LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as shareholder(s) of **Magnum Limited**. If you require any clarification about the action to be taken, you may please 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 equity shares in Magnum Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

ACQUIRERS

MR. SHAILESH BHANDARI, MR. MUKESH BHANDARI

A-1, Skylarka Apartment, Opp. Bima Nagar, Satellite Road, Ahemdabad-380015

Tel No 02717-550550

MR. PRAKASH CHANDRA BHANDARI, MS. MADHVI BHANDARI & MR. AVINASH BHANDARI

24-Someshwar-II, Satellite Road, Ahemdabad-380015

Tel no.: 079-26921773

To Acquire 8,74,620 fully paid-up equity shares of Rs. 10/- each at an Offer Price of Rs. 14.50 per equity share payable in cash, representing 20% of the total subscribed, issued and paid-up equity share and voting capital

Pursuant to the Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

Of

MAGNUM LIMITED

Registered Office: 3rd Floor, Smit Complex Choice Lane, Off C.G.Road, Navrangpura, Ahemdabad-380009.

Tel No: 079-26423080, 26444468 Fax no.:079-26425142.

ATTENTION :

1. **The offer is not a conditional offer.**
2. Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirers shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.
3. The Target company is Category II Registrar and Transfer Agent registered with SEBI and the Prior approval for sale of Company under Rule 4(1)(a) of SEBI (Registrar to an issue and Share Transfer Agents) Rules, 1993 from SEBI has been received by the company subject to the fresh certificate of Registration to be obtained by the Target Company within six months from the date of SEBI prior approval i.e. June 05, 2006 and SEBI will grant the certificate only if the entity is found "fit and proper"
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the offer.
5. If there is any upward revision in the Offer Price by the Acquirers upto seven working days prior to the date of closure i.e. upto **Friday, July 07, 2006**, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revision in the Offer Price would be payable for all the equity shares tendered anytime during the Offer Period.
6. **There is no Competitive Bid.**
7. **A copy of Public Announcement, Letter of Offer and Form of Acceptance cum Acknowledgement are also available on SEBI's web-site: www.sebi.gov.in**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION "9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 2 TO 27)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THE LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

Manager to the Offer	Registrar to the Offer
CHARTERED CAPITAL & INVESTMENT LIMITED Contact Person : **Mr. Deepak Singhvi** 301, Camy House, Cawasji Hormusji Street, Marine Lines, Mumbai - 400 002 Tel. : 022- 22004271/73 Fax : 022 - 22004273 Email : mumbai@charteredcapital.net	**INTIME SPECTRUM REGISTRY LIMITED** Contact Person : **Mr. Hitesh Patel** 211, Sudershan Complex, Near Mithakhali under bridge, Navrangpura, Ahmedabad-380009 Tel : 079 - 26465179 Fax : 079 - 26465179 Email : ahmedabad@intimespectrum.com

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Day	Date
1.	**Date of Public Announcement (PA)**	**Monday,**	**May 08, 2006**
2.	Specified Date	Friday,	June 2, 2006
3.	Date by which Letter of Offer will be dispatched to the Shareholders	Monday,	June 19, 2006
4.	**Offer Opening Date**	**Thursday,**	**June 29, 2006**
5.	**Offer Closing Date**	**Tuesday,**	**July 18, 2006**
6.	**Last Date for the Revision of the Offer Price / Number of Equity Shares.**	**Friday,**	**July 07, 2006**
7.	**Last Date for a Competitive Bid(s)**	Monday,	May 29, 2006
8.	Last date to withdraw acceptance tendered by shareholders	Thursday,	July 13, 2006
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	Wednesday,	August 02, 2006

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DEFINITIONS

1. Acquirers	Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari
2. Agreement or Share Purchase Agreement or SPA	Share Purchase Agreement, dated May 2, 2006 for purchase of 17,00,000 fully paid-up equity shares of face value of Rs. 10/- each of Magnum Limited from Dr. Gitesh K Shah and others (sellers), representing 38.87 % of the total issued, subscribed and paid-up share and voting capital of Magnum at a price of Rs. 5.00 (Rs Five Only)
3. ASE	The Ahmedabad Stock Exchange Limited, Ahmedabad
4. BSE	Bombay Stock Exchange Limited, Mumbai
5. DP	Depository Participant
6. EPS	Profit After Tax available to Equity Shareholder/ No. of Equity Shares
7. Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement
8. Form of Withdrawal or FOW	Form of Withdrawal cum Acknowledgement
9. LOO or Letter of Offer	Offer Document
10. Magnum	Magnum Limited i.e. Target Company
11. Manager to the Offer or Merchant Banker	Chartered Capital and Investment Limited
12. Negotiated Price	Rs.5.00 (Rupees Five Only) per fully paid-up equity share of face value of Rs.10/- each.
13. Net Asset Value/ Book Value per Share	(Equity Capital + Free Reserve excluding of Revaluation reserve - Debit balance in Profit & Loss a/c - Misc expenditure not written off) / No. of Equity Shares
14. Offer or The Offer	Offer for acquisition of 8, 74,620 fully paid-up equity shares of Magnum of face value of Rs.10/- each at a price of Rs. 14.50 per fully paid-up equity share payable in cash.
15. Offer Price	Rs. 14.50 (Rupees Fourteen and Paisa Fifty Only) per fully paid-up equity share of Rs.10/- each payable in cash
16. Persons eligible to participate in the Offer	Registered shareholders of Magnum Limited, Promoters other than parties to the agreement and unregistered shareholders who own the equity shares of Magnum Limited any time prior to the Offer closure other than the Acquirers and the parties to the agreement named at page number 4
17. Public Announcement or **"PA"**	Announcement of the Open Offer by The Acquirer, which appeared in the newspapers on 8th May 2006.
18. RBI	Reserve Bank of India
19. Registrar or Registrar to the Offer	Intime Spectrum Registry Limited
20. Return on Networth	(Profit after Tax)/(Equity Capital + Free Reserve excluding of Revaluation reserve - Debit balance in Profit & Loss a/c - Misc expenditure not written off)
21. SEBI	Securities and Exchange Board of India
22. SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
23. SEBI Act	Securities and Exchange Board of India Act, 1992
24. Specified Date	Friday, June 2, 2006
25. Target Company	Magnum Limited
26. VSE	Vadodra Stock Exchange Limited, Baroda

1. RISK FACTORS

i. **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 not to proceed with the offer, then the offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of MAGNUM, whose shares have been accepted in the offer as well as the return of shares not accepted by the acquirers may be delayed.**

ii. **The acquirers intends to make an offer for 20% of the voting capital amounting to 8,74,620 equity shares of MAGNUM under the SEBI (SAST) regulations, 1997. Further, the shares tendered in the offer will lie to the credit of a designated escrow account or with registrar to offer, till the completion of the offer formalities. Accordingly, the acquirers make no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.**

iii. **In the event of over-subscription to the offer, the acceptance will be on a proportionate basis.**

iv. **The Acquirer makes no assurance of market price of shares of the Target Company during or after the offer.**

v. **The Acquirers has promoted few companies which are loss making and few companies which have not started their business activities.**

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE 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 ACQUIRERS, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES ARE 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 ACQUIRERS 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 ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 19, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This open offer (the "Open Offer") is being made by **Mr. Shailesh Bhandari, Mr. Mukesh Bhandari** both residing at A-1, Skylarka Apartment, Opp. Bima Nagar, Satellite Road, Ahemdabad-380015 and **Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari** all residing at 24-Someshwar-II, Satellite Road, Ahemdabad-380015, to the equity shareholders of **Magnum Limited,** a company incorporated and duly registered under the Companies Act, 1956, and having its registered office at 3rd Floor, Smit Complex Choice Lane, Off C.G.Road, Navrangpura, Ahemdabad-380009, pursuant to Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997. There are no other acquirer or other entities/ persons who are or can be deemed to be persons acting in concert for the purpose of this Open Offer.

3.1.2 The Acquirers have entered into a Share Purchase Agreement **(SPA)** with **Dr. Gitesh K Shah and others** (hereinafter referred to as **"Sellers"**) on Tuesday May 2, 2006, to acquire 17,00,000 fully paid up shares/ voting rights and management control of Magnum Limited, having its Registered Office at 3rd Floor, Smit Complex Choice Lane, Off C. G. Road, Navrangpura, Ahemdabad-380009, representing 38.87% of the total issued, subscribed and paid-up equity and voting share capital of Magnum, at a price of Rs. 5.00 (Rupee Five Only) per equity share **(Negotiated Price)** payable in cash, at a total consideration of Rs. 85.00 Lacs. The Sellers belong to the promoter group of the Target Company.

3.1.2.1 The details of the sellers are as under:

Sr. No.	Names, Addresses and Telephone no.	Number of shares
1	Dr.G.K.Shah, 1, Paritosh Bunglows, Opp. Ashwamegh Bunglows, 132" Ring road, Satellite road. Ahmedabad-15. Tel no.:079-26923311	97,550
2	Mr.B.G.Shah 1, Paritosh Bunglows, Opp. Ashwamegh Bunglows, 132" Ring road, Satellite Road. Ahmedabad-15 Tel no.:079-26923311	77,100
3	Mr. Nilesh Shah 48, Avanika park society, Khanpur, Ahmedabad-380001. Tel no.:079-30418465.	13,900
4	Harita Projects (P) Ltd 3rd Floor, Smit Complex Choice Lane, Off C.G.Road, Navrangpura, Ahemdabad-380009.Tel no.:079-26423080	4,38,700
5	Mr. J.N.Vyas "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	1,18,937
6	Ms. Suhasini Vyas "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	88,113
7	Saket project limited "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	4,08,100
8	Mr. Shailesh Shah 70/829 Mangal murthi apartment, Opp. Naranpura Tele exchange, Naranpura, Ahmedabad-380013. Tel no.:079-27460415	15,000
9	Ms. Sadhna Shah 70/829 Mangal murthi apartment. Opp. Naranpura Tele exchange, Naranpura, Ahmedabad-380013. Tel no.:079-27460415	20,000
10	Ms.Sejal Shah 70/829 Mangal murthi apartment. Opp. Naranpura Tele exchange, Naranpura, Ahmedabad-380013. Tel no.:079-27460415	15,000
11	Ms. Kumud Shah L-30, Shivani Apartment, Near Azad Society, Ambawadi, Ahmedabad-380015	3800
12	Sapna Ind. & Allied Pub (P) Ltd "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	3,89,000
13	Mr. C.R.Trivedi C-4, Manali Apartment, Near Gold coin, Satellite Road, Ahmedabad-380015. Mob. no.:09426415399	11,300
14	Mr. Saket Vyas "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	3000
15	Mr. Sameer Vyas "Saket House" Panchsheel, Usmanpura,Ahmedabad-380103 Tel no.:079-27551931	500
	TOTAL	**17,00,000**

3.1.3 Upon completion of this open offer in terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the change of control of Target Company shall be effected. Mr. Shailesh Bhandari, Mr. Mukesh Bhandari and Mr. Avinash Bhandari may be appointed as Director on the Board of Directors of the Target Company after the completion of this Open Offer.

3.1.4 The Acquirer ,the Seller and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.5 The Acquirer has not acquired any shares of Magnum during the past 12 months prior to the date of public announcement except the 17,00,000 equity shares of Rs.10/- each covered under SPA mentioned under para 3.1.2.

3.1.6 As on the date of the Public Announcement the Acquirers do not hold any other shares of Magnum except those agreed to be acquired in terms of Agreements disclosed under point 3.1.2.

3.2 The Offer

3.2.1 The Acquirers have made a Public Announcement in all the editions of the following newspapers, namely, **i) Financial Express (English), ii) Jansatta (Hindi), iii) Nav Shakti (Marathi) and iv) Financial Express (Gujarati),** which appeared in the newspapers on Monday, 8th May, 2006 in terms of Regulation 15 and pursuant to Regulation 10 of the SEBI (SAST) Regulations, 1997. **The Public Announcement is also available on the SEBI website at www.sebi.gov.in.**

3.2.2 The Acquirer intends to make an Open Offer in terms of the SEBI (SAST) Regulations, 1997 to the shareholders of Magnum Limited to acquire 8,74,620 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / voting share capital of ***"Magnum"*** at a price of Rs. 14.50/- (Rupees fourteen and fifty paisa only) per fully paid up equity share/ Voting Rights **("Offer Price")** payable in cash subject to the terms and conditions mentioned hereinafter. These equity shares are to be acquired by the Acquirers, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 There are no partly paid-up equity shares of Magnum as on date.

3.2.4 **The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.**

3.2.5 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.2.6 The Acquirers have not acquired any equity shares in the Target Company since the date of Public Announcement i.e. **8th May, 2006**, upto the date of Letter of Offer.

3.3 Object of the Offer

3.3.1 The Offer to the shareholders of **Magnum** is for the purpose of acquiring 20.00 % of the total paid up capital and is made in compliance with the Regulation 10 & 12 of SEBI (SAST), 1997 and after the proposed Offer; the Acquirer will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

3.3.2 The object and the purpose of the offer is to expand the business operations of the target company. The acquirers also plan to venture into Business Process Outsourcing with regard to Medical Transcription, Litigation support services for US law firms etc.

4. BACKGROUND OF THE ACQUIRERS

4.1 Background of the Acquirers

4.1.1 Mr. Shailesh Bhandari

4.1.1.1 Mr. Shailesh Bhandari s/o Late Shri B.C.Bhandari, aged 48 years, an Indian resident residing at A-1, Skylarka Apartment, Opp. Bima Nagar, Satellite Road, Ahemdabad-380015. Tel no.: 02717-550550.

4.1.1.2 Mr Shailesh Bhandari is a science graduate with economics, having experience of 26 years. His area of expertise is finance, marketing and overall administration in indigenously design and develop Metallurgical equipments.

4.1.1.3 Mr. Ashok B. Shah, proprietor of M/s Ashok Bhogilal & Co., Chartered Accountant, having his office at 36,3rd Floor, Aalishan, Near Sardar Patel Char Rasta, Opp. Dr, Vallu's

Hospital, Navrangpura, Ahemdabad-380009 (Membership No.106874) has certified vide certificate dated March 6, 2006 that the net worth of the Mr. Shailesh Bhandari as on 28.02.2006 is Rs. 298.44 lacs and he has sufficient means to fulfil his part of obligations under this Open Offer.

4.1.1.4 The compliances under chapter II of SEBI (SAST) Regulation, 1997 are not applicable to him.

4.1.1.5 Mr. Shailesh Bhandari has not acquired Shares / voting rights of the Target Company during the twelve (12) month period prior to the date of PA

4.1.1.6 Mr. Shailesh Bhandari does not held any position as Director in any listed company except the following:

4.1.1.6.1 Electrotherrn (India) Limited (Whole Time Director)

4.1.1.7 Mr. Shailesh Bhandari does not hold any position as full time Director in any company except the following

4.1.1.7.1 Electrotherm (India) Limited.

4.1.1.8 The Acquirer has not promoted any Companies other than the followings

4.1.1.8.1 Electrotherm (India) Limited.

4.1.1.8.2 Ahmedabad Aviation and Aeronautics Limited

4.1.1.8.3 Copper Components and Alloys Limited

4.1.1.8.4 Indus Elec-Trans (P) Limited

4.1.1.8.5 E-Motion Power (P) Limited

4.1.1.8.6 Palace Tours and Air Charters (P) Limited

4.1.1.8.7 Western India Specialities Hospital (P) Limited and

4.1.1.8.8 Liberty Finance and Leasing Company (P) Limited

4.1.2 **Mr. Mukesh Bhandari**

4.1.2.1 Mr. Mukesh Bhandari s/o Late Shri B.C.Bhandari, aged 55 years, an Indian resident residing at A-1, Skylarka Apartment, Opp. Bima Nagar, Satellite Road, Ahemdabad-380015 Tel no.: 02717-550550

4.1.2.2 Mr Mukesh Bhandari is a Bachelor of Engineering in Electrical. having experience of 32 years. He is experienced in R & D activities in connection with DC Arc furnace, Induction Melting furnace, Induction Heating and Hardening Equipment.

4.1.2.3 Mr. Ashok B. Shah, proprietor of M/s Ashok Bhogilal & Co., Chartered Accountant, having their office at 36,3rd Floor, Aalishan, Near Sardar Patel Char Rasta, Opp. Dr, Vallu's Hospital, Navrangpura, Ahemdabad-380009 (Membership No.106874) has certified vide certificate dated March 6, 2006 that the net worth of the Mr. Mukesh Bhandari as on 28.02.2006 is Rs. 110.29 lacs and he has sufficient means to fulfil his part of obligations under this Open Offer.

4.1.2.4 The compliances under chapter II of SEBI (SAST) Regulation, 1997 are not applicable to him.

4.1.2.5 Mr. Mukesh Bhandari has not acquired Shares / voting rights of the Target Company during the twelve (12) month period prior to the date of PA

4.1.2.6 Mr. Mukesh Bhandari does not held any position as Director in any listed company except the following:

4.1.2.6.1 Electrotherm (India) Limited(Chairman & Managing Director)

4.1.2.7 Mr. Mukesh Bhandari does not hold any position as full time Director in any company except the following

4.1.2.7.1 Electrotherm (India) Limited.

4.1.2.8 The Acquirer has not promoted any Companies other than the followings

4.1.2.8.1 Electrotherm (India) Limited.

4.1.2.8.2 Indus Elec-Trans (P) Limited

4.1.2.8.3 E-Motion Power (P) Limited

4.1.2.8.4 Palace Tours and Air Charters (P) Limited

4.1.2.8.5 Ahmedabad Aviation and Aeronautics Limited

4.1.2.8.6 Copper Components and Alloys Limited

4.1.2.8.7 Liberty Finance and Leasing Company (P) Limited and

4.1.2.8.8 Western India Specialities Hospital (P) Limited

4.1.3 Mr. Prakash Chandra Bhandari

4.1.3.1 Mr. Prakash Chandra Bhandari s/o Shri Chand Mal Bhandari, aged 68 years, an Indian resident residing at 24-Someshwar-II, Satellite Road, Ahemdabad-380015 Tel no.: 079-26921773.

4.1.3.2 Mr. Prakash Chandra Bhandari is a B.E.(Hons.) by qualifications. He is having 25 years of rich experience in Senior Management & Engineering consultancy and setting up of projects

4.1.3.3 Mr. Manish Mathur partner of M/s Bhanwar Jain & Co., Chartered Accountants, having their office at 302, Kaling Complex, Near Mount Carmel School Ashram Road, Ahemdabad-380009 (Membership No.119475) has certified vide certificate dated March 16, 2006 that the net worth of Mr. Prakash Chandra Bhandari is Rs. 28.71 lacs and he has sufficient means to fulfil his part of obligations under this Open Offer.

4.1.3.4 The compliances under chapter II of SEBI (SAST) Regulation, 1997 are not applicable to him.

4.1.3.5 Mr. Prakash Chandra Bhandari has not acquired Shares / voting rights of the Target Company during the twelve (12) month period prior to the date of PA

4.1.3.6 Mr. Prakash Chandra Bhandari does not held any position as Director in any listed company.

4.1.3.7 Mr. Prakash Chandra Bhandari does not hold any position as full time Director in any company.

4.1.3.8 The Acquirer has not promoted any Companies other than the followings

4.1.3.8.1 Mangalam Information Technology Limited and

4.1.3.8.2 Space Information Technologies (P) Limited

4.1.4 Ms. Madhvi Bhandari

4.1.4.1 Ms. Madhvi Bhandari D/o Mr. Y.P. Agarwal, aged 41 years, an Indian resident residing at 24-Someshwar-II, Satellite Road, Ahemdabad-380015 Tel no.: 079-26921773.

4.1.4.2 Ms. Madhvi Bhandari is MSc. (Hons) by qualifications. She has 11 years of professional experience in the field of software training and management of large recruitment and training operations.

4.1.4.3 Mr. Manish Mathur partner of M/s Bhanwar Jain & Co., Chartered Accountants, having their office at 302, Kaling Complex, Near Mount Carmel School Ashram Road, Ahemdabad-380009 (Membership No.119475) has certified vide certificate dated March 16, 2006 that the net worth of Ms. Madhvi Bhandari is Rs. 88.48 lacs and she has sufficient means to fulfil her part of obligations under this Open Offer.

4.1.4.4 The compliances under chapter II of SEBI (SAST) Regulation, 1997 are not applicable to her.

4.1.4.5 Ms. Madhvi Bhandari has not acquired Shares / voting rights of the Target Company during the twelve (12) month period prior to the date of PA

4.1.4.6 Ms. Madhvi Bhandari does not held any position as Director in any listed company.

4.1.4.7 Ms. Madhvi Bhandari does not hold any position as full time Director in any company other than following:

4.1.4.7.1 Manglam Information Technology Limited

4.1.4.8 Ms. Madhvi Bhandari has not promoted any Companies other than following

4.1.4.8.1 Manglam Information Technology Limited and

4.1.4.8.2 Space Information Technologies (P) Limited.

4.1.5 Mr. Avinash Bhandari

4.1.5.1 Mr. Avinash Bhandari S/o Mr. Prakash Chandra Bhandari, aged 41 years, an Indian resident residing at 24-Someshwar-II, Satellite Road, Ahemdabad-380015 Tel no.: 079-26921773.

4.1.5.2 Mr. Avinash Bhandari is B.E. (Elecricals) by qualifications having experience of 14 years. His area of experience is business strategy & finance control, new business development joint venture

4.1.5.3 Mr. Manish Mathur partner of M/s Bhanwar Jain & Co., Chartered Accountants, having their office at 302, Kaling Complex, Near Mount Carmel School Ashram Road, Ahemdabad-380009 (Membership No.119475) has certified vide certificate dated March 16, 2006 that the net worth of Mr. Avinash Bhandari is Rs. 27.65 lacs and he has sufficient means to fulfil his part of obligations under this Open Offer.

4.1.5.4 The compliances under chapter II of SEBI (SAST) Regulation, 1997 are not applicable to him.

4.1.5.5 Mr. Avinash Bhandari has not acquired Shares / voting rights of the Target Company during the twelve (12) month period prior to the date of PA

4.1.5.6 Mr. Avinash Bhandari does not hold any position as Director in any listed company other than the following:

4.1.5.6.1 Electrotherm (India) Limited (Whole Time Director).

4.1.5.7 Mr. Avinash Bhandari does not hold any position as full time Director in any company other than the following:

4.1.5.7.1 Electrotherm (India) Limited.

4.1.5.8 Mr. Avinash Bhandari has not promoted any Companies other than the following.

4.1.5.8.1 Manglam Information Technology Limited and

4.1.5.8.2 Space Information Technologies (P) Limited.

4.2 Other details about acquirers

4.2.1 The acquirers have deposited Rs. 40.00 Lacs in Escrow account which is more than 25% of the amount required for open offer.

4.2.2 Mr. Shailesh Bhandari and Mr. Mukesh Bhandari are brothers and Mr. Prakash Chand Bhandari, Mr Avinash Bhandari and Mrs. Madhvi Bhandari are father, son and daughter in law.

4.2.3 There is no agreement between the acquirers with respect to acquisition of shares, acquired in Open Offer. However the shares acquired in the Open Offer will be transferred to the acquirers on the basis of amount of money put by them.

4.2.4 The Acquirer at present has no intention to sell, dispose of or otherwise encumber any significant assets of Magnum in the succeeding two years, except in the ordinary course of business of Magnum. Magnum's future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of Magnum

4.3 Details of Group Companies/Firms

4.3.1 Electrotherm (India) Limited

4.3.1.1 The Company was incorporated on 29th October 1986 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Foremost Chemicals Limited and got its business commencement certificate on 31st October 1986. Later on name of the said company has been changed to Electrotherm (India) Limited on 31st March, 1994 vide letter no. 9126 dated 31/3/94 from ROC Gujarat. The equity shares of the company are listed on BSE, Mumbai.

4.3.1.2 The company is engaged in the business of manufacturing and marketing of Induction Furnaces and TMT bars.

4.3.1.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (un-Audited)***
Equity Capital	47.66	47.66	47.66	47.66
Reserves(excluding revaluation reserve)	351.56	426.91	1694.91	4311.71
Misc. expenses not written off	0.00	0.00	0.00	(92.00)
Total	399.22	474.57	1742.57	4267.37
Total Income	3290.52	5818.39	19715.04	35564.68
Profit After Tax (PAT)	7.72	75.33	1350.14	2726.42
Earnings Per Share (EPS)	0.16	1.58	28.33	57.20
Net Asset Value (NAV)	17.38	18.96	45.56	100.46

*As certified by Statutory Auditors of the company

4.3.1.4 The Company is not sick Industrial undertaking.

4.3.2 Ahmedabad Aviation and Aeronautics Limited

4.3.2.1 The Company was incorporated on 11th May 1993 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Ahmedabad Aviation Academy Limited and got its business commencement certificate on 22nd July 1993. Later on name of the said company has been changed to Ahmedabad Aviation and Aeronautics Limited on 8th March, 1996.

4.3.2.2 The company is engaged in the business of flying academy and chartered aircraft services.

4.3.2.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Period ended on 31.12.2005 (Unaudited)***
Equity Capital	104.83	104.83	104.83	104.83
Reserves (excluding revaluation reserve)	86.91	86.91	86.91	86.91
Misc. expenses not written off	(255.20)	(251.78)	(201.77)	(178.11)
Total	(63.46)	(60.04)	(10.03)	13.63
Total Income	112.26	189.64	221.00	146.96
Profit After Tax (PAT)	(4.31)	3.33	50.01	21.24
Earnings Per Share (EPS)	(0.41)	0.32	4.77	2.02
Net Asset Value (NAV)	Negative	Negative	Negative	1.30

*As certified by the auditor.

4.3.2.4 The Company is not sick Industrial undertaking.

4.3.3 Copper Components and Alloys Limited

4.3.3.1 The Company was incorporated on 24th October 1988 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Electro-Graham Drives (P) Limited. Later on name of the said company has been changed to Russind Lasers (P) Limited on 2nd December, 1993. The name of the company was further changed to Russind Lasers Limited on 29th December, 1995. Later on on 20th December, 2000 the name of the company was changed to Copper Components and Alloys Limited.

4.3.3.2 The company has not started its business operation. However the main object of the company is to engage in the manufacturing and trading of copper including all other ferrous and non ferrous metal.

4.3.3.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Period ended on 31.12.2005 (Unaudited)***
Equity Capital	50.00	50.00	50.00	50.00
Reserves(excluding revaluation reserve)	0.00	0.00	0.00	0.00
Miscellaneous expenses not written off	(22.79)	(24.33)	(25.31)	(28.85)
Total	27.21	25.67	24.69	21.15
Total Income	0.00	0.00	1.36@	0.00
Profit After Tax (PAT)	(0.25)	(1.74)	0.77	(3.54)
Earnings Per Share (EPS)	(0.05)	(0.35)	0.15	(0.71)
Net Asset Value (NAV)	5.44	5.13	4.94	4.23

@ Sundry balance written off

*As certified by the auditor

4.3.3.4 The Company is not sick Industrial undertaking.

4.3.4 Manglam Information Technologies Limited

4.3.4.1 The Company was incorporated on 16th March, 2000 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Manglam Information Technologies Limited and got its business commencement certificate dated 24th March, 2000.

4.3.4.2 The company is engaged in the BPO activities related to medical transcription

4.3.4.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2003 (Audited)	Year ended 31.03.2004 (Audited)	Year ended 31.03.2005 (Audited)	Period ended on 31.12.2005 (Unaudited)*
Equity Capital	17.07	17.07	17.07	17.07
Share application money	57.58	41.81	45.60	43.30
Reserves (excluding revaluation reserve)	0.00	0.00	0.00	0.00
Misc.expenses not written off	(29.69)	(19.79)	(53.97)	(40.37)
Profit & Loss(Debit)	(21.42)	(28.93)	(51.38)	(34.23)
Total	23.54	10.16	(42.68)	(14.23)
Total Income	48.14	60.79	64.60	22.28
Profit After Tax (PAT)	0.26	(7.52)	(22.44)	17.15
Earnings Per Share (EPS)	0.15	(4.40)	(13.15)	10.05
Net Asset Value (NAV)	13.79	5.95	(25.00)	(8.34)

*As certified by the auditor

4.3.4.4 The Company is not sick Industrial undertaking.

4.3.5 Space Information Technologies (P) Limited

4.3.5.1 The Company was incorporated on 5th October, 1994 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Space Information Technologies (P) Limited.

4.3.5.2 The company is running a computer education training centre.

4.3.5.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2003 (Audited)	Year ended 31.03.2004 (Audited)	Year ended 31.03.2005 (Audited)	Period ended on 31.12.2005 (Unaudited)*
Equity Capital	56.50	56.50	56.50	56.50
Reserves (excluding revaluation reserve)	0.00	0.00	0.00	0.00
Profit & Loss(Debit)	(43.98)	(74.83)	(108.86)	(128.45)
Misc.expenses not written off	(0.30)	0.00	0.00	0.00
Total	12.17	(18.38)	(52.41)	(71.95)
Total Income	76.44	53.77	41.63	34.39
Profit After Tax (PAT)	(54.88)	(30.06)	(34.02)	(19.59)
Earnings Per Share (EPS)	(9.71)	(5.42)	(6.02)	(3.47)
Net Asset Value (NAV)	2.16	(3.24)	(9.27)	(12.73)

*As certified by the auditor.

4.3.5.4 The Company is not sick Industrial undertaking.

4.3.6 Palace Tours and Air Charters (P) Limited

4.3.6.1 The Company was incorporated on 16th December,1998 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Palace Tours and Air Charters (P) Limited.

4.3.6.2 The company is engaged in no activity so far. The main object of the company is to manage travel agency, organised group tours, arrange hotel booking and hire and fly aircraft.

4.3.6.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (Audited)**
Equity Capital	1.46	1.46	1.46
Reserves(excluding revaluation reserve)	0.00	0.00	0.00
Total	1.46	1.46	1.46
Total Income	0.00	0.00	0.00
Profit After Tax (PAT)	0.00	0.00	0.00
Earnings Per Share (EPS)	0.00	0.00	0.00
Net Asset Value (NAV)	10.00	10.00	10.00

4.3.6.4 The Company is not sick Industrial undertaking.

4.3.7 Western India Speciality Hospital Limited

4.3.7.1 The Company was incorporated on 27th June, 2000 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Western India Speciality Hospital Limited and got its certificate for commencement of business on 19th July, 2000.

4.3.7.2 The company has not started any business activity. However the main object of the company is to acquire, establish and maintain hospital, provide medical care and treatment and carry out medical research.

4.3.7.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (Audited)**
Equity Capital	5.00	5.00	5.00
Reserves(excluding revaluation reserve)	0.00	0.00	0.00
Total	5.00	5.00	5.00
Total Income	0.00	0.00	0.00
Profit After Tax (PAT)	0.00	0.00	0.00
Earnings Per Share (EPS)	0.00	0.00	0.00
Net Asset Value (NAV)	10.00	10.00	10.00

4.3.7.4 The Company is not sick Industrial undertaking.

4.3.8 Indus Elec-Trans (P) Limited

4.3.8.1 The Company was incorporated on 11th November, 2005 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Indus Elec-Trans (P) Limited.

4.3.8.2 The company has not started any business activity. However the main object of the company is to manufacturing, trading, servicing, distributing and repairing of all kinds of cycle, two wheeler, four wheeler and commercial vehicles.

4.3.8.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (Audited)**
Equity Capital	N.A.	N.A.	1.00
Reserves(excluding revaluation reserve)	N.A.	N.A.	0.00
Total	N.A.	N.A.	1.00
Total Income	N.A.	N.A.	0.00
Profit After Tax (PAT)	N.A.	N.A.	0.00
Earnings Per Share (EPS)	N.A.	N.A.	0.00
Net Asset Value (NAV)	N.A.	N.A.	10.00

4.3.8.4 The Company is not sick Industrial undertaking.

4.3.9 E-Motion Power Limited

4.3.9.1 The Company was incorporated on 3rd February, 2006 vide incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of E-Motion Power Limited and got its certificate for commencement of business on 10th March, 2006.

4.3.9.2 The company has not started any business activity. However the main object of the company is to carry on business as designers, developers, manufacturers and contractors of all kinds of electric equipment.

4.3.9.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (Audited)**
Equity Capital	N.A	N.A	5.00
Share application money	N.A	N.A	0.00
Reserves(excluding revaluation reserve)	N.A	N.A	0.00
Profit & Loss	N.A	N.A	0.00
Total	N.A	N.A	5.00
Total Income	N.A	N.A	0.00
Profit After Tax (PAT)	N.A	N.A	0.00
Earnings Per Share (EPS)	N.A	N.A	0.00
Net Asset Value (NAV)	N.A	N.A	10.00

4.3.9.4 The Company is not sick Industrial undertaking.

4.3.10 **Liberty Finance and Leasing Company (P) Limited**

4.3.10.1 The Company was incorporated on 26th July, 1985 incorporation certificate issued by the Registrar of Companies Gujarat, Dadara & Nagar Haveli under the name of Liberty Finance and Leasing Company (P) Limited.

4.3.10.2 The company has not started any business activity. However the main object of the company is to carry on business of an investment company and to provide advisory and leasing services.

4.3.10.3 The brief financial information of the company are as follows:

(Rs. In Lakhs)

Particulars	**Year ended 31.03.2004 (Audited)**	**Year ended 31.03.2005 (Audited)**	**Year ended 31.03.2006 (Audited)**
Equity Capital	4.79	4.79	4.79
Reserves(excluding revaluation reserve)	Nil	Nil	Nil
Profit & Loss	Nil	Nil	Nil
Total	4.79	4.79	4.79
Total Income	Nil	Nil	Nil
Profit After Tax (PAT)	(0.02)	(0.01)	Nil
Earnings Per Share (EPS)	(0.31)	(0.19)	Nil
Net Asset Value (NAV)	82.01	81.80	81.80

4.3.10.4 The Company is not a sick Industrial undertaking.

5 BACKGROUND OF THE TARGET COMPANY - MAGNUM LIMITED

5.1 MAGNUM was incorporated on January 03, 1992 with the Registrar of Companies Gujarat, Dadra & Nagar Haveli, as a Private Limited Company in the name of Magnum Project and Investment Consultancy Services Private Limited and subsequently converted into Public Limited Company on May 6, 1994 as Magnum Financial Services Limited vide Certificate of change of name issued by the Registrar of Companies Gujarat, Dadra & Nagar Haveli. The name of the Company was subsequently changed from Magnum Financial Services Limited to Magnum Fincap Limited on April 28, 1995 vide Certificate of change of name issued by the Registrar of Companies Gujarat, Dadra & Nagar Haveli. The name of the company was subsequently changed from Magnum Fincap Limited to Magnum Limited on November 17, 1999 vide Certificate of change of name issued by the Registrar of Companies Gujarat, Dadra & Nagar Haveli. The Target Company has its registered office at 3rd Floor, Smit Complex Choice Lane, Off C.G.Road, Navrangpura, Ahemdabad-380009. Tel no.: 079-26423080, 26444468 Fax no.:079-26425142.

5.2 Magnum was established as a Company providing Financial and Allied Services and was registered with SEBI as Category - I Registrar to the Issue and Share Transfer Agent from November1993 to November2000. Magnum re-registered itself with SEBI on 23rd August 2005 as Category -II Share Transfer Agent having validity from 23rd August 2005 to 22nd August 2008. Magnum Limited is also operating in the area of Information technology, particularly in custom developed Software Application and IT consultancy.

5.3 The authorized share capital of MAGNUM as on March 31, 2005 is Rs. 7,00,00,000(Rupees Seven Crores only), comprising of 70,00,000 equity shares of Rs 10/- (Rupees ten only) each. The issued, subscribed and paid-up equity share capital as on 31.03.2005 is 4,37,31,000 (Rupees Four Crore Thirty Seven Lakh Thirty One Thousand Only) comprising of 43,73,100 equity shares of Rs 10/- (Rupees ten only) each.

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

5.4 The current capital structure of the company has been build up since inception as under:

Date of allotment	No of shares issued	% of shares issued	Cumulative paid up capital in Rs.	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
03/01/92	20	0.01	200	Cash	Promoter/ Directors/ their friends/ associates	No compliance is pending
27/10/93	89077	2.04	890970	Cash	Promoter/ Directors/ their friends/ associates	
16/03/94	45300	1.03	1343970	Cash	Promoter/ Directors/ their friends/ associates	
14/10/94	1200003	27.44	13344000	Cash	Promoter/ Directors/ their friends/ associates	
08/05/95	933600	21.35	22680000	Cash	Promoter/ Directors/ their friends/ associates	
08/05/95	399900	9.14	26679000	Cash	Public	
08/05/95	283000	6.47	29509000	Cash	Public	
08/05/95	992200	22.69	39431000	Cash	Public	
08/11/95	430000	9.83	43731000	Cash	Promoters on preferential basis	
TOTAL	**4373100**	**100.00**				

5.5 The shares of the Target Company are listed at Bombay Stock Exchange Limited, Mumbai, The Ahmedabad Stock Exchange Ltd, Ahmedabad and Vadodara Stock Exchange Limited, Baroda.

5.6 The shares of the company have not been suspended from trading by BSE, ASE and VSE.

5.7 **There are no partly paid up shares in Magnum.**

5.8 **There are no outstanding convertible instruments / warrants.**

5.9 The Target Company as well as sellers, promoters and other major shareholders of the Target Company have complied with the reporting requirements under applicable provisions of the Chapter II of SEBI (SAST) Regulation 1997. There has been no delay by Target Company with the reporting requirements under Chapter II of the SEBI (SAST) Regulations, 1997.

5.10 Magnum has complied with requirements of the Listing Agreement and no punitive action has been initiated by any stock exchanges where its equity shares are listed.

5.11 The composition of the Board of Directors of Magnum as on May 8, 2006, the date of PA, is as follows:

S.No.	Name of the Director	Designation	Qualification and Experience in No. of years	Experience in The field	Residential Address	Date of Appointment
1	Mr. Gitesh Shah	Vice chairman & Managing Director	M.Sc., Ph.D., D.Sc.(USA),C.Sc., C.Chem, F.R.S.C, F.I.C., F.C.R.S.I and 17 years.	Project & Financial management, Corporate planning and administration	1, Paritosh Bunglows, Opp. Ashwamegh Bunglows, 132" Ring road, Satellite Road. Ahmedabad-15	15/10/93
2	Mrs. Suhaini Vyas	Whole time Director	B.A(Eco) and 15 years.	Publishing and distribution of law, management and allied books	4, Ashwamegh Bunglows-V, Part-5, B/H Someshwar Complex, Satellite Road, Ahmedabad-15	08/11/95
3	Mr. Anil G. Patel	Director	B.S.(Chem), MBA (Administration) and 24 years	Management of netwok based services developing projects	12, Bryon Road, Short Hilss, NJ 07078, USA	23/08/94
4	Mr. Paresh N. Patel	Alternate director to Mr. Anil G. Patel	B.Com and 17 years	Share Brokering Business	104, Narayan, Opp. Havmore restaurant. Navrangpura, Ahmedabad-9	14/10/94
5	Mr. Deepak R. Pandya	Director	B.E.(Elec. & Comm.), B.Sc.(Physics) and 16 years	Networking and Telecommunication	B/304, Kalatirth apparments, Opp. Prernatirth Temple, Ahmedabad-15	15/02/05
6	Mr. Hemant B. Desai	Director	B.E.(Elec) and 28 years	Hardware, Software and Business management	L-6/86, Ellora Park, Vadodara-3900023	10/11/05
7	Mr. Munendra B. Singh	Director	B.E. and 40 years	Audio visual equipment and Organizing exhibitions/ Press and Media Relations	13, LIG Duplex, Near N.N. Church, Sanjay Nagar, Indore-4520011	10/11/05

5.12 There has been no merger / de-merger, spin-off during the past three years in Magnum.

5.13 Audited financial information of Magnum for the financial year ended on March 31, 2003, 2004 and 2005 and unaudited certified financial for the year ended 2006 is given below

Profit and Loss Statement (Rs. in lacs)

Sr No.	Profit & Loss Statement	Year Ended 31.3.2003 (Audited)	Year Ended 31.03.2004 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Unaudited)*
1	Income from Operations	84.09	87.01	74.97	54.41
2	Other Income	7.88	2.06	18.34	19.88
3	Total Income	91.97	89.07	93.31	74.29
4	Total Expenditure	69.81	69.45	73.28	49.25
5	Profit / (Loss) before Depreciation, Interest and Tax	22.16	19.62	20.03	25.04
6	Depreciation	11.91	11.90	11.52	10.91
7	Interest	4.82	7.39	7.79	1.52
8	Profit/(Loss) before Tax	5.43	0.33	0.72	12.61
9	Provision for Tax	(0.19)	(1.72)	(2.30)	(1.23)
10	Profit/(Loss) after Tax	5.62	2.05	3.02	13.84

Balance Sheet Statement (Rs. in lac)

Sr. No.	Balance Sheet Statement	Year Ended 31.3.2003 (Audited)	Year Ended 31.03.2004 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Unaudited)*
	Sources of Funds				
1	Paid up Share Capital	437.31	437.31	437.31	437.31
2	Reserves & Surplus (Excluding Revaluation Reserve)	147.30	149.36	152.38	166.22
3	Networth	584.61	586.67	589.69	603.53
4	Secured loans	27.50	39.79	45.56	3.67
5	Unsecured loans	0.00	0.00	0.00	0.00
6	Deferred Tax Liability	23.72	21.99	19.63	18.39
	Total	635.83	648.45	654.88	625.59
	Uses of Funds				
7	Net Fixed Assets	122.10	96.84	68.09	66.29
8	Investments	241.68	241.68	214.30	195.07
9	Net Current Assets	268.79	308.38	372.49	364.23
10	Miscellaneous Expenses not written off	3.26	1.55	0.00	0.00
	Total	635.83	648.45	654.88	625.59

Sr. No.	Other Financial Data	Year Ended 31.3.2003 (Audited)	Year Ended 31.03.2004 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Unaudited)*
1	Dividend (%)	0.00	0.00	0.00	0.00
2	Earning Per Share (Rs. in)	0.13	0.05	0.07	0.32
3	Return on Networth (%)	0.96	0.35	0.51	2.29
4	Book Value Per Share	13.29	13.38	13.48	13.80

*As certified by Statutory Auditors of the company

5.14 Pre- and Post-Offer shareholding pattern of the Target Company is as per the following table :

Sr No	Shareholder category	Shareholding & voting rights prior to the acquisition and offer (A)		Shares/voting rights acquired which triggered off the Regulations (B)		Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)		Shareholding/voting rights after the acquisition and Offer i.e. A+B+C	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group								
	(a) Seller	17,00,000	38.87	(17,00,000)	(38.87)	Nil	Nil	Nil	Nil
	(b) Promoters Other than (a)	34,600	0.80	Nil	Nil	Nil	Nil	Nil*	Nil*
	(c) PAC other than (a) & (b)	80,000	1.83	Nil	Nil	Nil	Nil	Nil*	Nil*
	Total (a+b+c)	**18,14,600**	**41.50**	**(17,00,000)**	**(38.87)**	**Nil**	**Nil**	**Nil***	**Nil***
2.	Acquirer								
	Mr.Shailesh Bhandari	Nil	Nil	4,26,200	9.75				
	Mr. Mukesh Bhandari	Nil	Nil	4,42,500	10.12				
	Mr. Prakash Chandra Bhandari	Nil	Nil	1,80,750	4.13	8,74,620	20.00	25,74,620	58.87
	Ms. Madhvi Bhandari	Nil	Nil	2,66,050	6.08				
	Mr. Avinash Bhandari	Nil	Nil	3,84,500	8.79				
	Total	**Nil**	**Nil**	**17,00,000**	**38.87**	**8,74,620**	**20.00**	**25,74,620**	**58.87**
3.	Seller other than 1 (a) and 2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Public (other than 1 to 3)	24,95,700	57.06	Nil	Nil	(8,74,620)	(20.00)	17,98,480	41.13
5.	FIs/MFs/FIIs/Banks	62,800	1.44	Nil	Nil				
	Total (1+2+3+4+5)	**43,73,100**	**100**		**43,73,100**	**100**			

Note: The data within bracket indicates sale of equity shares

* *the promoter and PAC mentioned under 1(b) & (c) can participate in the offer, hence the reduction in there shareholding is shown under public category and also, even if they hold any shares after the offer there holding will be part of Public holding and shown under public holding after the offer*

5.15 Following are the changes in the Shareholding Pattern of the Promoters from 20.02.1997 to 08.05.2006 (Date of Public Announcement)

5.15.1 Details of shares acquired/sold by Dr. Gitesh K. Shah

DATE OF ACQUISITION	NO. OF SHARES ACQUIRED	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
16.07.1999	3300	0.08	Market	No reporting compliance required
15.07.1999	1000	0.02	Market	No reporting compliance required
15.07.1999	500	0.01	Market	No reporting compliance required
15.07.1999	200	0.00	Market	No reporting compliance required
03.09.1999	5000	0.11	Off Market	No reporting compliance required

5.15.2 Details of shares acquired/sold by Smt. Binda G. Shah

DATE OF ACQUISITION	NO. OF SHARES SOLD	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
10.03.2000	300	0.01	Off Market	No reporting compliance required
25.07.2000	500	0.01	Off Market	No reporting compliance required
12.06.2000	500	0.01	Off Market	No reporting compliance required
02.01.2001	200	0.00	Off Market	No reporting compliance required
16.04.2006	1000	0.02	Off Market	No reporting compliance required
16.04.2006	2000	0.05	Inter se	No reporting compliance required

5.15.3 Details of shares acquired/sold by Smt. Kumudben K. Shah

DATE OF ACQUISITION	NO. OF SHARES SOLD	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
15.10.1999	200	0.00	Off Market	No reporting compliance required
16.04.2006	100	0.00	Inter se	No reporting compliance required

5.15.4 Details of shares acquired/sold by Shri Jay Narayan Vyas

DATE OF ACQUISITION	NO. OF SHARES ACQUIRED	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
07.05.2001	300	0.01	Market	No reporting compliance required
07.05.2001	1600	0.04	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	500	0.01	Off Market	No reporting compliance required

5.15.5 Details of shares acquired/sold by Smt. Suhasini J Vyas

DATE OF ACQUISITION	NO. OF SHARES ACQUIRED	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
20.04.2000	5000	0.11	Off Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	200	0.00	Market	No reporting compliance required
07.05.2001	600	0.01	Market	No reporting compliance required
07.05.2001	700	0.02	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	200	0.00	Market	No reporting compliance required
07.05.2001	500	0.01	Market	No reporting compliance required
07.05.2001	300	0.01	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required
07.05.2001	100	0.00	Market	No reporting compliance required

5.15.6 Details of shares acquired/sold by Mr. Nilesh K. Vyas

DATE OF ACQUISITION	NO. OF SHARES ACQUIRED	% OF EQUITY CAPITAL	MODE OF ACQUISITION	STATUS OF COMPLIANCE
16.04.2006	9300	0.21	Off Market	No reporting compliance required
16.04.2006	2000	0.05	Inter se	No reporting compliance required
16.04.2006	100	0.00	Inter se	No reporting compliance required

5.16 The number of shareholders in Magnum in public category is 3543 as on date of P.A. and there were 6 NRI shareholders.

5.17 The Company has complied with the conditions of Corporate Governance as envisaged under clause 49 of the listing agreement, statutory auditors of the company have certified compliance of conditions of corporate governance and said certificate is attached with annual report of the target Company.

5.18 There is no litigation pending against the company.

5.19 Dr. Gitesh K. Shah, Vice chairman and managing director, is the compliance officer of the company and his address is 1, Paritosh Bunglows, Opp. Ashwamegh Bunglows, 132 Ring road, Satellite Road. Ahmedabad-15. Tel no 079-26923311.

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The equity shares of Magnum are presently listed on The Stock Exchange, Mumbai, Vadodara Stock Exchange Limited, Baroda and the Ahmedabad Stock Exchange Limited.

6.1.2 The annualised trading turnover during the preceding six Calendar months ending April, 2006 in each of the Stock Exchanges is detailed below:

Sr. No.	Name of the Stock Exchange	Total no. of equity shares traded during the 6 calendar months prior to May, 2006	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
1.	BSE	343904	4373100	15.73
2.	ASE	NIL	4373100	0.00
3.	VSE	NIL	4373100	0.00

Sources:
BSE - bse official web site www.bseindia.com
ASE - vide letter dated 31.05.2006
VSE - vide letter dated 15.05.2006

6.1.3 The offer price of Rs. 14.50 is justified in terms of Regulation 20 (4) and 20 (5) of the SEBI (SAST) Regulations, since the annualised trading turnover is more than 5% (by number of equity shares) of the total number of listed equity shares at BSE and annualised trading turnover is Less than 5% (by number of equity shares) of the total number of listed equity shares at ASE and VSE. since the same has been determined after considering the following facts.

a.	Negotiated Price under the Acquisition		Rs 5/-
b.	Highest Price paid by the Acquirer for acquisition including Public or Rights Issue in 26 weeks		Not applicable
c.	Price paid under preferential allotment made to the Acquirer any time during 12 months period upto date of closure of the Offer		Not applicable
d.	Highest average Price calculated as per Regulation 20(4)(c) during the 26 weeks preceding the date of PA		Rs. 8.26
e.	Highest average Price calculated as per Regulation 20(4)(c) during the 2 weeks preceding the date of PA		Rs. 14.35
f	Other parameters		
	I	***Based on audited results as on March 31, 2005***	
	i.	Return on Networth (%)	0.51
	ii.	Book Value (Rs.)	13.48
	iii.	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	0.02
	iv.	Price to Earnings ratio (based on last closing Price of Rs 14.18 on 05.05.2006)	709

6.1.4 **Hence, based on the above facts, the Offer Price of Rs. 14.50 is justifiable in terms of Regulation 20.**

6.1.5 There is no non-compete agreement

6.1.6 If the Acquirers acquire equity shares after the date of Public Announcement upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

6.2 Financial Arrangements

6.2.1 For the Offer, the total requirement of funds is Rs. 1,26,81,990/- (Rupees One Crores Twenty Six Lacs Eighty One Thousand Nine Hundred Ninety Only) for acquisition of 8,74,620 fully paid-up equity shares of Rs. 10/- each at an Offer Price of Rs. 14.50 per equity share. The Acquirers have adequate resources to meet the financial requirements of the Offer. The Acquirers have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997.

6.2.2 Mr. Ashok B. Shah, proprietor of M/s Ashok Bhogilal & Co., Chartered Accountant, having his office at 36,3rd Floor, Aalishan, Near Sardar Patel Char Rasta, Opp. Dr, Vallu's Hospital, Navrangpura, Ahemdabad-380009 (Membership No.106874) has certified vide certificate dated March 6, 2006 that the net worth of the Mr. Shailesh Bhandari & Mr. Mukesh Bhandari as on 28.02.2006 is Rs. 298.44 lacs &110.29 Lacs respectively and Mr. Manish Mathur partner of M/s Bhanwar Jain & Co., Chartered Accountants, having their office at 302, Kaling Complex, Near Mount Carmel School Ashram Road, Ahemdabad-380009 (Membership No.119475) has certified vide certificate dated March 16, 2006 that the net worth of Mr. Prakash Chandra Bhandari ,Ms. Madhvi Bhandari & Mr. Avinash Bhandari as on 15.03.2006 is Rs. 28.71 lacs,Rs. 88.48 and Rs.27.65 lacs respectively and they have sufficient means to fulfill their part of obligations under this Open Offer. No borrowing from any Bank/ Financial Institution is being made for the purpose.

6.2.3 As per Regulation 28, Acquirer has **opened an Escrow Account with ORIENTAL BANK OF COMMERCE, Kandivali (East) Branch ,Extension Counter , 16/16-A, Row House, Thakur Complex,**

Kandivali (E), Mumbai-400101 and have deposited Rs 40.00 (Rs. Forty Lakh only), being more than 25% of the amount required for the Open Offer.

6.2.4 The Acquirers have duly empowered M/s Chartered Capital and Investment Limited, Manager to the Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997

6.2.5 The Manager to the Offer, M/s Chartered Capital and Investment Limited, hereby confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations, 1997.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 Persons eligible to participate in the Offer

7.1.1 Registered shareholders of Magnum, Promoters other than parties to the agreement and unregistered shareholders who own the equity shares of Magnum Limited any time prior to the date of Closure of the Offer, other than the Acquirers and the parties to the agreement named at Para 3.1.2.1

7.2 Regarding acceptance of Lock-in Shares, whether acquired pursuant to the agreement or the offer, the same can be acquired to the acquirers subject to continuation of the residual lock-in period in the hands of the acquirers and there shall be no discrimination in the acceptance of locked in and not locked in shares.

7.3 Statutory Approvals

7.3.1 Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirers shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.

7.3.2 No approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirers.

7.3.3 As on the date of Public Announcement, to the best of the Acquirers' knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.

7.3.4 In case of delay in receipt of any statutory approval, Regulation 22(12) of SEBI (SAST) Regulations, 1997, will be adhered to, i.e. SEBI has power to grant extension of time to Acquirers for payment of consideration to shareholders subject to Acquirers agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirers in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

7.3.5 The Target company is Category II Registrar and Transfer Agent registered with SEBI and the Prior approval for sale of Company under Rule 4(1)(a) of SEBI (Registrar to an issue and Share Transfer Agents) Rules, 1993 from SEBI has been received by the company subject to the fresh certificate of Registration to be obtained by the Target Company within six months from the date of SEBI prior approval i.e. June 05, 2006 and SEBI will grant the certificate only if the entity is found "fit and proper"

7.4 Others

7.4.1 Accidental omission to despatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

7.4.2 This Letter of Offer has been mailed to all the shareholders of MAGNUM (other than parties to the Agreement), whose names appeared on the Register of Members of MAGNUM as on **Friday, June 2, 2006 being the Specified Date.**

7.4.3 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be credited back to respectively depository account or returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

7.4.4 Consideration for equity shares accepted would be paid by crossed account payee cheques / demand drafts / pay orders and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to the Registrar to the Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 8.17 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

8.2 The Registrar to the Offer, M/s Intime Spectrum Registry Limited, has opened a special depository account with **Kotak Securities Limited** (Depository-**National Securities Depository Limited**).

8.3 Shareholders of MAGNUM to whom this Offer is being made, are free to offer his / her / their equity shares of MAGNUM for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in this Offer.

8.4 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 1700 hours upto the date of closure of the offer i.e. **Tuesday, July 18, 2006.**

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with MAGNUM.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of MAGNUM or on the Share Certificate issued by MAGNUM) as per the specimen signature(s) lodged with MAGNUM and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognised stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.
- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

8.5 Beneficial owners and **shareholders holding shares in the dematerialised form**, will be required to send their Form of Acceptance cum Acknowledgement to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on or before 1700 hours upto the date of closure of the offer i.e. **Tuesday, July 18, 2006**, along with

- a Form of Acceptance cum Acknowledgement, duly completed and signed in accordance with the instructions contained therein by sole/all shareholders whose names appear (in case of joint holdings) in the same order in which their names appear in their beneficiary account;
- a photocopy of the delivery instructions in **"Off-market"** mode or counterfoil of the delivery instruction in **"Off-market"** mode, duly acknowledged by the Depository Participant ("DP"), in favour of **"ISRL- Magnum Ltd open offer-Escrow A/C"** ("Depository Escrow Account") filled in as per the instructions given below:

DP Name	:	**Kotak Securities Limited.**
DP ID	:	**IN 300214**
Client ID	:	**12105095**
Depository	:	**National Securities Depository Limited- ("NSDL")**

- Delivery Instruction: Special attention should be paid to the following:
- Beneficial owners, who hold equity Shares of MAGNUM in dematerialised form, are required to execute an "off-market" trade by tendering the Delivery Instruction for debiting their beneficiary account with their concerned depository participant and crediting the above-mentioned account. The credit in the Depository Escrow Account should be received on or before the Offer Closing Date; i.e., **Tuesday, July 18, 2006**, else the application would be rejected.
- The Delivery Instructions to be given to the depository participant should be in "For Off Market Trade" mode only. For each Delivery Instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement.Shareholders having their beneficiary account in Central Depository Services India Limited (**"CDSL"**) have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with **NSDL**.

8.6 A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/FIIs).

8.7 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

8.8 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in MAGNUM.

8.9 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarised copy of the legal representation obtained from a Competent Court.

8.10 **Special Note for shareholders who have sent their Shares for Dematerialisation:** Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Escrow Depository Account can be received on or before 1700 hours upto the Offer Closing Date i.e. Tuesday, July 18, 2006, else the application would be rejected.

8.11 **No document should be sent to the Acquires or to MAGNUM or to the Manager to the Offer.**

8.12 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper** stating the **name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **1700 hours** upto the date of closure of the offer i.e. **Tuesday, July 18, 2006**.

8.13 Persons who own equity shares of MAGNUM any time prior to the date of Offer Closure, but are not registered holders, can tender their equity shares for purchase by the Acquirers, by communicating his / her / their desire to tender, in writing to the Registrar to the Offer and obtain from them a copy of the Letter of Offer, the Application Form and Transfer Deed(s) and lodge the same along with the relevant Share Certificate(s) and other documents, as mentioned hereinabove together with the Original Contract Note issued by a registered Stock Broker of a recognised Stock Exchange, only at the address of Registrar to the Offer as mentioned hereinabove:

*An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a **plain paper** stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them **on or before 1700 hours on Tuesday, July 18, 2006.***

8.14 No indemnity is required from the unregistered shareholders.

8.15 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with MAGNUM, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by MAGNUM to individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by MAGNUM. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by MAGNUM.

8.16 In case of shareholders who have not received the LOO and holding shares in the dematerialised form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of 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 8.5 above, so as to reach the Registrar to the Offer on or before 1700 hours upto the date of Closure of the Offer i.e. **Tuesday, July 18, 2006**. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

8.17 The following collection centre would be accepting the documents as specified above, both in case of shares in physical and dematerialized form.

Address of Registrar to the Offer:

	City	Contact Person	Address	Tel. No.	Fax No.	E-mail ID
1	**Mumbai (Bhandup Branch)**	Miss Awani Punjani	Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai - 400 078	022-25960320-28	022-25960329	awanip@intimespectrum.com
2	**Mumbai (Fort Branch)**	Mr Vivek Limaye	Intime Spectrum Registry Limited, 203, Davar House, Next to Central Camera, D N Road, Fort Mumbai - 400 001	022-22694127		vivek.limaye@inintimespectrum.com
3	**Ahmedabad**	Mr Hitesh Patel	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	079-26465179	079-26465179 (Telefax)	ahmedabad@intimespectrum.com

Banking hours: Monday to Friday 10:00 to 17:00 hours

Saturday 10:00 to 13:30 hours

Holidays : Sundays and Bank Holidays

8.18 The Registrar to the Offer will hold in trust the shares / share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of MAGNUM who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

8.19 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. **Monday, July 13, 2006**. The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. **Thursday, July 13, 2006**.

8.20 The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum-Acknowledgement / Plain paper application submitted and the Acknowledgement slip. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

8.20.1 In case of physical shares: name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares

8.20.2 In case of dematerialized shares: name, address, number of shares tendered, DP name, DP ID, date of tendering the shares, beneficiary account number and a photocopy of the delivery instructions in "off market" mode or counterfoil of the of the delivery instruction in "off market" mode, duly acknowledged by the DP, in favour of the **"ISRL- Magnum Ltd open offer-Escrow A/C"** ("Depository Escrow Account").

8.20.3 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.

8.21 The intimation of returned shares to the Shareholders will be sent at the address as per the records of MAGNUM / Depository as the case may be.

8.22 **Acquirers will acquire all the 8,74,620 fully paid-up equity shares tendered in the Offer with valid applications.**

8.23 Method of Settlement

8.23.1 Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by Acquirers, Acquirers 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 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. The marketable lot of MAGNUM is 1 {one}.

8.23.2 The Form of Acceptance, relevant Original Share Certificate(s), valid Share Transfer Deed(s) and other documents or/ and shares lying in the special depository account, tendered by the shareholders of MAGNUM under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirers only upon the fulfilment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

8.23.3 In case of acceptance on a proportionate basis, the unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owner's depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement and the intimation of the same will be send to the shareholders.

8.23.4 On fulfilment of all the conditions herein mentioned, the Letter of Offer and Form of Acceptance, the Acquirers will pay the Offer Price by a crossed and "Account Payee Only" cheque(s) or demand draft(s) or pay order(s) drawn in favour of the sole shareholder or first named shareholder in case of joint holding. The payment consideration will be sent by Registered Post to the sole / first named shareholder of MAGNUM whose equity shares are accepted by the Acquirers at his address registered with MAGNUM/ DP. **It is desirable that shareholders holding Shares in physical mode provide bank details of the first/ sole shareholder in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/demand draft. In case of shareholders holding Shares in electronic mode, bank particulars recorded with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.**

8.23.5 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

8.23.6 The equity shares of MAGNUM held in dematerialised form, which are not accepted in view of not being a valid tender of equity shares or which are withdrawn by the shareholders, will be released to the beneficial owner's depository account with the respective depositary participant, from where the credit was initially received in favour of the Depository Escrow Account, at the sole risk of the beneficial owner. An intimation to that effect will be sent to the beneficial owner by Ordinary Post.

8.23.7 The Acquirers shall endeavour to complete all procedures relating to the Offer within fifteen days from the date of Closure of the Offer (i.e. **Wednesday, August 02, 2006**), including payment of consideration to the shareholders of MAGNUM whose equity shares are accepted for purchase by the Acquirers.

8.23.8 **While tendering the Shares under the Offer, the NRIs/OCBs/FIIs will be required to submit the No Objection Certificate/ Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration, from the Income Tax Authorities under Income Tax Act, 1961. In case the aforesaid No Objection Certificate/Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.**

8.23.9 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirers will pay interest for the delayed payment beyond fifteen days of the closure of the Offer, at such rate as may be prescribed by SEBI.

8.24 General

8.24.1 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

8.24.2 Neither the Acquirers nor the Manager nor the Registrar nor the Target company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s), and copy of delivery instructions or other documents.

8.24.3 The Offer Price is denominated and payable in Indian Rupees only.

8.24.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

8.24.5 If there is any upward revision in the Offer Price (Regulation 26) by the Acquirers till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised Offer would be payable for all the shares tendered anytime during the Offer.

8.24.6 **There is no competitive bid.**

8.24.7 None of the Acquirers hold any shares of the **Target Company** as on the date of this offer.

8.24.8 **In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 1700 hours upto three working days prior to the date of Closure of the Offer, i.e. Thursday, July 13, 2006, as mentioned in para 9.20**

8.24.9 Alternatively, a copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement can be obtained from SEBI's **web-site: www.sebi.gov.in.**

9 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 301, Camy House, Cawasji Hormusji Street, Marine Lines, Mumbai - 400 002 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Memorandum of Association and Articles of Association of Magnum ltd, Electrotherm (India) Limited., Ahmedabad Aviation and Aeronautics Limited, Copper Components and Alloys Limited and Liberty Finance & Leasing Company (P) Limited, Indus Elec-Trans (P) Limited, E-Motion Power (P) Limited, Palace Tours and Air Charters (P) Limited, Space Information Technologies (P) Limited, Mangalam Information Technologies Limited. and Western India Specialities Hospital (P) Limited

9.2 Memorandum of Understanding between Lead managers i.e. Chartered Capital and Investment Ltd. & Acquirers.

9.3 Undertaking from the Acquirers, stating full responsibility for all information contained in the PA and the Letter of Offer.

9.4 Certificate from Mr. Ashok B. Shah, Chartered Accountants, (Membership No. 106874), dated March 6, 2006, regarding the Networth and availability of financial resources to meet the financial obligations under the Offer in full by Mr. Shailesh Bhandari, Mr. Mukesh Bhandari.

9.5 Certificate from Mr. Manish Mathur partner of M/s Bhanwar Jain & Co., Chartered Accountants, (Membership No.119475), dated March 16, 2006, regarding the Networth and availability of financial resources to meet the financial obligations under the Offer in full by Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari

9.6 Annual Reports of MAGNUM for years ended on March 31, 2003, 2004 and 2005 and unaudited certified financial data for the period ending on March 31, 2006..

9.7 Annual Reports of the Group Companies of the Acquirers i.e. Electrotherm (India) Limited., Ahmedabad Aviation and Aeronautics Limited, Copper Components and Alloys Limited Space Information Technologies (P) Limited, Mangalam Information Technologies Limited.and Liberty Finance & Leasing Company (P) Limited.for the year ended March 31, 2003, 2004 and 2005 and for Indus Elec-Trans (P) Limited, E-Motion Power (P) Limited, Palace Tours and Air Charters (P) Limited, Western India Specialities Hospital (P) Limited for the year ended March 31, 2004, 2005 and 2006.

9.8 Certificate for Unaudited financial data for the purpose of open offer for the year ended March 31, 2006 for the group companies namely Electrotherm (India) Limited. and Liberty Finance & Leasing Company (P) Limited

9.9 Certificate for Unaudited financial data for the purpose of open offer for the period ended on December 31, 2005 for the group companies namely Ahmedabad Aviation and Aeronautics Limited, Copper Components and Alloys Limited, Space Information Technologies (P) Limited and Mangalam Information Technologies Limited.

9.10 Certificate from OBC dated 6th May 2006 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 1997 as on 6th May 2006.

9.11 A copy of the Share Purchase Agreement between The Acquirers and The Sellers dated 2nd May 2006 for acquisition of 17,00,000 equity shares, which triggered the Open Offer.

9.12 Power of Attorney executed by other sellers in the name of Dr. Gitesh K. Shah dated 19th April, 2006.

9.13 Published copy of the PA, which appeared in the newspapers on 8th May, 2006

9.14 The Letter from The Ahmedabad Stock Exchange Ltd for price volume data as referred in the LOO vide letter dated 31.05.2006.

9.15 The Letter from Vadodara Stock Exchange Ltd, Baroda for the price volume data vide letter dated 15.05.2006.

9.16 A copy of the agreement with the Depository Participant Kotak Securities Limited for opening a special depository account for the purpose of the offer with the Registrar to Issue.

9.17 A copy of prior approval under rule 4(1)(a) of SEBI (Registrar to an Issue and Share Transfer Agents) Rules, 1993 from SEBI from Division of Registration-2 dated June 05, 2006.

9.18 Undertaking from the Target Company that the registration of the RTI is valid and action, if any, initiated by SEBI or any other Government body.

9.19 Observation Letter dated June 09, 2006 vide letter no. CFD/DCR/AK/TO/68940/2006 from SEBI (Corporation Finance Department)

10 DECLARATION BY THE ACQUIRERS

10.1 The Acquirers, Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations, 1997

10.2 Each of the Acquirers will be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

10.3 All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Mr Shailesh Bhandari **Mr Mukesh Bhandari**

Mr Prakash Chandra Bhandari **Mrs. Madhvi Bhandari**

Mr. Avinash Bhandari

Place : Ahmedabad

Date : 14.06.2006

11 ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)

OFFER OPENS ON	**: Thursday, June 29, 2006**
OFFER CLOSES ON	**: Tuesday, July 18, 2006**

Please read the Instructions overleaf before filling-in this Form of Acceptance

From :

FOR OFFICE USE ONLY
Acceptance Number
Number of equity shares offered
Number of equity shares accepted
Purchase consideration (Rs.)
Cheque/Demand Draft/Pay Order No.

Tel. No.: Fax No.: E-mail:

To,
Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari,
Ms. Madhvi Bhandari and Mr. Avinash Bhandari
C/o Intime Spectrum Registry Limited,
211 Sudarshan Complex, Near Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009

Dear Sirs,

Sub : *Open Offer to acquire 8,74,620 fully paid-up equity shares of Magnum Limited of Rs. 10/- each at an offer price of Rs. 14.50 per equity share payable in cash, representing 20% of the total subscribed, issued and paid-up equity share and total voting capital by Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari*

I/ We refer to the Letter of Offer dated 14.06.2006 for acquiring the equity shares held by me / us in **Magnum Limited.**

1. I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
2. I / We, unconditionally offer to sell to **Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari** (hereinafter referred to as the "Acquirers") the following equity shares in Magnum Limited (hereinafter referred to as "MAGNUM"), held by me / us, at price of Rs.14.50 per fully paid-up equity share

SHARES HELD IN PHYSICAL FORM

3. I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No.................................... Number of share certificates attached....................
Representing .... equity shares

Number of equity shares held in MAGNUM		**Number of equity shares offered**	
In figures	**In words**	**In figures**	**In words**

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
		Total no. of Equity Shares		

SHARES HELD IN DEMATERLISED FORM

DP NAME	**DP I.D.**	**CLIENT ID**	**NO OF SHARES OFFERED**	**NAME OF BENEFICIARY**

I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled "ISRL- Magnum Ltd open offer-Escrow A/C" ("Depository Escrow Account") whose particulars are:

DP Name	**: Kotak Securities Ltd.**
DP ID Number	**: IN300214**
Client ID Number	**: 12105095**

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ACKNOWLEDGEMENT SLIP

Open Offer to acquire 8,74,620 fully paid-up equity shares of Magnum Limited of Rs. 10/- each at an Offer Price of Rs. 14.50 per equity share payable in cash, representing 20% of the total subscribed, issued and paid-up equity share and total voting capital by) Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari

Received from Mr. / Ms. / Mrs. .... Ledger Folio No/ Client ID. ....DP ID..Number of certificates enclosed .... under the Letter of Offer dated ____________________, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
		Total no. of Equity Shares		

Stamp

Authorised Signatory
Date

4. I / We confirm that the equity sh/ We confirm that the equity shares of MAGNUM which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
5. I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
6. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
7. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.
8. I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
9. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
10. I / We irrevocably authorise the Acquirers to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with MAGNUM/D P :

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with Magnum Limited):

____

____

Place: ________________ **Date:** ________________ **Tel. No(s).:** ________________ **Fax No.:** ________________

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.

Bank Account No.: ______________________________ Type of Account: ______________________________
(Savings / Current / Other (please specify))
Name of the Bank: ____
Name of the Branch and Address: ____

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

1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.		

Yours faithfully,
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

***Note :** In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.*

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2 The Form of Acceptance should be filled-up in English only.
3 Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official Seal.
4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
   I. acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of MAGNUM.
   II. Shareholders of MAGNUM to whom this Offer is being made, are free to offer his / her / their shareholding in MAGNUM for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.
5. Business Hours : Mondays to Friday : 1000 hours to 1700 hours
   Saturday : 1000 to 1330 hours
   Holidays : Sundays and Bank Holidays

Note : All future correspondence, if any, should be addressed to **Registrar to the Offer**
INTIME SPECTRUM REGISTRY LIMITED (UNIT: MAGNUM LIMITED)
(Contact Person: Mr. Hitesh Patel)
211 Sudarshan Complex, Near Mithakhali Underbridge,
Navrangpura, **Ahmedabad - 380 009.**
Tel. nos.: (079) - 26465179 Fax no.: (079) - 26465179.
E-mail: ahmedabad@intimespectrum.com

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON	: Thursday, June 29, 2006
LAST DATE OF WITHDRAWAL	**: Thursday, July 13, 2006**
OFFER CLOSES ON	: Tuesday, July 18, 2006

Please read the Instruction in Letter of Offer and overleaf before filling-in this Form of Withdrawal

From:

FOR OFFICE USE ONLY
Withdrawal Number
Number of equity shares offered
Number of equity shares withdrawn

Tel. No.: Fax No.: E-mail :

To,
Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari,
Ms. Madhvi Bhandari and Mr. Avinash Bhandari
C/o Intime Spectrum Registry Limited,
211 Sudarshan Complex, Near Mithakhali Underbridge,
Navrangpura, Ahmedabad - 380 009

Dear Sirs,

Sub : *Open Offer to acquire 8,74,620 fully paid-up equity shares of Magnum Limited of Rs. 10/- each at anOoffer Price of Rs. 14.50 per equity share payable in cash, representing 20% of the total subscribed, issued and paid-up equity share and total voting capital by Mr.Shailesh Bhandari, Mr. Mukesh Bhandari, Mr. Prakash Chandra Bhandari, Ms. Madhvi Bhandari and Mr. Avinash Bhandari*

I/We refer to the Letter of Offer dated 14.06.2006 for acquiring the equity shares held by me/us in **Magnum Ltd**.

I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on _________ alongwith original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				
2				
3				
		Total no. of Equity Shares		

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Folio No.\DP ID Client ID: Serial No.:

(Acknowledgement Slip)

Intime Spectrum Registry Limited.
211 Sudarshan Complex,Near Mithakhali
Underbridge,Navrangpura, Ahmedabad - 380 009

Received from Mr./Ms.____

Address : ____

____

Form of withdrawal in respect of __________________________ Number of Share

Certificates representing __________________________ number of shares.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Note: All future correspondence, if any, should be addressed to Registrar to the Offer
INTIME SPECTRUM REGISTRY LIMITED (UNIT: MAGNUM LIMITED) (CONTACT PERSON: MR. HITESH PATEL) 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, **Ahmedabad** - 380 009. • Tel. nos.: (079) - 26465179 Fax no.: (079) - 26465179. • E-mail: ahmedabad@intimespectrum.com

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed will be held in trust for me/us by you and a**uthorize you not to remit** the consideration as mentioned in the Letter of Offer.

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT ID	NO OF SHARES OFFERED	NAME OF BENEFICIARY

12. I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled **"ISRL- Magnum Ltd open offer-Escrow A/C"** ("Depository Escrow Account") details are as under

DP Name : Kotak Securities Ltd.
DP ID : IN300214
Client ID : 12105095

I/We note that the Shares will be credited back only to that Depository Account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. Thursday, July 13, 2006.
2. Shareholders should enclose the following:-
   - **a. For Equity Shares held in physical form:**

     Registered Shareholders should enclose:
     - i. Duly signed and completed Form of Withdrawal.
     - ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
     - **iii.** In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

     Unregistered owners should enclose:
     - Duly signed and completed Form of Withdrawal.
     - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from MAGNUM. The facility of partial withdrawal is available only on to Registered shareholders.
7. **Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.**