THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer (LOF) is sent to you as a shareholder(s) of **Magnum Limited ("the Company" / "Target Company").** If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the sale was effected.

OPEN OFFER by

Pavaki Vanijya Private Limited ("Acquirer")

Registered Office IG-6/2, Aswini Nagar, Block 3, Shop No. 3, Baguihati, Kolkata – 700 159; Tel : 9330171860
e-mail : pavaki.vanijya@gmail.com

to the existing shareholders of **MAGNUM LIMITED**

Registered Office : A-1 Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015
Tel Fax : 079-26768844; e-mail : magnum_ahd@yahoo.co.in

TO ACQUIRE

11,37,006 Equity Shares of Rs. 10/- each, representing in aggregate 26% of the Issued, Subscribed, Paid up and Voting Equity Share Capital of the Target Company, for cash at a price of Rs. 6/- per Equity Share.

Notes:

1. The Offer is being made by the Acquirer pursuant to the Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (SEBI SAST Regulations)
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer
4. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. The Acquirer may revise the Offer Price at any time upto 3 working days prior to the opening of the tendering period of the Offer i.e. Monday, September 3, 2012. Any upward revision or withdrawal, if any, of the Offer would be informed by way of the Issue Opening Public Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirer for all equity shares tendered anytime during the Offer.
6. **There was no competing offer**
7. A copy of the public announcement, detailed public statement and the LOF (including Form of Acceptance-cum- Acknowledgement and Form of Withdrawal) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ARIHANT capital markets ltd. **Merchant Banking Division** SEBI REGN NO.: INM 000011070 3rd Floor, Krishna Bhavan, 67, Nehru Road, Vile Parle (E),Mumbai- 400 057 Tel. No. : +91- 22- 4225 4800/862; Fax. No.: +91- 22- 4225 4880 Email: mbd@arihantcapital.com Website: www.arihantcapital.com **Contact Person: Mr. Satish Kumar P. / Mr. Maqbool Kauchali**	**Sharex Dynamic (India) Private Limited** SEBI Registration No. INR 000002102 Unit – 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072. Tel No.: +91- 22- 2851 5606 / 5644; Fax No.: +91- 22- 2851 2885 Email: sharexindia@vsnl.com Website: www.sharexindia.com. **Contact Person: Mr. B. S. Baliga**

The Schedule of activities is as follows:

Activity	To be completed by	
	Date	**Day**
Public Announcement Date	16/07/2012	Monday
Detailed Public Statement Date	23/07/2012	Monday
Filing of draft Letter of Offer with SEBI	30/07/2012	Monday
Last date for competing offer	13/08/2012	Monday
Late date for SEBI observations on draft LOF (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	22/08/2012	Wednesday
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	24/08/2012	Friday
Date by which LOF will be despatched to the shareholders	31/08/2012	Friday
Late date by which the Board of Target Company shall give its recommendation	05/09/2012	Wednesday
Issue Opening Advertisement Date	06/09/2012	Thursday
Date of commencement of tendering period (open date)	07/09/2012	Friday
Date of expiry of tendering period (closure date)	21/09/2012	Friday
Date by which all requirements including payment of consideration would be completed	08/10/2012	Monday

RISK FACTORS

Risk Factors relating to the transaction

1. The Share Purchase Agreement (SPA) dated July 16, 2012 contains a clause that it is subject to the provisions of SEBI SAST Regulations and in case of non-compliance with any of the provisions of the SEBI SAST Regulations, the Sellers or the Acquirer shall not act upon the agreement for such sale.

Risk Factors relating to the proposed Offer

1. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer, or (c) SEBI instructs the Acquirer to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
2. **As per Regulation 18(9) of SEBI SAST Regulations, Shareholders who have tendered shares in acceptance of the open offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
4. The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
5. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Probable risks involved in associating with the Acquirer

1. Non-compliance/delayed compliance of Regulation 3(1), 29(1) and 29(2) of the SEBI SAST Regulations by the Acquirer has been observed. For details, please refer page 6 of this Letter of Offer.
2. The Acquirer makes no assurance with respect to the financial performance of the Target Company after change of control of management and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
3. The Acquirer makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
4. The Acquirer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirer, and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer

TABLE OF CONTENTS

1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirer	Pavaki Vanijya Private Limited (PVPL)
2.	Book Value	Book Value of each Equity Share as on the date referred to
3.	BSE	Bombay Stock Exchange Limited, Mumbai
4.	DPS/ Detailed Public Statement	Announcement of this Offer made on behalf of the Acquirer to the Shareholders of the Target Company published on July 23, 2012 in Financial Express (all editions), Jansatta (all editions), Navshakti (Mumbai) and Bindu (Ahmedabad)
5.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirer and the Sellers) anytime before the closure of the Offer
6.	EPS	Earnings per Equity Share
7.	FOA/Form of Acceptance	Form Of Acceptance Cum Acknowledgement
8.	Identified Date	Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent
9.	Letter of Offer / LOF	This Letter of Offer
10.	Maximum Consideration	Total consideration payable by the Acquirer under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 68,22,036/-
11.	Merchant Banker/ Manager to the Offer	Arihant Capital Markets Limited
12.	MOA	Memorandum of Association
13.	NAV	Net Asset Value per Equity Share
14.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
15.	Offer	Open Offer being made by the Acquirer for acquisition of 11,37,006 Equity Shares to the public shareholders, representing 26% of the paid up voting equity share capital of the Target Company at the Offer Price payable in cash.
16.	Public Announcement or PA	Public Announcement submitted to stock exchanges where the Target Company was listed as well as to SEBI on July 16, 2012

17.	PAT	Profit after Tax
18.	Persons not eligible to participate in the Offer	Sellers and Acquirer
19.	RBI	Reserve Bank of India
20.	Registrar to the Offer	Sharex Dynamic (India) Private Limited
21.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date
22.	SEBI/Board	Securities and Exchange Board of India
23.	Sellers	Mr. Avinash Bhandari, Mrs. Madhvi Bhandari and Mrs. Mankumari Bhandari
24.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10 each of the Target Company
25.	Shareholders	Shareholders of the Target Company
26.	SPA	The Share Purchase Agreement dated July 16, 2012, entered into by the Acquirer with the Sellers, for purchase of 7,96,333 Shares of the Target Company from the Sellers representing 18.21% of the paid up and voting equity share capital of the Target Company.
27.	Total paid-up Capital / Equity Capital of the Target Company	Consisting of 43,73,100 fully paid up Equity Shares of Rs. 10/- each of the Target Company as on the date of this Letter of Offer
28.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Magnum Limited
29.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from September 7, 2012 to September 21, 2012

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MAGNUM LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE 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 ACQUIRER IS 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 ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 30, 2012 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 ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This offer to acquire 11,37,006 Equity Shares of Rs.10 each representing 26% of the Equity Share capital of the Target Company is being made in terms of Regulation 3(1) and 4 of SEBI SAST Regulations for the purpose of substantial acquisition of Equity Shares and voting rights of the Target Company accompanied with the change in control and management as the aggregate equity stake of the Acquirer in the paid up equity share capital of the Target Company will be more than the stipulated threshold of 25% consequent to the acquisition of Shares by the Acquirer through the SPA dated July 16, 2012.

3.1.2 Pavaki Vanijya Private Limited, incorporated on July 30, 2008 with the Registrar of Companies, West Bengal, at Kolkata, having its registered office at IG-6/2, Aswini Nagar, Block 3, Shop No. 3, Baguiati, Kolkata – 700159; Tel : 9330171860; e-mail : pavaki.vanijya@gmail.com ,is the Acquirer.

3.1.3 The Acquirer holds 10,62,075 Equity Shares representing 24.29% of the paid-up capital in the Target Company. The acquisition of these shares have been made as under :

Date of purchase	No. of Shares	% of paid-up capital	Cumulative holding in %	Purchase Price (Rs.)	Compliance of Chapter V of SEBI SAST Regulations
18/04/2012	10,000	0.23	0.23	4.73	N.A.
19/04/2012	20,000	0.46	0.69	4.53	N.A.
23/04/2012	20,000	0.46	1.14	4.53	N.A.
26/04/2012	10,000	0.23	1.37	4.31	N.A.
27/04/2012	10,000	0.23	1.60	4.10	N.A.
03/05/2012	8,682	0.20	1.80	3.90	N.A.
22/05/2012	15,000	0.34	2.14	4.08	N.A.
23/05/2012	10,000	0.23	2.37	4.03	N.A.
23/05/2012	20	-	2.37	4.28	N.A.
25/05/2012	8,700	0.20	2.57	3.84	N.A.
28/05/2012	49,673	1.14	3.71	3.68	N.A.
31/05/2012	1,00,000	2.29	5.99	4.25	Delay of 23 days
22/06/2012	(1,00,000)	(2.29)	3.71	(5.00)	Delay of 1 day
22/06/2012	9,00,000	20.58	24.29	4.28	Delay of 1 day
	10,62,075				

The Shareholders' attention is drawn to the following non-compliances of the SEBI SAST Regulations by the Acquirer :

1. The Acquirer crossed the 5% threshold limit of holding in the Target Company consequent to acquisition of 1,00,000 Equity Shares on May 31, 2012. This acquisition attracted compliance of Regulation 29(1) of the SEBI SAST Regulations. The Acquirer complied with the said Regulation and made necessary reporting to the Stock Exchange in the prescribed form on June 27, 2012 with a delay of 23 days. SEBI may initiate action against the Acquirer for the delayed reporting/ filing.

2. The Acquirer sold 1,00,000 Equity Shares representing 2.29% of the paid-up capital of the Target Company on June 22, 2012. The sale attracted compliance of Regulation 29(2) of the SEBI SAST Regulations. The Acquirer complied with the said Regulation and made necessary reporting to the Stock Exchanges in the prescribed form on June 27, 2012 with a delay of 1 day. SEBI may initiate action against the Acquirer for the delayed reporting/ filing.

3. The Acquirer acquired 9,00,000 Equity Shares representing 20.58% of the paid-up capital of the Target Company on June 22, 2012. The acquisition attracted compliance of Regulation 29(2) of the SEBI SAST Regulations. The Acquirer complied with the said Regulation and made necessary reporting to the Stock Exchanges in the prescribed form on June 27, 2012 with a delay of 1 day. SEBI may initiate action against the Acquirer for the delayed reporting/ filing.

4. Although the net holding of the Acquirer in the Target Company as on date is 10,62,075 Equity Shares representing 24.29%, the gross acquisition by the Acquirer in the Target Company during the financial year commencing from April 1, 2012 till date was 11,62,075 Equity Shares representing 26.57%. As the gross holding in the Target Company had crossed the threshold limit as prescribed under Regulation 3(1) of the SEBI SAST Regulations, the Acquirer became liable to make the Open Offer under the SEBI SAST Regulations to the shareholders of the Target Company on June 22, 2012 i.e. the day when they breached the threshold prescribed in the Regulations by additional acquisitions. SEBI may initiate action against the Acquirer for the aforesaid violation.

3.1.4 The Acquirer has entered into a SPA on July 16, 2012 with the following shareholders who are also the promoters of the Target Company to acquire 7,96,333 Equity Shares of face value Rs.10/- each fully paid-up representing 18.21% of the paid up and voting equity share capital at a price of Rs. 5/- per fully paid up equity share ("Negotiated Price") :

Name	Shares	% to Paid-up Equity
Mr. Avinash Bhandari	4,20,000	9.61
Ms. Madhvi Bhandari	3,00,583	6.87
Ms. Mankumari Bhandari	75,750	1.73
	7,96,333	**18.21**

This agreement has necessitated the Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations. The total consideration for the shares being acquired under the SPA is Rs. 39,81,665/-.

The salient features of the SPA are:

1. The total consideration for 7,96,333 Equity shares ('Sale Shares') at the negotiated price of Rs 5/- per fully paid up equity share is Rs. 39,81,665/-.
2. The Acquirer has, on execution of the SPA, paid the Purchase Price to the Seller and the Seller confirms that there is no further amounts payable by the Acquirer to the Seller.
3. The SPA shall not be acted upon in case any of the provisions of the SEBI Takeover Regulations are not complied with.
4. The Acquirer not to seek transfer of the Shares in their name or any of their nominee(s) by lodging the Delivery Instructions with the Depository Participant or in any other manner whatsoever, till the completion of their obligations envisaged under the SEBI Takeover Regulations.

3.1.5 There is no person acting in concert (PAC) with the Acquirer within the meaning of Regulation 2(1)(q) of the SEBI SAST Regulations.

3.1.6 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

3.1.7 The Acquirer may, subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) of the SEBI SAST Regulations, reconstitute the Board of Directors of the Company by appointing their representatives, as they may deem fit. As on date, the Acquirer has not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.

3.1.8 The Board of the Target Company has in accordance with Regulation 26(6) of the SEBI SAST Regulations, constituted a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this open offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation atleast two working days before the commencement of the tendering period i.e. on or before September 5, 2012, in the same newspapers where the DPS of the Offer was published.

3.2 Details of the proposed Offer

3.2.1 A detailed public statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers, on July 23, 2012:

Newspaper	Language of the Newspapers	Editions
Financial Express	English	All
Jansatta	Hindi	All
Navshakti	Marathi	Mumbai
Bindu	Gujarati	Ahmedabad

Copy of the detailed public statement is also available at SEBI's website : www.sebi.gov.in

3.2.2 The Acquirer is making an open offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company to acquire up to 11,37,006 Equity Shares of Rs. 10/- each representing 26% of the paid up equity voting share capital of the Target Company, at a price of Rs. 6/- per Share ("Offer Price") payable in cash subject to the terms and conditions set out in the Short Public Announcement, DPS and this Letter of Offer

3.2.3 The Offer price is Rs. 6/- per Equity Share. There are no partly paid up shares.

3.2.4 There is no differential pricing for the shares proposed to be acquired under the open offer

3.2.5 This is not a competing offer

3.2.6 All the shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever

3.2.7 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 11,37,006 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company

3.2.8 There was no competing offer

3.3 Object and Purpose of Acquisition/offer and Future Plans

3.3.1 The Acquirer intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) and other applicable provisions of SEBI SAST Regulations as they may deem fit.

3.3.2 The main objects of the Target Company inter-alia includes carrying on consultancy/advisory business in the areas of project finance, conducting feasibility studies, systems and management manpower training, conduct technical and economical surveys, liasoning, etc. The Acquire, upon completion of the present open offer, intends to pursue these objects and may undertake new business with the approval of Shareholders of the Target Company

4 BACKGROUND OF THE ACQUIRER

4.1 Information about the Acquirer

4.1.1 Pavaki Vanijya Private Limited, the Acquirer, was incorporated on July 30, 2008 with the Registrar of Companies, West Bengal at Kolkata. The registered office of the Acquirer is situated at at IG-6/2, Aswini Nagar, Block 3, Shop No. 3, Baguiati, Kolkata – 700 159; Tel : 9330171860; e-mail : pavaki.vanijya@gmail.com. The Acquirer does not belong to any group.

4.1.2 Pavaki Vanijya Private Limited (PVPL) was originally promoted by Mr. Pranay Kumar Pankaj and Mr. Sanjay Jha upon incorporation during July 2008 with the main object of carrying on business in the field of salt, raw jute, hemp, jute fibres, rope and lining and all other kind of jute products, gunny products, textiles, readymade garments and natural fabrics.

On May 25, 2010, M/s Sarvesh Commosales Private Limited (SCPL) acquired 1,35,200 Equity Shares of PVPL and thus became its holding Company till February 6, 2012.

On February 7, 2012, PVPL allotted 1,80,000 Equity Shares to the following shareholders consequent to which SCPL was no longer the holding company of PVPL :

1.	Usha Natarajan	60,000
2.	Sujit Kumar Khowala	60,000
3.	Durga Khowala	60,000
	TOTAL	**1,80,000**

The paid-up capital of PVPL is Rs. 31,54,000/- comprising of 3,15,400 Equity Shares of Rs. 10/- each fully paid held as under :

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1.	Sarvesh Commosales Private Limited	1,35,200	42.88
2.	Usha Natarajan	60,000	19.02
3.	Sujit Khowala	60,000	19.02
4.	Durga Khowala	60,000	19.02
2.	Sanjay Jha	100	0.03
3.	Umesh Kumar Jha	100	0.03
	Total	**3,15,400**	**100.00**

PVPL does not belong to any group.

The details of the existing promoters of the Acquirer are given hereunder :

(a) Usha Natarajan, aged 42 years, residing at No. 6 Vasanthi Colony, Rajeshwari Nagar Extension, Selaiyur, Chennai – 600073, is a Post Graduate in Public Administration. She started her career as a Teacher with National School South Kolkata. Since the year 2006, she has been actively involved in the international trading of coal, steel, iron ore and other commodities. Presently, she is employed and looking after the international trading of coal, metallurgical coke in a commodity trading company.

(b) Sujit Kumar Khowala, aged 41 years, residing at Ganpativihar, Bl.3, Flat No.304, IG-6/2 Ashwini Nagar, Baguihati, Kolkata – 700159, is a commerce graduate. He has about 9 years of experience in trading of Iron & Steel, Chemicals etc. and is presently a freelancer Financial Consultant.

(c) Durga Khowala, aged 41 years, residing at Ganpativihar, Bl.3, Flat No.304, IG-6/2 Ashwini Nagar, Baguihati, Kolkata – 700159, is a commerce graduate.

(d) Sarvesh Commosales Private Limited (SCPL) holds 1,35,200 Equity Shares (42.88%) in PVPL – the Acquirer Company. Brief details of SCPL are given below :

<table>
<tr><td>Promoters & Board of Directors</td><td>1. Mrs. Usha Natarajan
2. Mr. Chinnadharapuram V Ramadoss

Mrs. Usha Natarajan is also promoter/shareholder of PVPL

Mr. Chinnadharapuram V Ramadoss has completed B.E. Mechanical from PSG College of Technology, Coimbatore. He has also holds PGDBM in general management from IGNOU, New Delhi and Welding Engineers’ Course from IIW, Trichy, T.N.</td></tr>
<tr><td>Date of Incorporation</td><td>May 22, 2010 with the Registrar of Companies, West Bengal</td></tr>
<tr><td>Authorised Capital</td><td>Rs. 2,00,000/- divided into 20,000 Equity Shares of Rs. 10/- each</td></tr>
<tr><td>Paid-up Capital</td><td>Rs. 1,00,000/- divided into 10,000 Equity Shares of Rs. 10/- each.</td></tr>
<tr><td>Registered Office</td><td>P-456 Keyatala Road, Kolkata – 700 029. Tel : 033-24198167-68;
e-mail : sarveshcommosales@gmail.com</td></tr>
<tr><td>Activities carried out</td><td>Presently, SCPL is not engaged in any activities.</td></tr>
<tr><td>Other interests / investments</td><td>Apart from holding of 1,35,200 Equity Shares in PVPL, there are no investments held by SCPL and has no controlling interest in any other firm / ventures / companies.</td></tr>
<tr><td>Shareholding Pattern</td><td><table>
<tr><td>Name</td><td>No. of Shares</td><td>%</td></tr>
<tr><td>Usha Natarajan</td><td>5,000</td><td>50.00</td></tr>
<tr><td>C V Ramadoss</td><td>5,000</td><td>50.00</td></tr>
<tr><td>Total</td><td>10,000</td><td>100.00</td></tr>
</table></td></tr>
</table>

4.1.3 There are no persons acting in concert with the Acquirer

4.1.4 The Acquirer holds 10,62,055 Equity Shares representing 24.29% of the paid-up capital in the Target Company acquired by them from time to time. The applicable provisions of Chapter V of SEBI SAST Regulations have been complied by the Acquires with delay. Further, the Acquirer has also delayed compliance of the applicable Regulation under Chapter II of the SEBI SAST Regulations. SEBI may initiate action against the Acquirer for the delayed reporting/ filing / compliance.

4.1.5 Shareholding pattern of the Acquirer

The paid-up capital of PVPL is Rs. 31,54,000/- divided into 3,15,400 Equity Shares of Rs. 10/- each. The shareholding pattern is as under :

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1	Promoters	3,15,400	100.00
2.	FII/Mutual Funds/FIs/Banks	-	-
3.	Public	-	-
	Total paid-up capital	3,15,400	100.00
	Total	**3,15,400**	**100.00**

4.1.6 Board of Directors of the Acquirer

The details of Board of Directors of the Acquirer are :

Name & DIN	Address	Date of Appointment	Date of Birth	Qualification	Experience
Mr. Santosh Kumar Awasthi DIN : 00661971	5B, Rawdon Street Kolkata – 700 017	10/08/2011	05/07/1937	Mech. Engg from IIT, Mumbai	35 years of varied experience in marketing of Steel with different companies. Presently engaged in liaison as business consultant and marketing consultant
Mr. Selvadurai Vignesh Raj DIN : 02778598	2/275 Dr. Ambedkar Street Murugathamman Pettai, Padappai – 601301	10/08/2011	27/06/1982	Matriculate	Experienced in commodity trading, import and export of Granites and possesses general administrative skills

None of the above Directors are on the Board of the Target Company.

4.1.7 There are no persons acting in concert with the Acquirer

4.1.8 Brief audited financial data of the Acquirer for the last 3 financial years are given hereunder :

Profit & Loss Account

(Rs. in lacs)

Particulars	31/03/2012	31/03/2011	31/03/2010
Income from operations		-	-
Other Income	0.84	0.15	0.12
Total Income	0.84	0.15	0.12
Total Expenditure	0.79	0.27	0.14
PBDIT	0.05	(0.12)	(0.02)
Depreciation	-	-	-
Interest	-	-	-
PBT	0.05	(0.12)	(0.02)
Provision for Tax	0.02	-	-
PAT	0.03	(0.12)	(0.02)

Balance Sheet

(Rs. in lacs)

Particulars	31/03/2012	31/03/2011	31/03/2010
Sources of Funds			
Paid-up Share Capital	31.54	13.54	13.54
Reserves & Surplus	300.78	300.74	300.86
Networth	332.32	314.28	314.40
Share application money	4.00	-	-
Secured Loans		-	-
Unsecured Loans		-	-
Total	**336.32**	**314.28**	**314.40**
Uses of Funds			
Net Fixed Assets	-	-	-
Investments	34.70	312.70	313.50
Net Current Assets	301.62	1.41	0.65
Miscellaneous Expenditure not w/off	-	0.17	0.25
Profit & Loss A/c		-	-
Total	**336.32**	**314.28**	**314.40**

Other financial data

	31/03/2012	31/03/2011	31/03/2010
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	0.01	-	-
Return on Networth (%)	0.01	-	-
Book Value per Share (Rs.)	105.36	231.98	232.02

There are no contingent liabilities

4.1.9 Pavaki Vanijya Private Limited is a Private Limited Company and its shares are not listed on any Stock Exchange.

4.1.10 There are no pending litigations against the Acquirer in any court of law.

4.1.11 Mr. Prakash Patwari, Partner, M/s Prakash Patwari & Co., Chartered Accountants, having their office at 9/12 Lal Bazar Street, Mercantile Building, 3rd floor, Block 'B', Kolkata – 700 001 (Membership No. 060583; Firm Registration No. 325639E), Tel no. 033-30121116-22; email : prak_patwari@yahoo.com, has certified vide their certificate dated 16th July, 2012 that the net worth of Pavaki Vanijya Private Limited as on 16th July, 2012 is Rs.3,32,31,856/- (Rupees Three Crore Thirty Two Lakhs Thirty-one Thousand Eight Hundred fifty Six only) and that it has sufficient liquid resources as on date to fulfill the obligation under this Open Offer

5. BACKGROUND OF THE TARGET COMPANY

5.1 Share Capital Structure of the Target Company

Paid-up Equity Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Equity Shares	43,73,100	100.00
Partly paid-up Equity Shares	Nil	-
Total paid-up Equity Shares	43,73,100	100.00
Total voting rights	43,73,100	100.00

5.2 The shares of the Target Company are not suspended for trading.

5.3 All the shares of the Target Company are listed and permitted for trading on BSE.

5.4 There are no outstanding convertible instruments / partly-paid up Equity Shares

5.5 Composition of the Board of Directors

Name & DIN	Date of original appointment	Residential Address	Designation
Dr Nagesh Bhandari DIN : 00817699	03/10/2006	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	Chairman
Mr. Shailesh Bhandari DIN : 00058866	03/10/2006	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	Director
Mr. Ram Singh DIN : 00059026	30/01/2010	E-501, Sector-IV, Suncity, Bopal, Ahmedabad – 380 053	Director
Mr. Dinesh Kumar Sharma DIN : 00914419	02/12/2011	B/2, Sonali Apartment, Satellite, Ahmedabad – 380 015	Director

None of the Directors of the Target Company represent the Acquirer

5.6 There have been no merger/de-merger / spin off during the last 3 years involving the Target Company. The Target Company was incorporated as a Private Limited Company under the Companies Act, 1956 on January 3, 1992 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, in the name and style of Magnum Project and Investment Consultancy Services Private Limited. On May 6, 1994, the Company was converted into public limited company and the name was changed to Magnum Financial Services Limited. The name of the Company was subsequently changed to Magnum Fincap Limited on April 28, 1995 and again on November 17, 1999, the name of the Company was changed to the present.

The Target Company was originally promoted by Mr. Jay Narayan Vyas and Dr Gitesh Shah and their associates. Later during the year 2006, there was change in the management of the Target Company. Mr. Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms Madhvi Bhandari and Mr. Avinash Bhandari acquired controlling interest in the Target Company. In compliance with the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, they made Open Offer to the then shareholders of the Target Company during June 2006.

The Target Company was incorporated to carry on business of providing financial and allied services and was registered with SEBI as Category I Registrars to the Issue and Share Transfer Agent from November 1993 to November 2000. The Target Company re-registered itself with SEBI as Category II Share Transfer Agent for the period from August 2005 to August 2008. Since August 2008, there is no business activity carried out in the Target Company.

5.7 **Financial Highlights of the Target Company**

The brief audited financial details of the Target Company for the preceding three financial years are as under:

Profit & Loss Account

(Rs. in lakhs)

Particulars	31/03/2012	31/03/2011	31/03/2010
Income from operations	-	-	-
Other Income	0.03	0.02	0.03
Total Income	0.03	0.02	0.03
Total Expenditure	3.58	4.00	4.11
PBDIT	(3.55)	(3.98)	(4.08)
Depreciation	0.28	0.88	3.08
Interest	-	-	-
PBT	(3.83)	(4.86)	(7.16)
Provision for Tax	-	-	-
Deferred tax liability	0.23	0.10	(0.51)
PAT	(4.06)	(4.96)	(6.65)

Balance Sheet *(data prior to revision of Schedule VI of the Companies Act, 1956)*

(Rs. in lakhs)

Particulars	31/03/2011	31/03/2010
Sources of Funds		
Share Capital	437.31	437.31
Reserves & Surplus	91.09	91.09
Networth	528.40	528.40
Secured Loans	-	-
Unsecured Loans	35.26	46.50
Deferred Tax Liability	9.55	9.46
Total	**573.21**	**584.36**
Uses of Funds		
Net Fixed Assets	8.19	9.08
Investments	135.67	135.67
Net Current Assets	394.29	409.51
Miscellaneous Exp. not written off	35.06	30.10
Total	**573.21**	**584.36**

Balance sheet data for the FY 2011-12 *(as per revised Schedule VI of the Companies Act, 1956)*

Particulars	31/03/2012
EQUITY AND LIABILITIES	
1. Shareholders' funds	
a) Share Capital	437.31
b) Reserves & Surplus	51.97
Sub-total - Shareholders' funds	**489.28**
2. Non current Liabilities	
a) Long term borrowings	36.25
b) Deferred tax liabilities (net)	9.79
c) Other long term liabilities	8.91
d) Long term provisions	0.51
Sub-total – Non-current liabilities	**55.46**
3. Current Liabilities	
a) Short-term borrowings	1.00
b) Trade payables	0.35
c) Other current liabilities	-
d) Short-term provisions	2.07
Sub-total – Current liabilities	**3.42**
TOTAL – EQUITY AND LIABILITIES	**548.16**
ASSETS	
1. Non-current Assets	
a) Fixed Assets	7.92
b) Non-current investments	135.67
c) Long-term loans and advances	141.54
Sub-total – Non-current assets	**285.13**
2. Current Assets	
a) Trade receivables	262.56
b) Cash and cash equivalents	0.47
Sub-total – Current assets	**263.03**
TOTAL – ASSETS	**548.16**

Other Financial Data

Particulars	31/03/2012	31/03/2011	31/03/2010
Dividend (%)	-	-	-
EPS (Rs.)	-	-	-
Return on Networth (%)	-	-	-
Book Value per Share (Rs.)	11.19	11.28	11.39

5.8 **Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:**

Share holders category	Shareholding prior to the acquisition and offer (A)		Shares agreed to be acquired which triggered off the Regulation (B)		Shares to be acquired in open offer (Assuming full Acceptance) (C)		Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D)	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) Promoter Group a. Parties to agreement								
Avinash Bhandari	4,20,000	9.61	(4,20,000)	(9.61)	-	-	-	-
Madhvi Bhandari	3,00,583	6.87	(3,00,583)	(6.87)	-	-	-	-
Mankumari Bhandari	75,750	1.73	(75,750)	(1.73)	-	-	-	-
	7,96,333	**18.21**	**(7,96,333)**	**(18.21)**	-	-	-	-
b. Other than parties to agreement	-	-	-	-	-	-	-	-
Total 1(a+b)	**7,96,333**	**18.21**	**(7,96,333)**	**(18.21)**	**-**	**-**	**-**	**-**
(2) Acquirer **a. Main Acquirer** Pavaki Vanijya P Ltd	10,62,075	24.29	7,96,333	18.21	11,37,006	26.00	29,95,414	68.50
b. PACs	-	-		-		-	-	-
Total 2	**10,62,075**	**24.29**	**7,96,333**	**18.21**	**11,37,006**	**26.00**	**29,95,414**	**68.50**
(3) Parties to agreement other than 1(a) and 2	-	-	-	-	-	-	-	-
Total 3	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(4) Public (other than parties to agreement / Acquirer)								
a) FIs/MFs/FII/Banks	1,34,700	3.08	-	-	-	-	-	-
b) Others								
i) Private & Corporate bodies	4,13,610	9.46	-	-	-	-	-	-
ii) NRIs/OCBs	37,922	0.87	-	-	-	-	-	-
iii) Indian Public	19,04,445	43.55	-	-	-	-	-	-
iv) Clearing members	24,015	0.55	-	-	-	-	-	-
Total 4 (a+b)	**25,14,692**	**57.50**	-	-	(11,37,006)	(26.00)	**13,77,686**	**31.50**
Grand Total (1+2+3+4)	**43,73,100**	**100.00**	-	-	-	-	**43,73,100**	**100.00**

Notes:

1. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders in this Open Offer.
2. The number of Shareholders under Public Category, i.e. under 4 above, is ________ as on the identified date.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 **Justification of Offer price**

6.1.1 This Open Offer is pursuant to Direct Acquisition.

6.1.2 The shares of the Target Company are listed on Bombay Stock Exchange Limited, Mumbai.

6.1.3 The annualised trading turnover of Shares of Magnum Limited during the preceding 12 calendar months prior to the month in which PA was made, i.e. during the months from July 2011 to June 2012 is given below :

Name of stock Exchange	Total no. of share traded during the 12 calendar months prior to the month in which PA was made.	Total No. of listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	15,25,897	43,73,100	34.89%

Based on the parameters set out in the Regulation 2(j) of SEBI SAST Regulations, the Equity Shares of the Target Company are deemed to be frequently traded

6.1.4 The offer price of Rs. 6/- per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

PARTICULARS	Price (Rs.)
1. Negotiated price	5.00
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	4.25
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	4.73
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement	5.25
5. Highest of the above	5.25
6. Offer price	6.00

The current open offer price is higher than the price at which the Acquirer would have been required to make the open offer after considering interest @ 10% p.a. for the delayed period of 25 days in making the open offer for the past trigger of Regulation 3(1) of the SEBI SAST Regulations on June 22, 2012.

6.1.6 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period

6.2 Financial arrangements:

6.2.1 Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 68,22,036/- (Rupees Sixty Eight Lakhs Twenty Two Thousand Thirty Six only)

6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer has deposited Rs. 68,22,036 (Rupees Sixty Eight Lakhs Twenty Two Thousand Thirty Six only) by way of cash, being 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank, Fort Branch, Rajabahadur Mansion, 30 Mumbai Samachar Marg, Mumbai – 400 001 with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirer has duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations.

6.2.3 The Acquirer has adequate resources to meet the financial requirements of the Offer. The fund requirements is being met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged by the Acquirer. The Acquirer hereby declare and confirm that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer.

6.2.4 Mr. Prakash Patwari, Partner, M/s Prakash Patwari & Co., Chartered Accountants, having their office at 9/12 Lal Bazar Street, Mercantile Building, 3rd floor, Block 'B', Kolkata – 700 001 (Membership No. 060583; Firm Registration No. 325639E), Tel no. 033-30121116-22; email : prak_patwari@yahoo.com, has certified vide their certificate dated 16th July, 2012 that the net worth of Pavaki Vanijya Private Limited as on 16th July, 2012 is Rs. 3,32,31,856/- (Rupees Three Crore Thirty Two Lakhs Thirty-one Thousand Eight Hundered fifty Six only) and that it has sufficient liquid resources as on date to fulfill the obligation under this Open Offer.

6.2.5 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.

7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer and shareholders who are parties to SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on August 24, 2012 ("Identified Date").

7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4 The LOF alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website

7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this LOF. In terms of Regulation 23(1) of the SEBI SAST Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.1.6 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever

7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance cum Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s)

7.1.8 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2 **Locked in shares**: There are no locked in shares in the Target Company

7.3 **Persons eligible to participate in the Offer**

Registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Purchase Agreement dated July 16, 2012 are eligible to participate in the Offer.

7.4 **Statutory and Other Approvals**

7.4.1 Non-resident equity shareholder(s) who wish to tender their equity shares of the Target Company in this Offer will be required to submit all the previous RBI approvals (specific or general) that they would have obtained for acquiring, the equity shares of the Target Company. In case previous RBI approvals are not submitted, the Acquirer reserves the right to reject the equity shares tendered in the Offer.

7.4.2 As on the date of Public Announcement, to the best of knowledge and belief of the Acquirer, no approvals from Bank/ Financial Institutions are required for the purpose of the Offer.

7.4.3 As on the date of this Letter of Offer, no other statutory approval is required to be obtained for the purpose of the Open Offer. If any other statutory approvals are required or become applicable, the offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 18(11) of the SEBI SAST Regulations. The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

7.4.4 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI SAST Regulations will be adhered to, i.e. SEBI has power to grant extension of the time to the Acquirer or payment of consideration to the shareholder(s) subject to Acquirer agreeing to pay interest as directed by SEBI.

7.4.5 In terms of Regulation 23 (1) (c) of the SEBI SAST Regulations, the offer may be withdrawn by the Acquirer if any of the conditions as stipulated below in the SPA is not met for reasons outside the reasonable control of the Acquirer. The condition stipulated in the underlying agreement (SPA), meeting of which are outside the reasonable control of the Acquirer is as under :

The parties to the Agreement agree that in the event of non-compliance of any of the provisions of SEBI Takeover Regulations, this Agreement shall not be acted upon by any of the parties

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 Shareholders who are holding fully paid equity shares and wish to tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to Sharex Dynamic (India) Private Limited, the Registrar to the Offer by Registered Post at the applicants sole risk so that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. **The relevant documents should NOT be sent to the Seller, Acquirer, the Target Company or the Managers to the Offer.**

All eligible owners of fully paid equity shares of the Target Company registered or unregistered including those holding shares in street names who wish to avail and accept the Offer can deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents to the Registrar as per the following details

Name & Address	Contact Person & Contact Numbers	Workings Days and timings	Mode of delivery
Sharex Dynamic (India) Pvt Ltd SEBI Regn. No.: INR 000002102 Unit 1, Luthra Indl. Premises Andheri Kurla Road, Safeed Pool Andheri (E) Mumbai – 400 072	Mr. B S Baliga Tel : 022-28515606 / 5644 e-mail : sharexindia@vsnl.com	Weekdays between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm. The centre will be closed on Saturday, Sunday and on public holidays	Registered Post / Courier / Hand Delivery

8.2 The Registrar to the Offer, Sharex Dynamic (India) Private Limited has opened a special depository account with Central Depository Services (I) Ltd ("CDSL") for receiving equity shares during the offer from eligible shareholders who hold equity shares in demat form

8.3 Shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 21, 2012 along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "MAGNUM LTD – OPEN OFFER ESCROW ACCOUNT OPEARTED BY SHAREX" filled in as per the instructions given below:

DP Name:	Nirmal Bang Securities Private Limited
DP ID:	12013300
Client ID:	00665897
Depository:	Central Depository Services (I) Ltd

Note: Shareholders who wish to transfer their shares to the above mentioned escrow account from a demat account maintained with NSDL, should use "inter depository" delivery instruction slip

8.4 **The shares and other relevant documents should not be sent to the Acquirer/ Target Company/ Manager to the Offer. The Acquirer and Manager to the Offer are not responsible for such shares sent to them and the same are liable to be returned to the sender at their own risk.**

Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

8.5 In case of (a) shareholders who have not received the LOF, (b) unregistered shareholders, (c) owner of the shares who have sent the shares to the Target Company for transfer, may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 21, 2012. Such shareholders can also obtain the LOF from the Registrar to the Open Offer by giving an application in writing to that effect

8.6 In case of shareholders who have not received the LOF and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para 8.3. above, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 21, 2012. Such equity shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing.

8.7 Alternatively, such shareholders, if they so desire, may apply on the Form of Acceptance cum Acknowledgement obtained from SEBI's website (www.sebi.gov.in)

8.8 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 21, 2012, else the application would be rejected.

8.9 No indemnity is needed from unregistered shareholders.

8.10 Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirer, the Acquirer will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot.

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

8.12 The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques/ demand drafts/Electronic Clearance Service (ECS) where applicable within ten working days from the offer closing date i.e. by October 8, 2012. Such payments through account payee cheques/demand drafts will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

8.13 Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares held in dematerialized form, to the extent not accepted, 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 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.

8.14 The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the Special Depository Account, Form of Acceptance, on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 3rd Floor, Krishna Bhavan, 67, Nehru Road, Vile Parle (East), Mumbai – 400 057, the Corporate Office of Arihant Capital Markets Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

a) Copy of certificate dated July 16, 2012 issued by Mr. Prakash Patwari, Partner of M/s Prakash Patwari & Co., Chartered Accountants certifying the net worth of the Acquirer and adequacy of liquid resources to fulfil the monetary obligations under the Open Offer.

b) Annual Reports of the Target Company for the financial years 2009–10, 2010-11 and 2011-12

c) Copy of Certificate of Incorporation dated July 30, 2008 of the Acquirer issued by the Registrar of Companies, West Bengal, Kolkata.

d) Copy of Memorandum of Association and Articles of Association of the Acquirer

e) Annual Reports of the Acquirer for the financial years 2009–10, 2010-11 and 2011-12

f) Copy of Escrow Agreement dated July 16, 2012 entered into between ICICI Bank Limited, the Escrow Bankers; Arihant Capital Markets Limited, Merchant Bankers and Pavaki Vanijya Private Limited, the Acquirer in connection the Escrow Account opened in terms of the SEBI SAST Regulation and letter dated July 24, 2012 issued by ICICI Bank Limited confirming operation of the Escrow Account only under our instructions.

g) Copy of Share Purchase Agreement dated July 16, 2012 between the Acquirer & the Sellers for acquisition of shares of the Target Company.

h) A copy of Public Announcement, published copy of Detailed Public Statement and issue opening advertisement

i) A copy of the recommendation made by the Committee of Independent Directors of the Target Company.

j) Document evidencing the opening of demat escrow account (Special Depository Account) by the Registrar to the Offer.

k) SEBI Observation Letter dated ***** bearing reference number ***************

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirer accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and also for ensuring compliance with the SEBI SAST Regulations.

2. The Manager to the Offer hereby states that the persons signing this Letter of Offer is the Acquirer

Signed by the Acquirer
For Pavaki Vanijya Private Limited

Santosh Kumar Awasthi	**Selvadurai Vignesh Raj**
Director	**Director**

Place: Kolkata
Date: July 30, 2012

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Share Transfer Form

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FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	September 7, 2012
Offer closes on	September 21, 2012

From:

Name:
Address:

Tel No.:__________________________________ ; Cell No.:__________________________________;
Fax No.:____________________
e-mail: ______________________________

To

Sharex Dynamic (India) Pvt Ltd, Unit 1, Lughra Industrial Premises, Andheri Kurla Road, Safeed Pool, Andheri (E), Mumbai – 400 072. Tel : 022-28515606; Fax : 022-28512885; e-mail : sharexindia@vsnl.com; website : 222.sharexindia.com; Contact Person : Mr. B S Baliga

Dear Sir,

Sub: Open Offer to the shareholders of Magnum Limited (the Target Company) for acquisition of 11,37,006 Equity Shares of Rs. 10 each representing 26% of equity share capital of the Target Company, for cash at a price of Rs. 6/- per share by M/s Pavaki Vanijya Private Limited (Acquirer).

I/We refer to the Letter of Offer dated July 30, 2012 for acquiring the Equity Shares held by me/us in Magnum Limited

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Shares in the physical form, 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:

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	No. of Share Certificates (Quantity)	Share Certificate Nos.	Distinctive Numbers	
					From	To
TOTAL						

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of Magnum Limited which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed will be held in trust for me/us by the Registrars to the Offer until the time the Acquirer make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

--Tear Here---

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s__________________________________Form of Acceptance-cum-Acknowledgement in connection with open offer to Shareholders of Magnum Limited

Ledger Folio No.___________& _______No. of Share Certificates /Copy of Delivery instructions to DP for _________Shares of Magnum Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

I/We hold the following Equity Shares of Magnum Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
				TOTAL	

I/We have done an Off-Market transfer for crediting the Shares to the Special Depository Account noted below:

DP Name	Nirmal Bang Securities Private Limited	DP ID	12013300
Client ID	00665897	A/c Name	MAGNUM LTD – OPEN OFFER ESCROW ACCOUNT OPEARTED BY SHAREX

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrars to the Offer until the time the Acquirer make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after due verification of the documents.

I/We confirm that the Equity Shares of Magnum Limited which are transferred by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirer to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, Equity Share certificate(s) or equity shares in demat form in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

The Permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under

	PAN / GIR No.
Sole / First Holder	
Joint Holder 1	
Joint Holder 2	

Yours faithfully

I understand that I/We will not be allowed to withdraw the shares tendered under this Open Offer as per the extant SEBI SAST Regulations

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		

Date: ______________

Place: ______________

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

To avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the First/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank, Branch /Address	Account No.	Savings /Current/ NRE/NRO /Other

I/We want to receive the payment through ECS ☐ RTGS ☐ NEFT ☐

In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank

In the case of RTGS/NEFT, 8 digit code number issued by the Bank

Address	**Phone / Fax Nos.**	**Contact Person /E-mail ID**
All future correspondence, if any, should be addressed to Registrar to the Offer		
Sharex Dynamic (India) Pvt Ltd, Unit 1, Lughra Industrial Premises, Andheri Kurla Road, Safeed Pool, Andheri (E), Mumbai – 400 072	Tel. No:- 020-28515606 Fax No:- 020-28512885	Mr. B S Baliga sharexindia@vsnl.com