Offer has opened the Open Offer Escrow Demat Account for receiving the Equity Shares tendered during the Offer
Director	A director on the Board of the Target Company
DLoF	The draft letter of offer in connection with the Offer, published on behalf of the Acquirers and the PACs pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
DP	Depository participant of the Public Shareholder(s)
DPS	The detailed public statement in connection with the Offer, published on behalf of the Acquirers and the PACs on September 5, 2014
EPS	Earnings per share
Equity Shares	Fully paid up equity shares of Jost's Engineering Company Limited with face value of ` 10 (Indian Rupees Ten Only) each
Escrow Agreement	Agreement dated September 2, 2014 amongst the Acquirers and the Manager to the Offer and the Open Offer Escrow Bank
Form of Acceptance cum Acknowledgment	The Form of Acceptance cum Acknowledgment provided with this Letter of Offer.
Identified Date	The date falling on the 10^{th} Working Day prior to the commencement of the Tendering Period for the purposes of determining the Public Shareholders to whom the LoF shall be sent
Income Tax Act	The Income Tax Act, 1961, as amended from time to time
Independent Directors	The independent directors of the Target Company.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
Listing Agreement	The listing agreement entered into by the Target Company with BSE
LoF / Letter of Offer	The letter of offer in connection with the Offer, dated [●], 2014
Lock In	The obligation on the Acquirers and PACs, under the SPA, to purchase the remaining Sale Shares held by the NRI Sellers within a period of 2 (Two) years from the date of purchase of the Resident Sale Shares.
Manager / Manager to the Offer	o3 Capital Global Advisory Private Limited
Memorandum of Association	The memorandum of association of the Target Company
NEFT	National Electronic Funds Transfer
NRI Sellers	Means cumulatively (1) Ms. Parviz Batliwala; (2) Mr. Farrokh Batliwala; and (3) Ms. Shireen Batliwala.
NRIs	Non-resident Indians
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirers and the PACs to the Public Shareholders of the Target Company to acquire up to 198,810 (One Hundred and Ninety Eight Thousand Eight Hundred and Ten) Equity Shares, representing 26% (Twenty Six Per Cent) of the Voting Share Capital, at a price of ` 410 (Indian Rupees Four Hundred and Ten) per Offer Share
Open Offer Escrow Bank	Means Yes Bank Limited
Open Offer Escrow Account	Means an escrow account bearing number 000180200005309 maintained with

	Yes Bank Limited
Open Offer Escrow Demat Account	Means the BSPL Escrow Account – JECL Open Offer maintained with HDFC Bank Limited
Offer Period	Means the period commencing on the date of the PA and ending on the date of completion of payment of the consideration to the Public Shareholders whose Equity Shares are accepted in the Offer
Offer Shares	198,810 (One Hundred and Ninety Eight Thousand Eight Hundred and Ten) Equity Shares representing 26% (Twenty Six Per Cent) of the Voting Share Capital
Offer Size	` 81,512,100 (Indian Rupees Eighty One Million Five Hundred and Twelve Thousand and One Hundred) being the maximum consideration payable under this Offer assuming full acceptance
PA	The public announcement in connection with the Offer dated August 30, 2014 issued by the Manager on behalf of the Acquirers and the PACs
PACs	Krishna Agarwal, Abhishek Agarwal, J.P. Agarwal & Sons (HUF), Rajendra Kumar Agarwal, Anita Agarwal and Shikha Jain
PAN	Permanent Account Number
Public Shareholders	The shareholders of Equity Shares, other than the parties to the SPA and persons acting, or deemed to be acting, in concert with such parties
Purchase Consideration	` 11,31,00,000 (Indian Rupees Eleven Crore Thirty One Lakh only), being the purchase consideration paid by the Acquirers and their PACs to the Sellers under the SPA for acquisition of Sale Shares
RBI	Reserve Bank of India
RBI Approval	The approval from the RBI for the transfer / offer of Equity Shares, under the SPA or pursuant to this Offer, as applicable
Registrar to the Offer	Bigshare Services Private Limited
Resident Sale Shares	Sale Shares held by Sellers other than the NRI Sellers
RTGS	Real Time Gross Settlement
Sale Shares	369,910 (Three Hundred and Sixty Nine Thousand Nine Hundred and Ten) Equity Shares agreed to be purchased by the Acquirers and the PACs from the Sellers under the SPA
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
Sellers	Aloo Burjor Reporter, Bullows India Private Limited, Burjor Reporter, Farrokh Batliwala, Parviz Batliwala, Phiroze Sethna Private Limited and Shireen Batliwala
Share Capital	The paid up and issued share capital of the Target Company
SPA	The share purchase agreement dated August 30, 2014 between the Acquirers, the PACs and the Sellers
Standstill Obligations	The standstill obligations under the SPA, set out in Paragraph 7 (h) of this DLoF.
Target Company	Jost's Engineering Company Limited
Tendering Period	October 28, 2014 to November 12, 2014, both inclusive
Transaction	The transactions contemplated under the SPA
Transaction Consideration	The aggregate consideration for the acquisition of the Sale Shares by the Acquirers and the PACs from the Sellers under the SPA
Voting Share Capital	Has the same meaning as attributed to the term under the SEBI (SAST) Regulations
Working Day	Has the same meaning as attributed to the term under 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. THIS 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 SHAREHOLDERS OF JOST'S ENGINEERING COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS, THE PACS OR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND THE PACS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND PACS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER, o3 CAPITAL GLOBAL ADVISORY PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 12, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS 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

Background to the Offer

1. This Offer is being made by the Acquirers and the PACs to the Public Shareholders of Jost's Engineering Company Limited, a company incorporated and duly registered under the Companies Act, 1956 on May 9, 1907 and having its registered office at Great Social Building 60, Sir Phirozeshah Mehta Road, Mumbai 400001, Tel: 022 - 61202300, email: jostsho@josts.in, website: www.josts.com. Pursuant to Regulations 3(1) and 4 and in compliance with the SEBI (SAST) Regulations, the Acquirers and the PACs propose to acquire substantial stake, to takeover the management and control of Jost's Engineering Company Limited pursuant to the SPA and this Offer.

2. The Acquirers and PACs hereby make this Offer to the Public Shareholders of the Target Company to acquire up to 198,810 (One Hundred and Ninety Eight Thousand Eight Hundred and Ten) Equity Shares of the Target Company of face value of ` 10 (Indian Rupees Ten Only) each representing in aggregate 26% (Twenty Six Per Cent) of the paid up equity share capital of the Target Company at a price of ` 410 (Indian Rupees Four Hundred and Ten Only) per fully paid up equity share, payable in cash subject to the terms and conditions mentioned in the PA, DPS and in the LoF that will be circulated to the Public Shareholders in accordance with the SEBI (SAST) Regulations *i.e.* whose names appear on the register of members of the Target Company or beneficiaries on the beneficial index of the DP as on the Identified Date *i.e.* October 10, 2014.

3. Jai Prakash Agarwal and Vishal Jain are the Acquirers and Krishna Agarwal, Abhishek Agarwal, J.P. Agarwal & Sons (HUF), Rajendra Kumar Agarwal, Anita Agarwal and Shikha Jain are the PACs in this Open Offer in terms of Regulation 2 (1) (a) of the SEBI (SAST) Regulations. Other than as disclosed herein, there are no other 'persons acting in concert' with the Acquirers in respect of this Offer in terms of Regulation 2(1)(q) of the SEBI (SAST) Regulations.

4. The Acquirers and the PACs intend to acquire the Sale Shares from the Sellers in terms of the SPA at a price of ` 305.75 (Indian Rupees Three Hundred and Five and Seventy Five Paise Only), the details of which are as follows:

<table>
<tr><th colspan="3">Sellers</th><th colspan="3">Acquirers and PACs</th></tr>
<tr><th>Name of Seller</th><th>No. of Equity Shares</th><th>% of total paid up capital</th><th>Name of Acquirer / PAC</th><th>No. of Equity Shares</th><th>% of the total paid up capital</th></tr>
<tr><td>Aloo Burjor Reporter</td><td>73,450</td><td>9.61%</td><td rowspan="2">Vishal Jain</td><td>73,450</td><td>9.61%</td></tr>
<tr><td rowspan="2">Bullows India Private Limited</td><td rowspan="2">71,040</td><td rowspan="2">9.29%</td><td>19,028</td><td>2.49%</td></tr>
<tr><td rowspan="2">Shikha Jain</td><td>52,012</td><td>6.80%</td></tr>
<tr><td>Parviz Batliwala</td><td>39,000</td><td>5.10%</td><td>39,000</td><td>5.10%</td></tr>
<tr><td>Farrokh Jamshyd Batliwala</td><td>17,000</td><td>2.22%</td><td>Rajendra Kumar Agarwal</td><td>17,000</td><td>2.22%</td></tr>
<tr><td>Burjor Reporter</td><td>76,420</td><td>9.99%</td><td rowspan="2">Jai Prakash Agarwal</td><td>76,420</td><td>9.99%</td></tr>
<tr><td>Phiroze Sethna Private Limited</td><td>76,000</td><td>9.94%</td><td>3,580</td><td>0.47%</td></tr>
<tr><td></td><td></td><td></td><td>Abhishek Agarwal</td><td>25,000</td><td>3.27%</td></tr>
<tr><td></td><td></td><td></td><td>Krishna Agarwal</td><td>40,000</td><td>5.23%</td></tr>
<tr><td></td><td></td><td></td><td>J.P. Agarwal & Sons (HUF)</td><td>5,955</td><td>0.78%</td></tr>
<tr><td></td><td></td><td></td><td>Shikha Jain</td><td>1,465</td><td>0.19%</td></tr>
<tr><td>Shireen Jamshyd Batliwala</td><td>17,000</td><td>2.22%</td><td>Anita Agarwal</td><td>17,000</td><td>2.22%</td></tr>
<tr><td>Total</td><td>369,910</td><td>48.38%</td><td></td><td>369,910</td><td>48.38%</td></tr>
</table>

5. The Acquirers and the PACs have entered into the SPA with the Sellers to acquire the Sale Shares representing 48.38% (Forty Eight Point Three Eight Per Cent) of the Voting Share Capital of the Target Company for a consideration aggregating to ` 113,100,000 (Indian Rupees One Hundred and Thirteen Million and One Hundred Thousand Only) ("**Purchase Consideration**").

6. By the proposed acquisition pursuant to the SPA, the Acquirers and the PACs will acquire in excess of 25% (Twenty Five Per Cent) of the Voting Share Capital of the Target Company and be in control of the Target Company, which resulted in the triggering of Regulations 3(1) and 4 of the SEBI (SAST) Regulations.

Share Purchase Agreement

7. The salient features of the SPA are as under:

   a. **Sale Shares.** The Sale Shares being purchased under the SPA constitutes 48.38% (Forty Eight Point Three Eight Per Cent) of the Voting Share Capital of the Target Company on a fully diluted basis.

   b. **Purchase Consideration.** The purchase price for the Sale Shares is ` 305.75 (Indian Rupees Three Hundred Five and Seventy Five Paise Only) per fully paid up Equity Share of the Target Company aggregating to a total consideration payable for the Sale Shares being equal to the Purchase Consideration.

   c. **Negative Lien.** Within 4 (Four) business days from the execution date, each Seller is required to issue instructions to their respective Depository Participant in writing to freeze the Sale

Shares in the said Seller's depositor account (in the form specified in Annexure 'P' to the NSDL Business Rules 1996, as amended from time to time) to ensure that no Sale Shares shall be transferred by the Sellers, until the termination of the SPA, except with the prior consent of the Acquirers and PACs. The negative lien on the Sale Shares may be released only under the following circumstances:

i. Termination of the SPA solely on account of any default of any Acquirers or PAC. The Acquirers and the PACs are also obliged to pay a break fee equal to 25% (Twenty Five Per Cent) of the Purchase Consideration ("**Break Fee**").

ii. Upon termination of the SPA solely on account of any default of any Seller, simultaneously with the payment of the Break Fee to the Acquirers and the PACs by the Sellers. Provided that in the event that such termination occurs after the Acquirers and PACs have completed the Open Offer in accordance with the SEBI (SAST) Regulations, the Acquirers and PACs shall be entitled to release the negative lien at their discretion.

iii. In the event that the SPA is terminated on account of reasons other than as stated in sub-clause c (i) or c (ii) above.

d. **Conditions Precedent.** The transaction under the SPA shall be completed upon fulfillment of *inter alia* the following conditions precedent agreed between the Acquirers, the PACs and the Sellers in the SPA:

i. The Acquirers and the PACs having complied with the obligations under the SPA and applicable law including the SEBI (SAST) Regulations with relation to the Offer;

ii. The Sellers shall have, if required under applicable law, obtained an approval ("**RBI Approval**") from the Reserve Bank of India for the transfer of the Sale Shares held the NRI Sellers to Acquirers and PACs;

iii. Each Seller has furnished a certificate from a chartered accountant confirming that the said Seller has settled all dues and paid all penalties as applicable under the Income Tax Act, 1961;

iv. The Sellers shall not have disposed off any Sale Shares till the completion of the SPA Transaction; and

v. The Sellers shall not have breached any of their obligations under the SPA including the Standstill Obligations set out in Paragraph 7 (h) below.

e. **RBI Approval for sale by NRI Sellers.** Without prejudice to Paragraph 7 (d) above, under the SPA, the Acquirers and the PACs have reserved the right to specifically waive any of the conditions precedent set out in the SPA including the conditions precedent set out in paragraph 7 (d) above to be fulfilled by the Sellers, if such waiver is permissible under the applicable laws in India. In this regard, **it must be noted that**, under the terms of the SPA, if (i) the RBI Approval sought by the NRI Sellers is rejected by RBI; or (ii) where the RBI Approval has not been obtained by the NRI Sellers by the Open Offer completion date, the Acquirers and PACs have a right to waive the requirement to obtain RBI Approval as a condition precedent and purchase only the portion of the Sale Shares held by the Sellers other than the NRI Sellers ("**Resident Sale Shares**") constituting approximately 38.83% (Thirty Eight Point Eight Three Per Cent) of the Voting Share Capital on a fully diluted basis, under the SPA, at the completion of the Open Offer. In the event that the Acquirers and PACs exercise their rights described in such clause, non-obtainment of RBI Approval will not constitute a ground for the Acquirers and PACs to withdraw the open offer under Regulation 23(1)(c) of the SEBI (SAST) Regulations.

f. **Lock In.** In the event that the Acquirers and PACs go ahead and purchase the Resident Sale Shares pending obtainment of RBI Approval, then, the Acquirers and PACs shall be liable to purchase the remaining Sale Shares held by the NRI Sellers within a period of 2 (Two) years from the date of purchase of the Resident Sale Shares by the Acquirers and PACs in accordance with the SPA ("**Lock In**"), subject to receipt of RBI Approval or change in applicable law during the Lock In (where such change in law dispenses with the requirement of obtaining of the RBI Approval). This purchase shall occur in one or more tranches as mutually agreed between the Sellers and the Acquirers and PACs. During the Lock In, the NRI Sellers shall not be permitted to transfer / sell the Sale Shares held by them to any Person other than to the Acquirers, PACs or the immediate relatives of the Sellers, provided that the transferee's immediate relative also complies with the Lock In.

g. **Alternative Proposal.** Pending closing of the SPA transactions, the Sellers are not permitted to directly or indirectly, participate in, solicit or encourage (or permit any advisor or other person acting on its behalf to do so) negotiations or discussions with any person relating to the sale or other disposal of any Equity Shares (including any competing open offer), or any of the assets of the Target Company, other than in the ordinary course of business ("**Alternative Proposal**") or enter into any agreement or arrangement with any other party in relation to such matters. Furthermore, the Sellers are also required to exercise their voting rights against any Alternative Proposal made by or made to the Target Company or against any decision of the Target Company to enter into any agreement or arrangement with any other party in relation to such matters. As and when any Alternative Proposal is brought to the knowledge of the Sellers, the Sellers are required to immediately intimate the same to Acquirers and PACs, subject to restrictions under the Insider Trading Regulations, applicable law or the Target Company's policies.

h. **Standstill Provisions.** From the execution date till the closing of the SPA transaction, there are certain standstill obligations imposed on the Sellers, *i.e.* there is an obligation on the Sellers to exercise their votes in the Company against any of the matters set out below ("**Standstill Provisions**"):

i. commence any operations / business other than the existing business of the Target Company;

ii. register any Transfer or Encumbrance (*as define under the SPA*) of the Sale Shares;

iii. make any investments by way of deposits, loans or subscription to shares and debentures, other than in the ordinary course of business;

iv. increase, decrease, buyback or make any other alteration or modification in authorized or issued share capital, or creation, issuance, redemption or conversion of securities (including Equity Shares, preference shares, non-voting shares, warrants, options, etc.) or undertake to do any of those things;

v. create, incur, or agree to create or incur, material borrowing or Indebtedness or permit the creation or subsistence of any additional material liability or encumbrances on the assets of the Target Company, other than in the ordinary course of business or except as already disclosed in the accounts of the Target Company (i.e. audited account for the year ending on March 31, 2014);

vi. create any joint ventures / partnerships, subsidiaries, or enter into any mergers, demergers, spin-offs, amalgamations, consolidations or divestment or any other type of corporate restructure;

vii. sale, transfer or lease of any of the material assets of the Target Company, other than in the ordinary course of business;

viii. terminate or give notice to terminate the lease entered into by the Target Company in connection with the property situated at Plot No. C7, Thane Industrial Area, Panchpakhadi Village, Thane District;

ix. enter into or agree to enter into any affiliated / related party transactions;

x. appoint, terminate, change the designation or responsibility, change the terms and conditions of employment of any of its key employees (*i.e.* the chief executive officer, the chief financial officer and the company secretary), other than in accordance with prevailing policies of the Target Company;

xi. provide or agree to provide a gratuitous payment or benefit to a Director;

xii. amend the charter documents in a manner that will adversely impact the rights of the Acquirers and PACs;

xiii. cease to operate the Business (*as defined under the SPA*) of the Target Company as a going concern;

xiv. adopt or amend or accelerate any contingent vesting of a right under any stock option plan;

xv. declare or pay of any dividend or other distribution to shareholders of the Target Company;

xvi. winding up and/or liquidation of the Target Company or taking any step towards such process whether or not voluntary, or any restructuring or reorganization proceedings which may have a similar effect; and

xvii. assign, amend, substitute, replace or terminate any of the material contracts entered into by the Target Company, other than in the ordinary course of business.

i. **Change in Control under Material Agreements.** Certain material agreements contain termination clauses that get triggered on account of a change in control in the Target Company. The Sellers have agreed to make best efforts to procure that the material agreements entered into by the Target Company in connection with the business carried out by the Target Company's EPD Division shall be valid and binding and no such agreement shall terminate on account of the Transaction.

j. **Best Efforts' Obligations.** If, for any reason whatsoever, any term contained in the SPA cannot be performed or fulfilled, the Acquirers, the PACs and Sellers have agreed to meet and explore alternative solutions depending upon the new circumstances, but keeping in view the spirit and core objectives of the SPA.

k. **Information Rights.** Subject to applicable law, Sellers are forthwith required to intimate the Acquirers and PACs of commencement of any legal or regulatory proceedings by or against the Target Company.

l. **Timing of the SPA Transaction.** The Transaction under the SPA will only consummate post completion of the Offer.

m. **Closing Actions.** Upon completion of the Transactions contemplated under the SPA, on the completion date, the following actions will be undertaken:

i. the Board shall appoint persons nominated in writing by the Acquirers and PACs as additional Directors with immediate effect call an extraordinary general meeting of the Target Company to approve the appointment of the Directors nominated by the Acquirers and PACs;

ii. the Board shall authorise and grant additional mandates to one or more of the Acquirers and PAC's nominated Directors authorizing such Directors to operate the Target Company's bank accounts;

iii. the Board shall re-designate Mr. B.H. Reporter and Mrs. Parviz Batliwala as non executive and independent directors of the Target Company; and

iv. simultaneously, with the transfer of Sale Shares to the Acquirers and PACs on the closing date, the Sellers shall cease to be promoters (as defined under the SEBI (SAST) Regulations or under any other applicable law) or belong to the promoter group (as defined under the SEBI (SAST) Regulations or under any other applicable law) of the Target Company or a person acting in concert (as defined under the SEBI (SAST) Regulations) with any of the foregoing, or the Acquirers or PACs or the Acquirers' Affiliate (*as defined under the SPA*). Simultaneously with the transfer of Sale Shares by the Sellers to the Acquirers and PACs on the closing date, the Acquirers and PACs shall be the promoter and promoter group (as defined under the SEBI (SAST) Regulations and under any other applicable law) of the Target Company. At any time after the Closing (*as defined under the SPA*), if the Sellers shall acquire any Equity Shares of the Company, the Sellers shall be considered as the public shareholders of the Company. Simultaneously with Closing (*as defined under the SPA*), on the Closing Date (*as defined under the SPA*), the Acquirers and PACs shall cause the Target Company to make appropriate filings with BSE and SEBI declaring the foregoing.

n. **Transition Services.** The Sellers have agreed that, for a period of 6 (Six) months' from the sale of the Sale Shares, Mr. B H Reporter and Mrs. Parviz Batliwala (who are currently Directors of the Target Company) will continue to be on the Board of the Target Company but only in their capacity as non-executive and Independent Directors of the Target Company.

o. **Board Rights.** The Acquirers and PACs have a right to nominate directors on the Board of the Target Company post closure of the Offer.

p. **Termination of the SPA.**

i. By mutual consent of Acquirers, the PACs and the Sellers;

ii. By Acquirers and PACs. The SPA may be terminated by the Acquirers and PACs if (i) the Sellers shall have breached or failed to perform any of their covenants or agreements set forth in Clauses 5 (breaches open offer related obligations), 6 (conditions precedent), 7 (Standstill Provisions), 8 (Closing Actions including Transition Services), 9 (Post closing actions), 10 (covenants), 11 (breach of representations & warranties) and 12 (indemnity obligations) of the SPA and such breach is incapable of being cured or, if capable of being cured, shall not have been cured within 30 (Thirty) days following receipt by the Sellers of a written notice of such breach from the Acquirers and the PACs.

iii. By Sellers. (i) If the Acquirers and PACs shall have breached or failed to perform any of their covenants or agreements set forth in Clauses 5 (breach of open offer related obligations), 6 (conditions precedent), 8 (Closing Actions including Transition Services) and 9 (Post closing actions) of the SPA and such breach is incapable of being cured or, if capable of being cured, shall not have been cured within 30 (Thirty) days following receipt by the Acquirers and PACs of a written notice of such breach from any Seller; and (ii) if the Acquirers and PACs fail to pay the Purchase Consideration (or any part thereof and / or (iii) failure to complete the Open Offer process for the non-payment of the Open Offer consideration as required under the provisions of the SEBI (SAST) Regulations by the Acquirers and PACs.

q. If any of the conditions set out in Paragraph 22 or conditions precedent to the SPA including conditions under Paragraph 7 (d) above are not met then, then the Sellers or the Acquirers and PACs, as the case may be, shall have the right to terminate the SPA, in which case, the Acquirers and PACs shall also have the right to withdraw from this Open Offer in terms of Regulation 23(1)(c) of the SEBI (SAST) Regulations.

8. Apart from the Sale Shares, which the Acquirers and the PACs intend to acquire pursuant to the SPA, the Acquirers and PACs neither hold any Equity Shares or voting rights of the Target Company. The Acquirers and the PACs have not held Equity Shares in the Target Company aggregating to 5% (Five

Per Cent) or more. Therefore, the provisions of Chapter V of the SEBI (SAST) Regulations are not applicable to the Acquirers and / or PACs.

9. As per the filings made by the Target Company with the BSE, the Sellers are the only promoters of the Target Company.

10. As of the date of this DLoF, none of the Acquirers nor the PACs is a director of the Target Company. Further, during the Offer Period, no person representing the Acquirers and the PACs shall be appointed to the Board of the Target Company in accordance with Regulation 24(1) of the SEBI (SAST) Regulations. The Acquirers and the PACs intend to seek a reconstitution of the Board of the Target Company after the successful completion of the Offer.

11. The Acquirers and the PACs have not been prohibited by SEBI from dealing in securities, in terms of any direction issued under Section 11B of SEBI Act.

12. There is no other consideration / compensation, in cash or kind, whether directly or indirectly, being given to the Sellers apart from the consideration as stated in Paragraph II 5 above.

13. In accordance with Regulation 26(6) and 26(7) of the SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS of the Offer was published on September 5, 2014.

Details of the Proposed Offer

14. The DPS was published on September 5, 2014 in The Financial Express (English national daily – all editions), Jansatta (Hindi national daily – all editions) and Navshakti, Marathi regional daily. Copies of the PA and DPS are available on the website of SEBI (www.sebi.gov.in).

15. The Acquirers and the PACs are making this Offer to all the Public Shareholders to acquire up to 198,810 (One Hundred and Ninety Eight Thousand Eight Hundred and Ten) Equity Shares ("**Offer Shares**") of face value of ` 10 each at a price of ` 410 (Indian Rupees Four Hundred and Ten Only) ("**Offer Price**") aggregating to ` 81,512,100 (Indian Rupees Eighty One Million Five Hundred and Twelve Thousand and One Hundred Only) ("**Offer Size**"). The Offer Shares represents the 26.00 % (Twenty Six Per Cent) of the Voting Share Capital.

16. The Voting Share Capital has been computed as under:

Particulars	Issued and paid up share capital and voting rights	% of the Voting Share Capital
Fully paid up equity shares as on the date of the PA	764,590	99.99%
Partly paid up equity shares as on the date of the PA	60	0.01%
Employee stock options outstanding	NIL	NIL
Total	**764,650**	**100%**

17. There are 60 (Sixty) partly paid up equity shares in the Share Capital of the Target Company.

18. In terms of Regulation 8(13) of the SEBI (SAST) Regulations, the Offer Price for partly paid up equity shares will be computed as the difference between the Offer Price and the amount due towards calls-in-arrears including calls remaining unpaid with interest, if any, thereon.

19. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders of the Target Company and is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There is no differential pricing for this Offer.

20. The Acquirers and the PACs have not acquired any Equity Shares of the Target Company between the date of the PA (*i.e.* August 30, 2014) and the date of this DLoF.

21. As on the date of PA, DPS & DLoF, the Manager to the Offer i.e. o3 Capital Global Advisory Private Limited, does not hold any equity shares in the Target Company in accordance with Regulation 27(6) of Regulations. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as the Manager to the Offer till the expiry of 15 (Fifteen) days from the date of closure of Open Offer.

22. To the best of the knowledge of the Acquirers and the PACs, there are no statutory approvals required to complete the acquisition of the Offer Shares. If any statutory approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to the receipt of such statutory approvals. In the event of non-receipt of any of the statutory approvals, which may become applicable for the purchase of the Offer Shares, the Acquirers and the PACs shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the SEBI (SAST) Regulations.

    In the event of such a withdrawal of the Offer, the Acquirers and the PACs (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2).

23. Pursuant to the acquisition of the Offer Shares, voting rights and control of the Target Company, assuming a 100 % (One Hundred Per Cent) acceptance in the Offer, the Acquirers and the PACs shall have control over the voting rights with respect to 568,720 (Five Hundred and Sixty Eight Thousand Seven Hundred and Twenty) Equity Shares representing 74.38% (Seventy Four Point Three Eight Per Cent) of the Voting Share Capital. Therefore, on the completion of the Offer, the Acquirers and the PACs shall be in compliance with the applicable laws including the provisions of clause 40A of the listing agreement in relation to the minimum public shareholding requirement of 25 % (Twenty Five Per Cent) under the Securities Contracts (Regulation) Rules, 1957.

Object of the Acquisition / Offer

24. This Offer is being made pursuant to the SPA as described in Paragraph II (2) above, whereby the Acquirers and the PACs intend to acquire 48.38% (Forty Eight Point Three Eight Per Cent) of the issued, subscribed and paid up share capital of the Target Company from the Sellers.

25. The prime object of the Offer is to acquire substantial stake and change the control and management of the Target Company. The Acquirers and the PACs are yet to finalize on how they would implement future plans. The Acquirers and the PACs will continue the existing line of business of the Target Company and may be diversified into other businesses with the prior consent of shareholders of the Target Company and in accordance with the laws applicable.

26. As on the date of this DLoF, the Acquirers do not have any intention to sell, dispose off or otherwise encumber any significant assets of the Target Company except in the ordinary course of business of the Target Company and its future policy for disposal of its assets, if any, will be decided by its Board, subject to the applicable provisions of the law and subject to the prior approval of the shareholders at a general body meeting of the Target Company in accordance with regulation 25(2) of SEBI (SAST) Regulations.

Background of the Acquirers and the PACs

27. Jai Prakash Agarwal and Vishal Jain are the Acquirers and Krishna Agarwal, Abhishek Agarwal, J.P. Agarwal & Sons (HUF), Rajendra Kumar Agarwal, Anita Agarwal and Shikha Jain are the PACs in this Offer in terms of Regulation 2 (1) (a) of the SEBI (SAST) Regulations, the details whereof are as mentioned below:

    <u>Details of the Acquirers:</u>

Name of Acquirer	Residential Address	Age	Qualification	Experience	Tel. No.	Net Worth (` in Lacs)
Jai Prakash Agarwal	2601-A, 26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai-400013	55	B.Com, Company Secretary	More than 25 years of experience in manufacturing sector	+91 8108084800	933.91
Vishal Jain	A-501, Mantri Pride, 1st Block, Jayanagar, Bangalore – 560011	41	BE, MBA	More than 18 years of experience in roles spanning supply chain management, financial advisory and wealth management	+91 9740994186	2,353.0

Details of the PACS:

Name of PAC	Residential Address	Age	Qualification	Experience	Tel. No.	Net Worth (` in Lacs)
Krishna Agarwal	2601-A, 26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai-400013	49	HS	Nil	+91 9819554800	247.22
Abhishek Agarwal	2601-A,26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai-400013	30	MBA	Over 5 years of experience in stock market & commodity Market	+91 9820720790	230.66
J.P. Agarwal & Sons (HUF)	2601-A,26th Floor, Raheja Atlantis, Near Shreeram Mill, G.K. Marg, Lower Parel, Mumbai-400013	NA	NA	NA	+91 8108084800	548.03
Rajendra Kumar Agarwal	South City Residency, Tower No. 4, Flat No. 33A& 33B, 375, Prince Anwar Shah Road, Kolkata - 700068	43	B.Com	Over 20 years of experience in stock market & commodity Market	+91 9331013761	313.09
Anita Agarwal	South City Residency, Tower No. 4, Flat No. 33A& 33B, 375, Prince Anwar Shah Road, Kolkata – 700068	40	B.Com	Over 20 years of experience in stock market	+91 9836800968	131.88
Shikha Jain	A-501, Mantri Pride, 1st Block, Jayanagar, Bangalore – 560011	39	B. Com	Nil.	+91 8431666623	159.0

28. **Relationship between the Acquirers and PACs:**

Name of PAC	Nature of Relationship
Krishna Agarwal	Wife of Mr Jai Prakash Agarwal
Abhishek Agarwal	Son of Mr Jai Prakash Agarwal
J.P. Agarwal & Sons (HUF)	Hindu Undivided Family (of which Mr Jai Prakash Agarwal is the Karta)

Rajendra Kumar Agarwal	Brother of Mr Jai Prakash Agarwal
Anita Agarwal	Wife of Mr. Rajendra Kumar Agarwal
Shikha Jain	Wife of Mr Vishal Jain.

29. The respective Net Worths of Jai Prakash Agarwal, Krishna Agarwal, Abhishek Agarwal, JP Agarwal & Sons (HUF), Rajendra Agarwal and Anita Agarwal have been certified by Mr. Prakash Chand Jain (Membership No. 055463) of M/s. Jain Prakash & Co, Chartered Accountants, having their office at 34, Ezra Street, 2nd Floor, Kolkata – 700 001; Tel. No.: 033 – 22157614), vide certificates dated August 30, 2014. The respective Net Worth of Vishal Jain and Shikha Jain have been certified by Mr. Murleedhara Ullura (Membership No. 212943) of M/s. MDA & Co., Chartered Accountants, having their office at #48, 1st Floor, DVG Road, Basavanagudi, Bangalore – 560 004; Tel. No.: 080 – 26621137; Email: reachus@mdaandco.com, vide certificates dated August 30, 2014.

30. As on date of this DLoF, neither the Acquirers nor the PACs neither hold any share of the Target Company.

31. Mr. Vishal Jain, one of the Acquirers, had acquired 76 (Seventy Six) Equity Shares of the Target Company in the 12 (Twelve) months period prior to the date of the PA, which were subsequently disposed off by him. As on the date of this LoF, the Acquirers and PACs do not hold any equity shares in the Target Company

32. The Acquirers have not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act or any other Regulations made under the SEBI Act.

Background of the Target Company

33. Jost's Engineering Company Limited (bearing CIN No. L28100MH1907PLC000252 was incorporated on May 9, 1907 in the name and style of Jost's Fans Supply and Engineering Company Limited. The name of the Target Company was changed to Jost's Engineering Company Limited in the year 1918. Presently the registered office of the Target Company is situated at Great Social Building 60, Sir Phirozeshah Mehta Road, Mumbai 400001. The correspondence details of the Target Company are set out below:

    Tel. No: *022-61202300*
    Fax: 022-61202345
    E-mail: *jostsho@josts.in*
    Website: http://www.josts.com/

34. The Main Objects clause of the Target Company as per the Memorandum of Association are as under:

    a. To purchase or otherwise acquire, as from the first day of June 1907, as a going concern from Mr. Carl Jost, the present sole Proprietor thereof, the business, carried on by the said Carl Jost in Bombay and elsewhere in India under the name of firm of "C. Jost & Company," of an Electrical and Mechanical Engineer and Contractor and Manufacturer of and dealer in electrical and mechanical apparatus appliances and ventilators or rotary fans and in particular the Rotary Fan impelled by a hot air engine known by the name of "Jost's Patent Radio Fan" and the goodwill plant machinery stock in trade furniture and other effects belonging or relating to the said business and the exclusive privileges so far as the same can be conferred with reference to certain improvements in hot air engines and certain improvements in automatic ventilating fans acquired by the said Carl Jost under and subject to the provisions of Part I of the Inventions and Designs Act 1888 and the benefit of all pending and subsisting contracts relating to the said-business and with a view thereto to ratify and confirm and carry into effect with or without modification an agreement dated the ninth day of May 1907 and intended to be made between the said Carl Jost of the one part and Mr. John Bruce King Macbeth as agent for and on behalf of the Company of the other part (a copy whereof is subjoined to the Articles of Association as Scheduled A) and to adopt become bound by and carry into effect the agreements mentioned in Schedule A to the said agreement and to carry on such business upon such terms and in such manner in all respects as may seem expedient.

b. To carry on the trade or business of electrical engineers water supply engineers gas makers electricians mechanical engineers founders electro-platers metal workers smiths and mechanists and merchants manufacturers of and suppliers of and dealers in machinery implements appliances apparatus and hardware of all kinds including electric power hot air and gas engines and any business in which the application of electricity or any power derived from hot air or gas engines or from water or any power that can be used as a substitute therefor is or may be useful convenient or ornamental or any business of the like nature.

c. To manufacture and produce and either as principals or agents trade and deal in any articles belonging to any business carried on by the Company and all apparatus appliances and things used produced or traded in connection therewith or produced or traded in by virtue of or in connection with any inventions concessions licenses patents or privileges for the time being belonging to the Company or in which the Company may be interested.

Presently the Target Company carries on business of manufacturing, material handling equipment, industrial finishing and engineered products.

35. As on the date of this DLoF, the authorized share capital of the Target Company is ` 1,00,00,000 (Indian Rupees One Crore Only) comprising of 10,00,000 (Ten Lakh) Equity Shares bearing a face value of ` 10 (Indian Rupees Ten Only) each. The issued and subscribed equity share capital of the Target Company is ` 76,46,500 (Indian Rupees Seventy Six Lakh Forty Six Thousand and Five Hundred Only) divided into 7,64,590 (Seven Lakh Sixty Four Thousand Five Hundred and Ninety) fully paid up Equity Shares of ` 10 (Indian Rupees Ten Only) each and 60 (Sixty) partly paid up equity shares of ` 10 (Indian Rupees Ten Only) each.

36. The entire present paid up equity share capital of the Target Company is currently listed on BSE Ltd ("**BSE**") (Scrip Code: 505750, ISIN: INE636D01017). The equity shares of the Target Company are presently infrequently traded on the BSE.

37. As on the date of this DLoF, there are no locked in shares issued by the Target Company. Further there are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date in the Target Company.

38. Of the total issued capital of the Target Company, 60 (Sixty) Equity Shares of the Target Company are partly paid.

39. The present Board of Directors of the Target Company are Mr. B.H. Reporter, Mr. Marco Wadia, Mr. Shailesh Sheth, Mr. F.K. Banatwalla, Mr. Pradeep Bhargava and Mrs. Parviz Batliwala. Of the aforementioned persons, Mr. Marco Wadia, Mr. Shailesh Sheth, Mr. F.K. Banatwalla and Mr. Pradeep Bhargava are Independent Directors.

40. Summary audited financial information of the Target Company on a consolidated basis as at and for the financial years ended March 31, 2014, 2013 and 2012 are provided below:

Profit and Loss Statement	**12 months period ending March 31**		
	2014	**2013**	**2012**
Income from operations	7,230.07	7,620.58	8,033.77
Other Income	13.73	11.68	10.52
Total Income	7,243.8	7,632.26	8,044.29
Total Expenditure	6,778.5	7,025.22	7,267.67
Profit before Deprecitaion, Interest and Tax	465.3	607.04	776.62
Depreciation	23.74	26.9	18.14
Interest	52.57	67.69	55.87
Profit Before Tax and Extraordinary Items	388.99	512.45	702.61
Extraordinary Items	0	0	0
Profit Before Tax	388.99	512.45	702.61

Tax Expense	120	180	260
Profit After Tax	**268.99**	**332.45**	**442.61**

Balance Sheet Statement	**12 months period ending March 31**		
	2014	**2013**	**2012**
Sources of Funds			
Paid-up Share Capital	76.46	76.46	76.46
Share Application Money	0	0	0
Reserves and Surplus (excluding Revaluation Reserves)	1,446.58	1,288.67	1,089.52
Net Worth	1,523.04	1,365.13	1,165.98
Long Term Borrowings	3.68	18.46	20.54
Other Long Term Liabilities	21.46	23.61	23.86
Long Term Provisions	347.47	363.33	267.46
Total	**1,895.65**	**1,770.53**	**1,477.84**
Uses of Funds			
Net Fixed Assets	241.99	279.55	261.01
Investments	1	1	1
Long Term Loans and Advances	18.01	14.16	9.25
Net Current Assets	1,634.65	1,475.82	1,206.59
Total	**1,895.65**	**1,770.53**	**1,477.84**

Other Financial Data	**12 months period ending March 31**		
	2014	**2013**	**2012**
Net Worth (in ` lakhs)*	1,523.04	1,365.13	1,165.98
Dividend (in %)	125%	150%	250%
Earning Per Share (in `)	35.18	43.48	57.88
Return on Net Worth (in %)*	17.66	24.35	37.96
Net Asset Value (in ` per share)*	199.18	178.53	152.49

(*Source – as certified by Mr. S Deendayal (Membership No. 205194) of M/s. Sriramulu Naidu & Co, Chartered Accountants having their office situated at G-8,'H' Block, "Golden Orchid Apartments", Kasturba Road, Bangalore-560 001; Tel: 080-41246474; E-mail: contactddca@gmail.com.)

41. There has been no merger / de-merger, spin-off during the past 3 (Three) years in the Target Company.

42. The shareholding pattern of the Target Company pre and post offer is provided below:

Shareholders Category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares /voting rights agreed to be acquired which triggered off the Regulations**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer**	
	(A)		**(B)**		**(C)**		**(A) + (B) + (C) = (D)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) Promoter Group								
a. Parties to Agreement, if any								
Aloo Burjor Reporter	73,450	9.61%	(73,450)	-9.61%	-	-	-	-
Bullows India Private Ltd.	71,040	9.29%	(71,040)	-9.29%	-	-	-	-
Parviz Batliwala	39,000	5.10%	(39,000)	-5.10%	-	-	-	-
Farrokh Jamshyd Batliwala	17,000	2.22%	(17,000)	-2.22%	-	-	-	-
Burjor Reporter	76,420	9.99%	(76,420)	-9.99%	-	-	-	-
Phiroze Sethna Private Ltd.	76,000	9.94%	(76,000)	-9.94%	-	-	-	-
Shireen Jamshyd Batliwala	17,000	2.22%	(17,000)	-2.22%	-	-	-	-
b. Promoters other than (a) above	-	-	-	-	-	-	-	-
Total 1(a)+(b)	**369,910**	**48.38%**	**(369,910)**	**-48.38%**	-	-	-	-
(2) Acquirers and PACs								
Vishal Jain	-	-	92,478	12.09%				
Jai Prakash Agarwal	-	-	80,000	10.46%				
Krishna Agarwal	-	-	25,000	3.27%				
Abhishek Agarwal	-	-	40,000	5.23%				
J.P. Agarwal & Sons (HUF)	-	-	5,955	0.78%	198,810	26.00%	568,720	74.38%
Rajendra Kumar Agarwal	-	-	17,000	2.22%				
Anita Agarwal	-	-	17,000	2.22%				
Shikha Jain	-	-	92,477	12.09%				
Total (2)	**-**	**-**	**369,910**	**48.38%**	**198,810**	**26.00%**	**568,720**	**74.38%**
(3) Parties to Agreement other than (1) & (2)	-	-	-	-	-	-	-	-
(4) Public - Other than parties to Agreement / Acquirers								
(a) Financial Institutions	595	0.08%	-	-				
(b) Bodies Corporate	2,754	0.36%	-	-				
(c) Individuals	378,258	49.47%	-	-	(198,810)	-26.00%	195,930	25.62%
(d) Non Resident Indians	13,133	1.72%	-	-				
Total (4) (a)+(b)+(c)+(d)	**394,740**	**51.62%**	**-**	**-**	**(198,810)**	**-26.00%**	**195,930**	**25.62%**
GRAND TOTAL (1+2+3+4)	**764,650**	**100.00%**	**-**	**-**	**-**	**-**	**764,650**	**100.00%**

43. As per the shareholding pattern filed with the BSE as for June 30, 2014 & available information, the number of shareholders in the Target Company in public category as on date is 1,537 (One Thousand Five Hundred and Thirty Seven).

III. OFFER PRICE AND FINANCIAL ARRANGEMENTS

Justification of Offer Price

44. The Equity Shares of the Target Company are listed on the BSE.

45. The entire present paid up equity share capital of the Target Company is currently listed on the BSE (Scrip Code: 505750, ISIN: INE636D01017). The Equity Shares of the Target Company are presently infrequently traded on the BSE.

46. The total trading turnover in the Equity Shares of the Target Company on the BSE on trading volume during the 12 (Twelve) calendar months prior to the month of the PA is as under:

Name of Stock Exchange	No. of Equity Shares traded during the 12 months prior to the month of the PA	Total No. of Equity Shares Listed	Total trading turnover (as % of total Equity Shares listed)
BSE	29,840	7,64,650	3.90%

The equity shares of the Target Company are thus infrequently traded on BSE within the meaning of Regulation 2(1) (j) of the SEBI (SAST) Regulations, 2011.

47. The Offer Price of ` 410/- (Indian Rupees Four Hundred and Ten Only) per fully paid up Equity Share of Face Value ` 10 (Indian Rupees Ten Only) each of the Target Company and is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, as under:

No.	Particulars	Price per Equity Share (`)
1.	The highest negotiated price per Equity Share for acquisition under an agreement attracting the obligation to make a public announcement of an open offer	` 305.75
2.	The volume weighted average price paid or payable for acquisitions, whether by the Acquirers or any PAC during the 52 weeks immediately preceding the date of the public announcement	` 410.00
3.	The highest price paid or payable for an acquisition whether by the Acquirers or by any PAC during the 26 weeks immediately preceding the date of the public announcement	`410.00
4.	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period.	Not Applicable, as the shares are infrequently traded
5.	The price determined by the acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies*	` 238.70

*The Fair Value of the Target Company is ` 238.70 (Indian Rupees Two Hundred Thirty Eight and Seventy Paise Only) as certified vide Valuation certificate dated 30th August, 2014, by Mr. S Deendayal (Membership No. 205194) of M/s. Sriramulu Naidu & Co, Chartered Accountants having their office situated at G-8, 'H' Block, "Golden Orchid Apartments", Kasturba Road, Bangalore-560 001; Tel: 080-41246474; E-mail: contactddca@gmail.com.

48. In view of the parameters considered and presented in the table above, in the opinion of the Acquirers, PACs and Manager to the Offer, the Offer Price of ` 410 (Indian Rupees Four Hundred Ten Only) per fully paid up Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations.

49. In terms of Regulation 8(13) of the SEBI (SAST) Regulations, the Offer Price for partly paid up shares will be computed as the difference between the Offer Price and the amount due towards calls-in-arrears including calls remaining unpaid with interest, if any, thereon.

50. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations (*Source: www.bseindia.com*).

51. There had been no revision in the Offer Price or the Offer Size on the date of this DLoF. An upward revision in the Offer Price or in the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (Three) Working Days before the commencement of tendering period of this Open Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations and will be notified to the shareholders.

Financial Arrangements

52. Assuming full acceptance, the total requirement of funds for the Offer would be ` 8,15,12,100 (Indian Rupees Eight Crore Fifteen Lakh Twelve Thousand One Hundred Only). The Acquirers and PACs have already made firm arrangements for the financial resources required to implement the Offer in full.

53. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers and the PACs have opened an Open Offer Escrow Account bearing no. 000180200005309 with Yes Bank Limited ("**Open Offer Escrow Bank**"), and made a deposit of ` 2,10,00,000 (Rupees Two Crores Ten lakh Only) being more than 25% (Twenty Five Per Cent) of the total Consideration payable in accordance with the SEBI (SAST) Regulations.

54. In term of an agreement dated September 2, 2014 amongst the Acquirers and the Manager to the Offer and the Open Offer Escrow Bank ("**Escrow Agreement**"), Manager to the Offer has been solely authorized to operate and to realize the value lying in the Open Offer Escrow Account in terms of the SEBI (SAST) Regulations.

55. The Open Offer Escrow Bank is neither an associate company nor a group company of the Acquirer, the PACs or the Target Company.

56. As certified by Mr. Mr. Prakash Chand Jain (Membership No. 055463) of M/s. Jain Prakash & Co, Chartered Accountants, having their office at 34, Ezra Street, 2nd Floor, Kolkata – 700 001; Tel. No.: 033 – 22157614), vide certificates dated August 30, 2014 and Mr. Murleedhara Ullura (Membership No. 212943) of M/s. MDA & Co., Chartered Accountants, having their office at #48, 1st Floor, DVG Road, Basavanagudi, Bangalore – 560 004; Tel. No.: 080 – 26621137; Email: reachus@mdaandco.com, vide certificates dated August 30, 2014 that Net worth of Mr. JP Agarwal and Mr. Vishal Jain is 933.91 Lacs and 2353 Lacs respectively and Acquirers and PACs have sufficient resources to meet the financial requirement under this Offer in full.

57. Based on the above certificates, the Manager to the Offer, hereby confirms that the Acquirers and PACs have adequate resources to meet the financial requirement of the Offer in terms of Regulation 25(1), 27(1) (a) & (b) of the SEBI (SAST) Regulations. The Acquirers and PACs have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations. No borrowing from any bank/ financial institution is being specifically made for this purpose.

58. The Manager has been duly authorized in accordance with the SEBI (SAST) Regulations and pursuant to the terms of the Escrow Agreement to realize the proceeds deposited with the Open Offer Escrow Bank to meet the obligations of the Acquirers and the PACs in connection with the Offer. In the event

the Acquirers / PACs propose to complete the transactions under the SPA, prior to the expiry of the Offer Period, the Acquirers / PACs shall prior to such completion, deposit 100 % (One Hundred Per Cent) of the Offer Size in cash with the Open Offer Escrow Bank, in a fixed deposit account with an irrevocable lien marked in the favor of the Manager to encash the proceeds of the fixed deposit in terms of the SEBI (SAST) Regulations.

59. In case of revision in the Offer Price and/or Offer Size, the Acquirers and PACs will further make deposit with the Open Offer Escrow Bank of difference amount between previous Offer fund requirements and revised Offer fund requirements to ensure compliance with Regulation 17(2) &18(5)(a) of the SEBI (SAST) Regulations.

IV. TERMS AND CONDITIONS OF THE OFFER

Operational Terms and Conditions

60. In terms of the tentative schedule of activities, the Tendering Period for the Offer is expected to commence on October 28, 2014 and is expected to close on November 12, 2014.

61. The Identified Date for this Offer as per the tentative schedule of activities is October 10, 2014.

62. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One only).

63. The Offer is not subject to any minimum level of acceptances from shareholders of the Target Company. The Acquirers and PACs will acquire all the Equity Shares of the Target Company that are validly tendered and accepted in terms of this Offer up to 1,98,100 (One Lakh Ninety Eight Thousand One Hundred) equity shares of ` 10/- each representing 26% (Twenty Six Per Cent) of the fully paid-up share capital and voting capital of the Target Company. Thus, the Acquirers will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the equity shares of the Target Company for which this Offer is made.

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

65. The Acquirers and PACs refrain themselves to send the LoF to non-resident shareholders in accordance with Regulation 18(2) of the Regulations since the local laws or regulations of any jurisdiction outside India may expose them or the Target Company to material risk of civil, regulatory or criminal liabilities in case the LoF is sent in its original form. However, non-resident can participate in the Offer even if LoF is not sent to them.

66. The Offer is subject to the terms and conditions set out in this LoF, the PA, the DPS and any other public announcements that may be issued with respect to the Offer.

67. The DLoF along with Form of Acceptance cum Acknowledgment would also be available at SEBI's website, www.sebi.gov.in and equity shareholders can also apply by downloading such forms from the website. In case of non-receipt of the LoF, all Public Shareholders including unregistered Public Shareholders, if they so desire, may download the LoF and / or the Form of Acceptance cum Acknowledgment from the SEBI's website for applying in the Offer.

68. Accidental omission to dispatch this LoF or any further communication to any person to whom this Offer is made or the non-receipt of this LoF by any such person shall not invalidate the Offer in any way. The instructions, authorisations and provisions contained in the Form of Acceptance cum Acknowledgment constitute an integral part of the terms of this Offer.

69. The acceptance of the Offer must be unconditional and should be sent in the enclosed Form of Acceptance cum Acknowledgment along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centre mentioned in Paragraph 91 below "Procedure for Acceptance and Settlement" on or before the closure of the Tendering Period.

70. The Acquirers, PACs, Manager to the Offer or Registrar to the Offer will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The

Public Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

71. In terms of the Regulation 18(9) of the Regulations, Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance.

72. Kindly note that the Acquirers have appointed M/s. Bigshare Services Private Limited as "**Registrar to the Offer**". For any transfer, issuance of new share certificate, conversion of physical shares into demat or dematerialisation of shares Public Shareholders are advised to contact the Registrar and Transfer Agent of the Target Company. No documents should be sent to the Sellers, the Acquirers, the Target Company or the Manager to the Offer.

73. The Acquirers and PACs shall accept the Equity Shares tendered pursuant to the Offer subject to the following:

    a. Applications in respect of Equity Shares that are the subject matter of litigation or any proceedings before statutory authorities, wherein the Public Shareholders may be prohibited from transferring the Equity Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer.

    b. The Acquirers and PACs will only acquire Equity Shares, which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

74. The Manager to the Offer shall submit a final report to SEBI within 15 (Fifteen) Working Days from the expiry of the tendering period in accordance with Regulation 27 (7) of the Regulations.

75. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

76. For any assistance please contact Manager to the Offer or the Acquirers or the Registrar to the Offer.

77. The Target Company has no Equity Shares that are "locked-in".

Eligibility for Accepting the Offer

78. The LoF shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of the Target Company as on October 10, 2014 ("**Identified Date**").

79. All Public Shareholders who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer.

80. The acceptance of this Offer by Public Shareholders must be absolute and unqualified. Any acceptance to this Offer, which is conditional whether implicit or explicit or incomplete in any respect, will be rejected without assigning any reason whatsoever.

81. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.

82. None of the Acquirer, the PACs, the Manager to the Offer or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.

83. The Acquirers in consultation with the Manager will make the acceptance of Equity Shares tendered in the Offer to the Offer.

84. The instructions, authorizations and provisions contained in the form of acceptance cum acknowledgement constitute part of the terms of the Offer.

Statutory Approvals

85. As on the date of this DLoF, to the best of our knowledge and belief of the Acquirers, there are no statutory approvals required for the acquisition of equity shares to be tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers and PACs will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 23 of the SEBI (SAST) Regulations.

86. In the event of such a withdrawal of the Offer, the Acquirers and the PACs (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2).

87. The acquisition of Offer Shares tendered by NRIs and OCBs is subject to and if applicable, the approval /exemption from the RBI being submitted by such NRIs or OCBs together with the 'Form of Acceptance cum Acknowledgment'.

88. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirers and the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

89. In case of delay in receipt of any applicable statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirers and /or the PACs to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirers and the PACs to delay the commencement of the Tendering Period for the Offer pending receipt of such statutory approvals or grant an extension of time to the Acquirers and the PACs to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer.

V. PROCEDURES FOR ACCEPTANCE AND SETTLEMENT

90. The Acquirers and PACs have appointed Bigshare Services Private Limited as the Registrar to the Offer.

91. The eligible shareholders of the Target company, who wish to accept the Open Offer and tender their Equity Shares pursuant to the Open Offer can submit/deliver the duly completed and signed Form of Acceptance cum Acknowledgment along with the relevant documents as mentioned in the Letter of Offer, to the Registrar to the Offer at the collection centre mentioned below, by registered post or courier at their own risk or by hand delivery, so as to reach on or before the date of closure of the Tendering Period i.e. November 12, 2014:

Name and Address	**Working Days and Timings**	**Mode of Delivery**
M/s Bighshare Services Private Limited E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai - 400072	Monday to Saturday; 10.00 am to 5.30 pm (*the centre would be closed on Sundays and public holidays*)	Hand Delivery, Registered Post or courier

92. Form of Acceptance, share certificate(s), transfer deed(s) and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above and should not be sent to the Manager to the Offer or the Acquirers or the Target Company.

93. The Registrar to the Offer has opened an Escrow Demat Account with HDFC Bank Limited registered with National Securities Depository Limited ('**NSDL**') for receiving Equity Shares during the

Tendering Period from eligible shareholders who holds Equity Shares in demat form. Beneficial owners are requested to fill in the following details in the delivery instruction slip for the purpose of crediting their Equity Shares in the Escrow Demat Account:

Depository	National Securities Depository Limited
DP Name	HDFC Bank Limited
DP ID	IN301549
Client ID	50465520
Account Name	BSPL Escrow Account – JECL Open Offer
Mode of Instruction	Off-market

Shareholders having their beneficiary account with Central Depository Services (India) Limited ('**CDSL**') have to use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Open Offer Escrow Demat Account.

94. The Letter of Offer along with Form of Acceptance cum Acknowledgment will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

95. Eligible shareholders of the Target Company, who wish to tender their Equity Shares under this Open Offer should enclose the following documents duly completed:

a. **For Equity Shares held in Physical Form:**

i. Public Shareholders should enclose:

- Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;

- Original share certificate(s);

- Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.

- PAN Card copy (in case of joint holders, PAN card copy of all transferors)

b. In case of non-receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Open Offer shall be deemed to be accepted.

c. The transfer deed should be left blank, except for the signatures as mentioned above. Attestation, where required (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 BSE under their seal of office and membership number or manager of the transferor's bank.

d. Notwithstanding that the signature(s) of the transferor(s) has/have 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 under this Open Offer even if the Open Offer has been accepted by a bona fide owner of such Equity Shares.

i. Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein;
- Original share certificate(s);
- Original broker contract note;
- Valid share transfer deed(s) as received from the market;
- Self attested copy of the PAN Card
- The acknowledgement received, if any, from the Target Company in case the Equity Shares have been lodged with the Target Company. Such persons should instruct the Target Company and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection centre as mentioned in above. The applicant should ensure that the share certificate(s) reach the collection centre before the date of closure of the Tendering Period.

e. The details of the buyer should be left blank failing which the same will be invalid under the Open Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

f. **For Equity Shares held in Dematerialized Form:**

i. Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account, as per the records of the respective depositories, and in the same order therein.
- Photocopy or counterfoil of the delivery instruction slip in 'Off-market' mode, duly acknowledged by the beneficial owners DP, in favour of the Open Offer Escrow Demat Account.
- For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgment .

g. In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Open Offer Escrow Demat Account, the Open Offer shall be deemed to be accepted.

h. In the case of Equity Shares in dematerialized form, the shareholders are advised to ensure that their Equity Shares are credited in favour of Open Offer Escrow Demat Account, before the closure of the Tendering Period. The Form of Acceptance cum Acknowledgment of such dematerialized Equity Shares not credited in favour of the Open Offer Escrow Demat Account before the closure of the Tendering Period is liable to be rejected.

i. Shareholders who have sent their Equity Share certificates for dematerialization should enclose:

- Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.

- A copy of the dematerialisation request form duly acknowledged by the beneficial owners DP. Such shareholders should ensure that the process of getting shares dematerialized is completed well in time so that the credit in the depository account should be received on or before the date of closing of Tendering Period, else the Form of Acceptance cum Acknowledgment, in respect of dematerialized Equity Shares not credited to the Open Offer Escrow Demat Account, is liable to be rejected. Alternatively, if the Equity Shares sent for dematerialisation are yet to be processed by the beneficial owners DP, the shareholders can withdraw their dematerialization request and tender the Equity Share certificates in the Open Offer as per procedure mentioned in this Letter of Offer.

96. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent in connection with the Open Offer. Such documents may include, but are not limited to:

    a. Duly attested death certificate and succession certificate (in case of single shareholder) in case original shareholders has expired;

    b. Duly attested Power of Attorney if any person apart from the shareholder has signed the Form of Acceptance cum Acknowledgment and/or transfer deed(s);

    c. In case of companies, the necessary corporate authorization (including applicable resolutions, consents and approvals of the applicable governing bodies of such companies); and

    d. Any other relevant documentation.

97. While tendering the Equity Shares under this Open Offer, NRIs / Overseas Corporate Bodies / foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained at the time of acquisition of the Target Company's Equity Shares. In case the previous RBI approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered. While tendering the shares under the Open Offer, NRIs/OCBs/foreign shareholders will also be required to submit a tax clearance certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirers and PACs under the Income Tax Act before remitting the consideration. In case the aforesaid tax clearance certificate is not submitted, the Acquirers and PACs will deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act on the entire consideration amount payable to such shareholder.

98. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance cum Acknowledgment .

99. Procedure for tendering the shares in case of non receipt of Letter of Offer:

    Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in the PA, DPS and the Letter of Offer. Any such application must be sent to the Registrar to the Offer so as to reach the Registrar to the Offer on or before the date of closing of the Tendering Period, together with:

    By equity shareholders holding Equity Shares in physical form

    In case of non-receipt of the LoF, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer at collection centre as mentioned in this LoF, on plain paper stating their name, address, number of equity shares held, no. of equity shares offered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deeds in case of equity shares held in physical form, so as to reach the Registrars to the Offer on or before the date of closure of the Tendering Period.

Public Shareholders who have lodged their equity shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of equity shares. Shareholders who have sent their equity share certificates for dematerialisation should send a copy of the dematerialised request form duly acknowledged by their depository participant.

By equity shareholders holding Equity Shares in dematerialised form

Beneficial Owners may send the acceptance of the Offer in writing to the Registrar to the Offer at any one of the collection centre as mentioned in this LoF, on plain paper, stating name, address, number of equity shares held, number of equity shares offered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owners depository participant, in favour of the Open Offer Escrow Demat Account, the details of which are mentioned in Paragraph 93 above of this DLoF.

Public Shareholders, having their beneficial account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the Open Offer Escrow Demat Account with NSDL. No indemnity is required while sending the acceptance of the Offer on plain paper.

Public Shareholders who have sent their share certificates for dematerialisation should send a copy of the dematerialized request form duly acknowledged by their depository participant.

Public Shareholders who do not receive the LoF and hold equity shares of the Target Company may also apply by downloading the Form of Acceptance cum Acknowledgment from SEBI's website (www.sebi.gov.in), if they desired to do so.

100. The Registrar to the Offer will hold in trust the share certificates pertaining to the Equity Shares held in physical form, Equity Shares lying in the credit of the Open Offer Escrow Demat Account pertaining to the Equity Shares held in dematerialised form, along with the documents submitted by the Shareholders, on behalf of the Shareholders who have tendered their Equity Shares, till the drafts / pay order for the consideration or payment of consideration has been made through electronic modes or the unaccepted Equity Shares / share certificates are dispatched / returned / credited.

101. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers and PACs for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers and PACs agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

102. The payment of consideration for Equity Shares accepted under the Open Offer may be made through a crossed Demand Draft / Bankers' Cheque or through any other electronic mode including but not limited to Direct Credit ('**DC**'), National Electronic Funds Transfer ('**NEFT**'), Real Time Gross Settlement ('**RTGS**'), National Electronic Clearing Services ('**NECS**'), at specified centres where clearing houses are managed by the Reserve Bank of India, within 10 (Ten) Working Days from the date of closing of the Tendering Period. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgment and enclose a photocopy of cheque along with the Form of Acceptance cum Acknowledgment and also provide Indian Financial System Code (IFSC).

103. The bank account details for DC/NEFT/RTGS/NECS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the Form of Acceptance cum Acknowledgment. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgment so that same can be incorporated in the Demand Draft/ Bankers' Cheque.

104. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/

incorrect bank account details or due to unavoidable reasons, payment consideration will be made by crossed Demand Draft / Bankers' Cheque.

105. If the Equity Shares tendered in the Offer are more than the Offer Size, the acquisition of Equity Shares from each shareholder will be on a proportionate basis, which shall be determined in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of the Equity Shares from a public shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 1 (One) Equity Share.

106. Unaccepted shares, share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder// unregistered owner. Unaccepted Equity Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgment or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

Tax Provisions

107. As per the provisions of Section 195(1) of the Income Tax Act, 1961, any person responsible for paying to a nonresident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). The consideration payable to the non-resident Public Shareholders for Offer Shares accepted in the Offer may be chargeable to tax in India either as capital gains under Section 45 of the Income Tax Act, 1961 or as business profits, depending on the facts and circumstances in respect of such Public Shareholder. The Acquirers and PACs are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such capital gains/business profits subject to benefit available to such public shareholder under the applicable Double Taxation Avoidance Agreement.

108. As per the provisions of Section 195(1) of the Income Tax Act, 1961, any person responsible for paying to a nonresident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). The consideration payable to the non-resident Public Shareholders for Offer Shares accepted in the Offer may be chargeable to tax in India either as capital gains under Section 45 of the Income Tax Act, 1961 or as business profits, depending on the facts and circumstances in respect of such Public Shareholder. The Acquirers and PACs are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such capital gains/business profits subject to benefit available to such public shareholder under the applicable Double Taxation Avoidance Agreement.

109. Based on the documents and information submitted by the public shareholders, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirers and PACs.

110. Taxes once deducted will not be refunded by the Acquirers and PACs under any circumstances.

111. The Acquirers and PACs shall deduct tax (if required) as per the information provided and representation made by the Public Shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the public shareholders, such public shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirers and PACs with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

112. All Public 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 Acquirers, PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

VI. DOCUMENTS FOR INSPECTION

113. All Public 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 Acquirers, PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

   a. Audited Accounts of Jost's Engineering Company Limited for the financial years ended March 31, 2012, March 31, 2013 and March 31, 2014.

   b. Certificates from Mr. Prakash Chand Jain (Membership No. 055463), having office at 34, Ezra Street, 2nd Floor, Kolkata – 700 001, Ph: 033 - 22157614, dated August 30, 2014 and from Mr. Murleedhara Ullura (Membership No. 212943) of M/s. MDA & Co., Chartered Accountants, having their office at #48, 1st Floor, DVG Road, Basavanagudi, Bangalore – 560 004; Tel. No.: 080 – 26621137; Email: reachus@mdaandco.com dated August 30, 2014 certifying the net worths of the Acquirers and the PACs.

   c. Copy of Escrow Agreement dated September 2, 2014 between Acquirers, Open Offer Escrow Bank and the Manager to the Offer.

   d. Copy of Agreement between Registrar to the Offer and the Acquirers for opening of the Open Offer Escrow Demat Account for the purposes of this Offer

   e. Copy of Bank Statement dated September 03, 2014 and Letter dated September 03, 2014 from the Open Offer Escrow Bank confirming ` 2,10,00,000 (Indian Rupees Two Crore and Ten Lakhs Only) has been deposited in the Open Offer Escrow Account.

   f. Copy of the SPA between the Acquirers and the Sellers dated August 30, 2014 for acquisition of 3,69,910 (Three Lakhs Sixty Nine Thousand Nine Hundred and Ten) Equity Shares which triggered the Offer.

   g. Copy of the recommendation of the committee of independent directors of the Target Company's Board of Directors dated [●] in terms of regulation 26(7) of the SEBI (SAST) Regulations.

   h. Letter from SEBI dated [●] giving its comments on this Draft Letter of Offer.

   i. Copy of Public Announcement that was filed with SEBI/BSE on August 30, 2014.

   j. Published copy of Detailed Public Statement which appeared in the newspapers on September 5, 2014.

VII. DECLARATION

114. The Acquirers, PACs have made all reasonable inquiries, accept responsibility jointly and severally for, and confirm that this Draft Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Draft Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

115. The Acquirers accept full responsibility jointly and severally for the information contained in this Draft Letter of Offer and also for the fulfillment of the obligations of the Acquirers and PACs as laid down in the SEBI (SAST) Regulations, 2011. All information contained in this document is as on date of the Draft Letter of Offer, unless stated otherwise.

116. The Acquirers, PACs hereby declare and confirm that all the relevant provisions of Companies Act, 1956/2013 as amended and all the provisions of SEBI (SAST) Regulations have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956/2013 and SEBI (SAST) Regulations.

Sd/
(Jai Prakash Agarwal)

Sd/-
(Vishal Jain)

Date: September 12, 2014
Place: Mumbai

Enclosed:
1. Form of Acceptance-cum-acknowledgement
2. Blank share transfer deeds

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send the Form of Acceptance-cum-Acknowledgement with enclosures to Bigshare Services Private Limited at the collection center as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From: **Offer Opens on: October 28, 2014**

Folio No. / DP ID / Client ID: **Offer Closes on: November 12, 2014**

Name:

Address:

Tel. No.: **Fax No.:** **Email:**

To,

Bigshare Services Private Limited,
E/2, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri East, Mumbai - 400 072
Tel. No.: +91-22-4043 0200
Fax No.: +91-22-2847 5207
Email id: openoffer@bigshareonline.com
Contact Person: Mr. Ashok Shetty

Dear Sir,

Sub: Open offer for purchase of to 198,810 (One Hundred and Ninety Eight Thousand Eight Hundred and Ten) Equity Shares of ` 10/- each of Jost's Engineering Company Limited representing 26% of its voting share capital at an Offer Price of ` 410 (Indian Rupees Four Hundred and Ten) per fully paid up equity share by (i) Jai Prakash Agarwal; and (2) Mr Vishal Jain (cumulatively the "Acquirers"); and (3) Mrs. Krishna Agarwal; (4) Mr. Abhishek Agarwal; (5) J.P. Agarwal & Sons (HUF); (6) Mr. Rajendra Kumar Agarwal; and (7) Anita Agarwal (together referred to as the "Persons Acting in Concert / PACs")

I/ We, refer to the Letter of Offer dated October 17, 2014 for acquiring the equity shares held by me/ us in the Target Company. I/ We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD IN DEMATERIALIZED FORM

I/ We, holding shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP') in respect of my/ our shares as detailed below:

DP Name	DP ID	Client ID	No. of equity shares

I/ We have executed an off-market transaction for crediting the shares to the special depository account viz. 'GEL Open Offer Escrow A/c Operated By Bigshare' via

A delivery instruction from my account with National Securities Depository Limited ('**NSDL**')

An inter-depository delivery instruction from my account with Central Depository Services (India) Limited (‘**CDSL**’)

DP Name	HDFC Bank Limited
DP ID	IN301549
Client ID	50465520
Depository	National Securities Depository Limited (‘NSDL’)
Account Name	BSPL Escrow Account – JECL Open Offer
ISIN No.	INE636D01017

In case of non receipt of the aforesaid documents, but receipt of the equity shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance cum Acknowledgment for which corresponding Equity Shares have not been credited to the Open Offer Escrow Demat Account as on the date of closure of the Offer will be rejected.

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I/ We accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/ our shares as detailed below.

S No	**Ledger Folio No.**	**Certificate Nos.**		**Distinctive Nos**		**No. of Shares**
		From	**To**	**From**	**To**	
Total No. of Equity to be Sold						

(In case the space provided is inadequate, please attach a separate sheet with details.)

In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

I/ We have enclosed the following documents:

- No Objection Certificate/ Tax Clearance Certificate from Income Tax Authorities.
- RBI approvals for acquiring shares of Jost’s Engineering Company Ltd. hereby tendered in the Offer.
- Copy of Permanent Account Number/ PAN Card.

I/We, confirm that the tax deduction on account of Equity Shares of Jost’s Engineering Company Ltd. held by me/ us is to be deducted on (tick whichever is applicable):

- Long-term capital Gains
- Short-term capital gains
- Trade Account

In order to avail the benefit of lower rate of tax deduction under the applicable Double Taxation Avoidance Agreement (‘DTAA’), if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of resident.

For FII Shareholders:

I/ We, Confirm that the equity shares of Jost's Engineering Company Ltd. are held by me/ us on (select whichever is applicable):

- Investment / Capital Account
- Trade Account

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of resident/ incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence. Where the tax is to be deducted on account of long-term capital gains, the shareholders should submit a certificate from a Chartered Accountant (along with proof such as demat account statement) certifying that the equity shares have been held for more than one year. In order to claim the benefit of computation of tax liability on the net capital gains (i.e. after reducing the cost of acquisition of shares), the shareholder should obtain a tax clearance certificate from the appropriate income tax authorities certifying the net income chargeable to capital gains tax. In the absence of the above, tax would be deducted at the maximum marginal rate on the entire consideration paid to the shareholders.

I/ We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/ us until the time the Acquirers and PACs dispatch the consideration as mentioned in the Letter of Offer.

I/ We note and understand that the shares would lie in the special depository account until the time the Acquirers and PACs dispatch the consideration and/ or the unaccepted Equity Shares/ share certificates are dispatched/ returned/credited as mentioned in the Letter of Offer.

I/ We also note and understand that the Acquirers and PACs will pay the consideration only after verification of the documents and signatures.

I/ We confirm that the Equity Shares of Jost's Engineering Company Ltd. which are being tendered herewith by me/us under this Offer are free from liens, charges and encumbrances of any kind whatsoever.

I/ We authorize the Acquirers and PACs:

1. To acquire the Equity Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer.
2. To return to me/ us, share certificate(s)/ shares in respect of which the Offer is not found valid/ not accepted without specifying the reasons thereof.

I/ We authorize the Acquirers, PACs and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/ Speed Post/ First Class Mail as may be applicable at my/ our risk, the Demand Draft/ Bankers' Cheque, in full and final settlement of the amount due to me/ us and/or other documents or papers or correspondence to the sole/ first holder at the address mentioned below.

Bank Details

To avoid fraudulent encashment in transit, the shareholder(s) holding Equity Shares in physical form should provide details of bank account of the first/sole shareholder and the consideration through Bankers' Cheque or Demand Draft will be drawn accordingly. For Equity Shares that are tendered in demat form, the bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the Demand Draft/ Bankers' Cheque will be issued with the said bank particulars, and not any details provided herein.

Shareholders have an option to receive the consideration through NECS/ DC/ NEFT/ RTGS.

I / we (Put tick (1) mark)

Opt for NECS/DC/NEFT/RTGS

Not opt for NECS/DC/ NEFT/RTGS

Shareholders those who opt to receive the consideration through DC/NECS/RTGS/NEFT are requested to provide photo copy of cheque along with following Bank Account Details:

Name of the Bank		Branch	
Account Number		Savings/Current/(Others: please specify)	

Stamp of Collection Centre

9 digit MICR code		IFSC Code**	

**only incase of RTGS and NEFT

Yours faithfully,

Signed and Delivered

	Full Name(s) of the Shareholders	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Address of First/Sole Shareholder

Place:

Date:

-- **Tear along this line** ------------------------------------

ACKNOWLEDGEMENT SLIP

Received from Mr./ Ms./ M/s. ____ Address

____Form of Acceptance-cum-

Acknowledgement for __________shares along with:

Demat shares: Copy of delivery instruction slip from DP ID _________Client ID__________

Physical shares: ___________ Share certificate(s)______________ transfer deed(s) under Folio Number(s)

___________ for accepting the Offer made by the Acquirer.

(Tick whichever is applicable)

Signature of Official _______

Date of Receipt ___________

General Instructions

(1) In case of shares held in joint names, names should be filled up in the same order in the Form of Acceptance and in the transfer deed(s) as the order in which they hold equity shares in **Jost's Engineering Company Ltd.** and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(2) In case where the signature is subscribed by thumb impression, the same shall be verified and attested 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.

(3) Shareholders of Target Company having their beneficiary account in CDSL should use inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

(4) Non-resident shareholders should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in **Jost's Engineering Company Ltd.**.

(5) In case of bodies corporate, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(6) All the shareholders should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

(b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance Form of Acceptance or transfer deed(s).

(c) No Objection Certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 8 TITLED 'PROCEDURE FOR ACCEPTANCE AND SETTLEMENT' OF THE LETTER OF OFFER.

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS OR PACS OR TO THE MANAGER TO THE OFFER.

-- **Tear along this line** --

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/ DP ID/ Client ID:

Bigshare Services Private Limited
E/2, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri East, Mumbai - 400 072
Tel. No.: +91-22-4043 0200
Fax No.: +91-22-2847 5207
Email id: openoffer@bigshareonline.com
Contact Person: Mr. Ashok Shetty