

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This letter of offer ("LoF") is sent to you as a equity shareholder(s) of Modipon Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LOF and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected."

OPEN OFFER BY

MODI INTERCONTINENTAL PRIVATE LIMITED ("Acquirer")

CIN: U74899DL1986PTC023563

having registered office at 601, 6th Floor, Copia Corporate Suites, 9, Jasola Commercial Complex, New Delhi – 110025;

Tel. No.: 011-46082222, 011-41006093; Fax. No.: 011-41006083;

To acquire upto 2,895,330 (Twenty Eight Lacs Ninety Five Thousand Three Hundred and Thirty) Equity Shares of Face Value of Rs. 10/- each representing 25.01% of the expanded equity share capital of

MODIPON LIMITED

CIN: L65993UP1965PLC003082

having registered office at Hapur Road, Modinagar, Ghaziabad, Uttar Pradesh – 201204;

Tel. No.: 01232-661800, 01232-661900; Fax. No.: 01232-661888;

At a price of Rs. 10.00 (Rupees Ten Only) per fully paid up equity share payable in cash

Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011")

1. This Takeover Open Offer is being made by the Acquirer pursuant to Regulation 3(2) and Regulation 3(1) read with Regulation 3(3) of SEBI (SAST) Regulations, 2011 for substantial acquisition of share and voting rights.
2. The Offer is not conditional upon any minimum level of acceptance.
3. The details of statutory approvals required is given in para 7.4 of this Letter of Offer.
4. **THIS OFFER IS NOT A COMPETING OFFER IN TERMS OF REGULATION 20 OF THE SEBI (SAST) REGULATIONS, 2011. THERE IS NO COMPETING OFFER FOR THIS OFFER AS ON DATE.**
5. If there is any upward revision in the Offer Price/ Offer Size by the Acquirer upto three working days prior to the commencement of the tendering period i.e. upto May 18, 2017, Thursday, or in the case of withdrawal of offer, the same would be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the offer. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within 2 (two) working days by an announcement in the same newspapers on which the Detailed Public Statement had appeared.
6. A copy of Public Announcement, Detailed Public Statement, and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NO. 25 to 30). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER.

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



CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED

CIN: U74899DL2000PTC104508

D-28, South Extn., Part-I, New Delhi – 110049

Contact Person: Mr. Manoj Kumar/ Ms. Ruchika Sharma

Ph.: +91-11-40622228/ +91-11-40622248

Fax: +91-11-40622201

Email: manoj@indiaccp.com / ruchika.sharma@indiaccp.com

SEBI Regn. No: INM000011435

OFFER OPENS ON: MAY 24, 2017, WEDNESDAY



MAS SERVICES LIMITED

CIN: U74899DL1973PLC006950

T-34, IInd Floor, Okhla Industrial Area, Phase – II,
New Delhi – 110020

Contact Person: Mr. N.C. Pal

Ph.: +91-11-26387281-83; Fax: +91-11-26387384;

Email: info@massserv.com

SEBI Regn. No.: INR000000049

OFFER CLOSING ON: JUNE 06, 2017, TUESDAY

SCHEDULE OF ACTIVITIES OF THE OFFER

ACTIVITY	ORIGINAL	REVISED
	DATE AND DAY	DATE AND DAY
Public Announcement (PA) Date	September 01, 2016, Thursday	September 01, 2016, Thursday
Detailed Public Statement (DPS) Date	September 09, 2016, Friday	September 09, 2016, Friday
Last date for a competing offer	October 03, 2016, Monday	October 03, 2016, Monday
Identified Date*	October 14, 2016, Friday	May 09, 2017, Tuesday
Date by which LoF will be despatched to the shareholders	October 21, 2016, Friday	May 17, 2017, Wednesday
Issue Opening PA Date	October 27, 2016, Thursday	May 23, 2017, Tuesday
Last date by which Board of TC shall give its recommendations	October 25, 2016, Tuesday	May 19, 2017, Friday
Date of commencement of tendering period (Offer opening Date)	October 28, 2016, Friday	May 24, 2017, Wednesday
Date of expiry of tendering period (Offer closing Date)	November 11, 2016, Friday	June 06, 2017, Tuesday
Date by which all requirements including payment of consideration would be completed	November 28, 2016, Monday	June 20, 2017, Tuesday

**Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent.*

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and the probable risk in associating with the Acquirer:

(A) Relating to Transaction

The Offer is made pursuant to the preferential allotment of equity shares to the Acquirer which was subject to the approval of shareholders of the Target Company as per the provisions of Companies Act, 2013 and SEBI (ICDR) Regulations, 2009. In terms of Regulation 23 (1) of SEBI (SAST) Regulations, 2011, there may be an event which warrants withdrawal of the Offer. The Acquirer makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer. The Offer is subject to receipt of the statutory approvals as set out in Part 7.4 (Terms and Conditions of the Offer – Statutory and Other approvals) of this LOF.

(B) Relating to the Offer

- 1) This Offer is subject to the provisions of the SEBI (SAST) Regulations, 2011 and in case of non-

compliance with any of the provisions of the SEBI (SAST) Regulations, 2011, the Acquirer shall not act upon the acquisition of equity shares under the Offer.

- 2) In the event that either (a) any regulatory approvals required for the Offer are not received in time or are not received in a timely manner; (b) there is any litigation leading to a stay on the offer; or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of MPL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 3) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 4) The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and the public shareholders who will tender their equity shares will not be able to trade such equity shares held in trust by the Registrar to the Offer during such period. During such period, there may be fluctuations in the market price of the equity shares that may adversely impact the public shareholders who have tendered their equity shares in this Offer. Accordingly, the Acquirer makes no assurance with respect to any decision by the public shareholders on whether or not to participate in the Offer. It is understood that the public shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 5) The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/ Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
- 6) Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.
- 7) This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LOF who are resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.

(C) Relating to the Acquirer

- 1) The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- 2) The Acquirer makes no assurance with respect to their investment/ divestment decisions relating to their proposed shareholding in the Target Company.
- 3) The Acquirer does not provide any assurance with respect to the market price of the equity shares

before, during or after the Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any public shareholder on whether to participate or not to participate in the Offer.

- 4) The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The public shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

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

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1. DEFINITIONS

1.	Acquirer or The Acquirer	Modi Intercontinental Private Limited
2.	Board of Directors / Board	The Board of Directors of Modipon Limited
3.	Book Value per share	Net worth / Number of equity shares issued
4.	BSE	BSE Limited
5.	Buying Broker	K. K. Securities Limited
6.	Companies Act	The Companies Act, 2013, as amended from time to time
7.	Detailed Public Statement or DPS	Detailed Public Statement which appeared in the newspapers on September 09, 2016
8.	EPS	Profit after Tax / Number of Equity Shares issued
9.	Escrow Agreement	Escrow Agreement dated September 06, 2016 between the Acquirer, Escrow Agent and Manager to the Offer
10.	Escrow Bank/ Escrow Agent	Kotak Mahindra Bank Limited, having its branch office at E-25, Saket, New Delhi – 110017
11.	Expanded Equity Share Capital	Rs. 115,766,890 (Rupees Eleven Crores Fifty Seven Lacs Sixty Six Thousand Eight Hundred and Ninety Only) representing 11,576,689 (One Crores Fifteen Lacs Seventy Six Thousand Six Hundred and Eighty Nine) Equity Shares of Rs.10 (Rupees Ten Only) each
12.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
13.	Form of Acceptance	Form of Acceptance cum Acknowledgement
14.	LOO or Letter of Offer or LOF	This Letter of Offer
15.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
16.	N.A.	Not Available/ Not Applicable
17.	NRI	Non Resident Indian
18.	Offer or The Offer or Open Offer	Open Offer for acquisition of upto 2,895,330 Equity Shares of face value of Rs. 10/- each being 25.01% of the expanded equity share capital of Target Company at a price of Rs. 10/- per Equity Share payable in cash
19.	Offer Period	September 01, 2016, Thursday to June 20, 2017, Tuesday
20.	Offer Price	Rs. 10/- (Rupees Ten Only) per fully paid up Equity Share payable in cash
21.	PAT	Profit After Tax

22.	Persons eligible to participate in the Offer	Registered shareholders of Modipon Limited and unregistered shareholders who own the Equity Shares of Modipon Limited any time prior to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, for the sale of shares of the Target Company.
24.	Present Equity Share Capital	Rs. 78,380,570 (Rupees Seven Crores Eighty Three Lacs Eighty Thousand Five Hundred and Seventy Only) representing 7,838,057 (Seventy Eight Lacs Thirty Eight Thousand And Fifty Seven) Equity Shares of Rs.10/- each
25.	Public Announcement or PA	Public Announcement submitted to BSE as well as to SEBI on September 01, 2016
26.	Registrar or Registrar to the Offer	MAS Services Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time
27.	RBI	The Reserve Bank of India
28.	Return on Net Worth	(Profit After Tax/ Net Worth) *100
29.	INR or Rs.	Indian Rupees
30.	SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
31.	SICA	Sick Industrial Companies (Special Provisions) Act, 1985
32.	SEBI Act	Securities and Exchange Board of India Act, 1992
33.	SEBI	Securities and Exchange Board of India
34.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
35.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
36.	Target Company or MPL	Modipon Limited
37.	Tendering Period	Wednesday, May 24, 2017 to Tuesday, June 06, 2017

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LOF 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 MODIPON LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY

RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 17, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. The Offer is being made under Regulation 3(2), Regulation 3(1) read with Regulation 3(3) of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares of Target Company.
- 3.1.2. To settle the OTS (One Time Settlement) Scheme of outstanding dues with Punjab National Bank, the Target Company availed a loan of Rs. 6 Crores from the Acquirer, one of the promoters of Target Company, which was repayable within a maximum period of one year, failing which the Acquirer had the right to convert its loan into equity. The Target Company expressed its inability to repay the loan taken, accordingly, the Acquirer opted for conversion of certain portion of said loan amount of Rs. 60,000,000 (Rupees Six Crores Only) into 3,738,632 (Thirty Seven Lacs Thirty Eight Thousand Six Hundred and Thirty Two Only) Equity Shares of the Target Company.
- 3.1.3. Pursuant to this, on September 01, 2016, the Board of Directors in its meeting considered and approved the preferential allotment of 3,738,632 (Thirty Seven Lacs Thirty Eight Thousand Six Hundred and Thirty Two Only) Equity Shares representing 32.29% of Rs. 10/- each of the expanded equity share capital of the Target Company i.e. 11,576,689 Equity Shares of Rs.10/- each at a price of Rs.10/- (Rupees Ten Only) to the Acquirer.
- 3.1.4. The Acquirer along with other existing promoters presently holds 4,942,727 Equity Shares representing 63.06% of the present equity share capital of the Target Company i.e. 7,838,057 Equity Shares of Rs.10/- each. Pursuant to proposed preferential allotment the shareholding of the Acquirer and other existing promoters will increase from 4,942,727 representing 63.06% of present equity paid-up capital of the Target Company to 8,681,359 representing 74.99% of the expanded equity share capital of the Target Company. The Acquirer

shareholding will increase from 46,445 Equity Shares representing 0.59% of the present paid up equity share capital of the Target Company to 3,785,077 Equity Shares representing 32.70% of the expanded equity share capital of the Target Company. Subject to the approval from the shareholders of the Target Company in accordance with the Companies Act, 2013 and other compliances/approvals, if any, required under applicable law, such increase was approved by the Board of Directors of Target Company on September 01, 2016, which triggered the obligation to make a PA for Offer in terms of Regulation 13(1)(g) read with Regulation 3(2), Regulation 3(1) read with Regulation 3(3) of SEBI (SAST) Regulations, 2011.

- 3.1.5. Subsequent to the Offer, there will be no change in the future business of the Target Company as Acquirer is one of the existing promoter of the Target Company.
- 3.1.6. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.
- 3.1.7. Acquirer is the existing promoter of the Target Company and there will be no change in the control and management of the Target Company, accordingly, Acquirer will not make any change in the composition of Board of Directors of the Target Company subsequent to the completion of the Takeover Open Offer.
- 3.1.8. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period i.e. latest by May 19, 2017, Friday, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, BSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.

3.2. Details of the proposed offer

- 3.2.1. In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, the Acquirer has given a PA on September 01, 2016, Thursday to SEBI, BSE and TC and published DPS on September 09, 2016 in the following newspapers:

Publication	Editions
Business Standard (Hindi)	All Editions
Business Standard (English)	All Editions
Mahanayak (Marathi)	Mumbai Edition

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in; BSE website at www.bseindia.com; and the website of Manager to the Offer www.corporateprofessionals.com;

- 3.2.2. The Acquirer has made a Takeover Open Offer in terms of SEBI (SAST) Regulations, 2011 to the shareholders of MPL to acquire upto 2,895,330 (Twenty Eight Lacs Ninety Five Thousand Three Hundred and Thirty Only) fully paid up Equity Shares of Rs. 10/- each representing 25.01% of the expanded equity share capital of the Target Company at a price

of Rs. 10/- (Rupees Ten Only) per fully paid up equity share ("**Offer Price**"), payable in cash subject to the terms and conditions set out in the PA, DPS and this draft Letter of Offer.

- 3.2.3. There are no partly paid up shares in the Target Company.
- 3.2.4. There is no differential pricing in the Offer.
- 3.2.5. This is not a competitive Bid in terms of the Regulation 20 of SEBI (SAST) Regulations, 2011.
- 3.2.6. The Offer is not a conditional offer and is not subject to any minimum level of acceptance from public shareholders of the Target Company in terms of regulation 19(1) of the SEBI (SAST) Regulations, 2011. The Acquirer will accept the Equity Shares of MPL those are tendered in valid form in terms of this offer upto a maximum of 2,895,330 (Twenty Eight Lacs Ninety Five Thousand Three hundred and Thirty Only) Equity Shares representing 25.01% of the expanded equity share capital of the Target Company.
- 3.2.7. The Acquirer has not acquired any shares of Target Company after the date of P.A. i.e. September 01, 2016, Thursday and upto the date of this draft LoF.
- 3.2.8. The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.9. As on the date of LoF, the Acquirer holds 46,445 (Forty Six Thousand Four Hundred and Forty Five) Equity Shares representing 0.59% of the present paid-up equity share capital of the Target Company.
- 3.2.10. Upon completion of the Offer, assuming full acceptance in the Offer, Acquirer along with other promoters will hold 11,576,689 (One Crore Fifteen Lacs Seventy Six Thousand Six Hundred and Eighty Nine) Equity Shares constituting 100.00% of the expanded equity share capital of the Target Company as on the tenth working day after the closure of the Tendering Period. Pursuant to this Open Offer, the public shareholding in the Target Company will reduce below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement and the Acquirer undertakes that it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Securities Contracts (Regulation) Rules, 1957 as amended, the Listing Agreement or corresponding provisions of SEBI (LODR) Regulations, 2015 and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations and will reduce the non-public shareholding within the time period mentioned therein.
- 3.2.11. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.3. Object of the Acquisition/ Offer

- (A) To settle the outstanding dues with Punjab National Bank, the Target Company entered into a One Time Settlement (OTS) Scheme with the bank and in pursuance thereof availed a loan of Rs. 60,000,000 (Rupees Six Crores Only) from the Acquirer, one of the promoters of

Target Company, the loan was repayable within a maximum period of one year, failing which Acquirer had the right to convert its loan into equity. The Target Company expressed its inability to repay the loan taken, accordingly, the Acquirer opted for conversion of certain portion of said loan amount of Rs. 60,000,000 (Rupees Six Crores Only) into 3,738,632 (Thirty Seven Lacs Thirty Eight Thousand Six Hundred and Thirty Two Only) Equity Shares of the Target Company.

- (B) Pursuant to this, on September 01, 2016, the Board of Directors in its meeting considered and approved the preferential allotment of 3,738,632 (Thirty Seven Lacs Thirty Eight Thousand Six Hundred and Thirty Two Only) Equity Shares representing 32.29% of Rs. 10/- each of the expanded equity share capital of the Target Company i.e. 11,576,689 Equity Shares of Rs.10/- each at a price of Rs.10/- (Rupees Ten Only) to the Acquirer.
- (C) The Acquirer do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years from the date of closure of the Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company, by way of a special resolution passed by postal ballot, in terms of regulation 25(2) of SEBI (SAST) Regulations, 2011 and subject to the provisions of applicable law as may be required.
- (D) This Open Offer is for acquisition of 25.01% of the expanded share capital of the Target Company. After the completion of this Open Offer, the Acquirer along with other existing promoters would be the single largest Equity Shareholders group.
- (E) The Acquirer does not intend to make any changes in the management of the Target Company.

4. BACKGROUND OF THE ACQUIRER - MODI INTERCONTINENTAL PRIVATE LIMITED (“ACQUIRER”)

- 4.1.** Acquirer, is a private limited company incorporated under the provisions of the Companies Act, 1956 with Registrar of Companies, Delhi (CIN: U74899DL1986PTC023563) on March 17, 1986 with the name and style of “Modi Intercontinental Private Limited”. There has been no change in the name of the Acquirer since incorporation. The main object of the Acquirer is to carry on the business of and to act as Merchants, Traders, commission Agents, Representative to Import and Export, buy and sale, Barter Exchange on the wise deal in goods, produce articles, commodities, plants and equipment merchandise of any description, however, presently, the Company is not carrying any major business activity other than investments in group companies. The Registered Office of the Acquirer is situated at 601, 6th Floor, Copia Corporate Suites, 9, Jasola Commercial Complex, New Delhi-110025. The Acquirer belongs to Modi

Mangal Group. The Acquirer is one of the promoters in the Target Company with the present shareholding of 46,445 (Forty Six Thousand Four Hundred and Forty Five) Equity Shares representing 0.59% of the present paid-up equity share capital of the Target Company i.e. 7,838,057 Equity Shares of Rs. 10/- each. Collectively, the promoters along with the Acquirer hold 4,942,727 (Forty Nine Lacs Forty Two Thousand Seven Hundred and Twenty Seven) Equity Shares representing 63.06% of the present paid-up equity share capital of the Target Company i.e. 7,838,057 Equity Shares of Rs. 10/- each.

4.2. The present authorised share capital of the Acquirer is Rs. 1,000,000 (Rupees Ten Lacs Only) constituting 90,000 (Ninety Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each and 10,000 (Ten Thousand) preference shares of Rs. 10/- (Rupees Ten Only) each. The paid up equity share capital of the Acquirer is Rs. 500,000 (Rupees Five Lacs Only) divided into 50,000 (Fifty Thousand) equity shares of Rs.10/- (Rupees Ten Only) each.

4.3. The list of shareholders/ promoters of Acquirer are specified below:

S. No.	Name of the Shareholders	No. of Shares held	% of shareholding
1.	Daisy Investment Private Limited	7,540	15.08
2.	Shri. Manish Kumar Modi	10,500	21.00
3.	Smt. Veena Modi	5,000	10.00
4.	Smt. Aditee Modi	5,000	10.00
5.	Ms. Ruchika Modi	3,000	6.00
6.	Modipon Limited	3,460	6.92
7.	Status Mark Finvest Limited	15,500	31.00
	Total	50,000	100.00

Note: In the Public Announcement filed with SEBI, BSE and Target Company on September 01, 2016, there was a typographical error in the shareholding structure of Acquirer which has been rectified in the above mentioned table.

4.4. As on date of LOF, Acquirer holds 46,445 (Forty Six Thousand Four Hundred and Forty Five) Equity Shares representing 0.59% of the present equity share capital of the Target Company. The brief details of the earlier acquisition of shares in the Target Company are provided below:

S. No.	Date of Acquisition	No. of Shares acquired	Percentage of Shares acquired	Mode of Acquisition
1.	1993	16,000	0.20	Shares received from YK Modi under Family settlement in year 1993

2.	2007	30,445	0.39	Shares received from KK Modi pursuant to family settlement
Total		46,445	0.59	

4.5. Acquirer is an existing promoter of the Target Company and holds 46,445 (0.59%) Equity Shares, acquired in two tranches under family settlement of the promoters. No proof of compliance w.r.t these acquisitions are available. The Acquirer does not have any proof of compliance of Chapter II/Chapter V of SEBI (SAST) Regulations, 1997/2011.

4.6. Shareholding pattern of the Acquirer as on the date of LOF is as under:

Sl. No.	Shareholder's Category	No. and Percentage of Shares held
1.	Promoters	50,000 Equity Shares (100.00%)
2.	FII/ Mutual-Funds/ FIs/ Banks	Nil
3.	Public	Nil
	Total Paid Up Capital	50,000 Equity Shares (100.00%)

4.7. The list of Directors of Acquirer as on the date of this draft DLOO is as follows:

Name of the Director	Designation	DIN	Qualification and Experience in No. of years and field of experience	Date of Appointment	No. of shares held in Target Company
Mrs. Veena Modi	Director	00003412	Under Graduate	30.03.2006	259,925 Equity Shares
Dr. Mahendra Kumar Modi	Director	00014594	Bachelor Degree in Industrial Engineering	01.09.1993	211 Equity Shares
Ms. Aditee Modi	Director	00030120	Undergraduate	20.08.2004	5,448 Equity Shares
Ms. Manish Kumar Modi	Director	00030036	Bachelor Degree in Computer Science and MBA (Marketing)	04.10.1993	39,339 Equity Shares

Note: Dr. Mahendra Kumar Modi, Director of Acquirer is the Chairperson in the Target Company

and Mr. Manish Kumar Modi, Director of Acquirer is the Managing Director in Target Company.

- 4.8. The key financial information of the Acquirer based on the financial statements for the financial year ended March 31, 2014, March 31, 2015 and March 31, 2016 is as follows:

(Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Unaudited)
Income from Operations	0.00	0.00	0.00
Other Income	2.25	0.00	565.43
Increase/ Decrease in stock	0.00	0.00	0.00
Total income	2.25	0.00	565.43
Total Expenditure (Excluding Depreciation and Interest)	0.28	0.07	0.12
Profit Before Depreciation, amortization, Interest & Tax	1.97	(0.07)	565.31
Depreciation	0.00	0.00	0.00
Interest	0.00	0.00	0.00
Profit/ (Loss) Before Tax	1.97	(0.07)	565.31
Provision for Tax	-	-	-
Profit/ (Loss) After Tax	1.97	(0.07)	565.31

Balance Sheet Statement	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Unaudited)
Sources of funds			
Paid up share capital	5.00	5.00	5.00
Reserves and Surplus (Excl. Revaluation Reserves)	47.39	47.32	612.62
Secured loans	0.00	0.00	0.00
Unsecured loans	0.00	0.00	0.00
Deferred Tax Liability (Net)	0.00	0.00	0.00
Total	52.39	52.32	617.62
Uses of funds			
Net fixed assets	0.00	0.00	0.00
Investments	110.88	110.88	33.39
Other Non-Current Assets	0.68	0.68	3.98
Net Current Assets	(59.17)	(59.24)	580.25

Total miscellaneous expenditure not written off	0.00	0.00	0.00
Total	52.39	52.32	617.62

Other Financial Data	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Unaudited)
Dividend (%)	0.00	0.00	0.00
Earning Per Equity Share (Rs.)	3.94	(0.15)	1130.61
Networth (Rs. In Lacs)	52.39	52.32	617.62
Return on Networth (%) (PAT/NW)	0.04%	0.00%	0.92%
Book Value Per Equity Share	104.78	104.63	1235.24

Source- As certified by Mr. Vinod Gupta (Membership No. 090687), Partner of SPMG & Company, Chartered Accountants having office at 3322A, 2nd Floor, Bank street, Karol Bagh, New Delhi – 110015; Tel. No.: (+)91 11 28728769, (+)91 11 28727385 ; Website: www.spmg.in vide certificate dated August 31, 2016.

- 4.9.** There are no contingent liabilities of Acquirer.
- 4.10.** The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.
- 4.11.** Acquirer is not in the list of ‘wilful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by the RBI.
- 4.12.** Acquirer is one of the promoters in the Target Company. Dr. Mahendra Kumar Modi, Director of Acquirer Company is also the Chairman of Target Company; and Mr. Manish Kumar Modi, Director of Acquirer Company is also the Managing Director of Target Company. Please note that we inadvertently missed out to mention in the PA filed on September 01, 2016 with SEBI, BSE and TC that the TC holds 3,460 (Three Thousand four Hundred and Sixty) equity shares representing 6.92% of the present equity share capital of the Acquirer.
- 4.13.** SEBI may initiate appropriate action against the Acquirer/ Promoter Group for the instances of alleged non-compliances with SEBI (SAST) Regulations, 1997 and SEBI (SAST) Regulations, 2011 in the past.

5. BACKGROUND OF THE TARGET COMPANY – MODIPON LIMITED

- 5.1.** MPL is a public listed company incorporated as “Modipon Limited” on August 19, 1965, under the Companies Act, 1956 with the Registrar of Companies, Kanpur (CIN: L65993UP1965PLC003082) and obtained its Certificate of Commencement of Business on February 29, 1966. The Registered Office of MPL is situated at Hapur Road, Modinagar, Ghaziabad, Uttar Pradesh – 201204. The Target Company had been engaged in the business of manufacturing of nylon and polyester filament yarn. The manufacturing facility of the Target Company was at Modinagar, Uttar Pradesh. Since, May 2007, the business of Target Company

is closed.

5.2. Capital structure of the Target Company as on the date of LoF is as follows:-

Paid up Equity Shares of Target Company	No. of Shares/ voting rights	% of voting rights
Fully paid up equity shares	7,838,057 Equity Shares of Rs. 10 each	100.00
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	7,838,057 Equity Shares of Rs. 10 each	100.00
Total voting rights in TC	7,838,057 Equity Shares of Rs. 10 each	100.00

5.3. Presently, the Equity Shares of the Target Company are listed and traded on BSE Limited. Earlier the Equity Shares of the Target Company were listed on Uttar Pradesh Stock Exchange Association Limited, Calcutta Stock Exchange Association Limited and Delhi Stock Exchange Association Limited (collectively referred to as “Stock Exchanges”), however, the shares were delisted from all the above Stock Exchanges on January 30, 2004, July 21, 2004 and March 31, 2004, respectively. The Equity Shares of the Target Company are listed and traded on BSE and are infrequently traded within the meaning and definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) and Regulation (2) of the SEBI (SAST) Regulations.

5.4. The authorised share capital of the Target Company as on the date is Rs. 250,000,000 (Rupees Twenty Five Crores Only) divided into 20,000,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten) each and 500,000 (Five Lacs) Preference Shares of Rs.100/-(Rupees Hundred Only) each. The present paid-up capital of the Target Company is Rs. 85,559,770 (Rupees Eight Crores Fifty Five Lacs Fifty Nine Thousand Seven Hundred and Seventy Only) comprising of 7,838,057 (Seventy Eight Lacs Thirty Eight Thousand and Fifty Seven) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 71,792 (Seventy One Thousand Seven Hundred and Ninety Two) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred Only) each.

5.5. There are currently no outstanding partly paid up shares in the Target Company.

5.6. The Equity Shares of the Company are not currently suspended for trading on BSE.

5.7. As on the date of draft LoF, the composition of the Board of Directors of MPL is asunder:

S. No.	Name and Address of Director	Designation	Date of Appointment
1.	Dr. Mahendra Kumar Modi Address: A-1, Chinar Drive, DLF Farms, Chattarpur, Mehrauli, New Delhi – 110074	Director	12/02/1976
2.	Mr. Manish K. Modi Address: A-1, Chinar Drive, DLF Farms, Chattarpur, Mrhrauli, New Delhi – 110074	Director	01/08/2005

3.	Mr. Amit Kumar Ghosh Managing Director, UPSIDC Limited, UPSIDC Complex, A-1/4, Lakhanpur, Kanpur – 208 024	Director	01/09/2016
4.	Mr. Gaurav Sekhri Address: ChinMin Farms, 448-451, Satabri, Mehrauli, New Delhi – 110030	Director	14/08/2014
5.	Mr. Vivek Gupta Address: 46-A, Friends Colony, New Delhi – 110065	Director	14/08/2014
6.	Ms. Aditee Modi Address: A-1, Chinar Drive, DLF Farms, Chattarpur, Mehrauli, New Delhi – 110074	Director	14/08/2014

Note: Dr. Mahendra Kumar Modi, Director of Acquirer is the Chairperson in the Target Company and Mr. Manish Kumar Modi, Director of Acquirer is the Managing Director in Target Company.

5.8. There has been no merger/de-merger, spin off during last 3 years involving the Target Company.

5.9. The financial information of Target Company based on the audited standalone financial statements for the financial year ended March 31, 2014, March 31, 2015 and March 31, 2016 are as follows:

(Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Audited)
Income from Operations			
Other Income	382.26	513.83	1140.57
Increase/ (Decrease) in Stock	0.00	0.00	0.00
Total Income	382.26	513.83	1140.57
Total Expenditure (Excluding Depreciation and Interest)	112.76	466.06	303.46
Profit Before Depreciation, Interest and Tax	269.50	47.77	837.11
Depreciation	0.03	0.39	0.62
Interest	7.15	295.02	264.41
Profit/ (Loss) Before Tax	262.32	(247.63)	572.07
Provision for Tax/ Current Tax	0.00 -	0.00 -	0.00 -
Taxes for earlier years	-	-	(64.99)

Profit/ (Loss) After Tax	262.32	(247.63)	637.06
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Balance Sheet Statement	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Audited)
Sources of funds			
Paid up share capital	855.60	855.60	855.60
Reserves and Surplus (Excl. Revaluation Reserves)	(9104.46)	(9352.10)	(8715.04)
Secured loans	0.00	0.00	5.23
Unsecured loans	0.00	725.15	725.15
Other Long Term Liabilities	2169.68	2187.15	2001.29
Deferred Tax Liability (Net)	0.00	0.00	0.00
Total	(6079.18)	(5584.20)	(5127.76)
Uses of funds			
Net fixed assets	0.00	0.44	9.76
Investments	55.85	0.44	0.44
Other Non-Current assets	0.01	106.44	88.10
Net Current Assets	(6135.04)	(5691.52)	(5226.06)
Total miscellaneous expenses not written off	0.00	0.00	0.00
Total	(6079.18)	(5584.20)	(5127.76)

Other Financial Data	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Audited)
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	3.19	(3.30)	8.13
Networth (Rs. In Lacs)	(8320.65)	(8568.29)	(7931.23)
Return on Networth (%)	(3.15)	(2.89)	(8.03)
Book Value Per Share (Rs.)	(106.16)	(109.32)	(101.19)

Source- As certified by Mr. Bharat C Swain (Membership No. 501999), Partner of B.M. Chatrath & Co., Chartered Accountant (FRN: 301011E) having office at A-78, 2nd Floor, Sector-4, Noida – 201301(U.P.); Tel. No.: 0120-4742001 to 0120-4742008; E-mail: bharatswain@bmchatrath.com vide certificate dated August 31, 2016.

- 5.10.** Pre and Post-Offer shareholding pattern of the Target Company as on the date of draft LoF is as follows:

S. No.	Shareholder Category	Shareholding & Voting rights prior to the Agreement/ acquisition and Offer (A)		Shares/voting rights agreed to be 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. Parties to agreement, if any	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	b. Promoters other than (a) above	4,896,282	62.47 (*)	Nil	NA	Nil	NA	4,896,282	42.29 (#)
	Total 1 (a+b)	4,896,282	62.47 (*)	Nil	NA	Nil	NA	4,896,282	42.29 (#)
2	Acquirer								
	Modi Intercontinental Private Limited	46,445	0.59 (*)	3,738,632	32.29 (#)	2,895,330	25.01 (#)	6,680,407	57.71 (#)
	Total 2	46,445	0.59 (*)	3,738,632	32.29 (#)	2,895,330	25.01 (#)	6,680,407	57.71 (#)
3	Parties to the agreement other than 1(a) & 2	Nil	NA	Nil	NA	Nil	NA	Nil	NA
4	Public								
a.	FIs / MFs / FIIIs / Banks, SFIs (12)	1,319,565	16.84 (*)	Nil	NA	(2,895,330)	(25.01) (#)	Nil	NA
b.	Others (7679 Shareholders)	1,575,765	20.10 (*)	Nil	NA				
	Total (4)(a+b)	2,895,330	36.94 (*)	Nil	NA	(2,895,330)	(25.01) (#)	Nil	NA

	Total (1+2+3+4)	7,838,057	100.00	Nil	NA	Nil	NA	11,576,689	100.00
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(*) These percentages have been calculated on the present paid-up equity share capital of the Target Company i.e. 7,838,057 (Seventy Eight Lacs Thirty Eight Thousand and Fifty Seven) Equity Shares of Rs.10/- each.

(#) These percentages have been calculated on the expanded equity share capital of the Target Company i.e. 11,576,689 (One Crore Fifteen Lacs Seventy Six Thousand Six Hundred and Eighty Nine Lacs) Equity Shares of Rs.10/- each.

- 5.11.** SEBI may initiate appropriate action against the Target Company for the instances of alleged non-compliances with SEBI (SAST) Regulations, 1997 and SEBI (SAST) Regulations, 2011 in the past.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

- 6.1.1. The Offer is made pursuant to preferential allotment of Equity Shares to Acquirer, which is an existing promoter group entity of the Target Company. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 6.1.2. Presently, the Equity Shares of the Target Company are listed and traded on BSE Limited. Earlier the Equity Shares of the Target Company were listed on Uttar Pradesh Stock Exchange Association Limited, Calcutta Stock Exchange Association Limited and Delhi Stock Exchange Association Limited (collectively referred to as "Stock Exchanges"), however, the shares were delisted from all the above Stock Exchanges on January 30, 2004, July 21, 2004 and March 31, 2004, respectively.
- 6.1.3. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months of prior to PA date (September 2015 to August 2016) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of PA	Total No. of Equity Shares	Annualised Trading Turnover (as % of Total Equity Shares)
BSE	12,229	7,838,057	0.16%
Total	12,229	7,838,057	0.16%

(Source: www.bseindia.com)

- 6.1.4. The Equity Shares of the Target Company are listed and traded on BSE but are **infrequently traded** within the meaning of definition of "frequently traded shares" under clause (j) of Sub- Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
- 6.1.5. The Offer Price of Rs. 10.00/- (Rupees Ten Only) is justified, in terms of Regulation 8(2) of

the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price
(a)	The price at which the equity shares are proposed to be allotted to the Acquirer pursuant to the Preferential Allotment of equity shares as approved by the Board of Directors in the meeting held on September 01, 2016.	Rs. 10.00 per share
(b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer along with other existing promoters, during 52 weeks immediately preceding the date of Public Announcement	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer along with other existing promoters during 26 weeks immediately preceding the date of Public Announcement	Not Applicable
(d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the Public Announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period.	Not Applicable

Other Parameters*	Based on the audited financial data for the period ended March 31, 2016
Book Value per Share (In Rs.)	(101.19)
The Target Company is not carrying any business activities for last several years and hence other parameters as provided in Regulation 8(2)(e) of SEBI (SAST) Regulations could not be applied.	

The Target Company has obtained an independent valuation certificate from **M/s. SGR & Associates, Chartered Accountants**, for the proposed preferential allotment and the present Offer. The said valuer has certified that the Face Value of the Equity Share i.e. Rs. 10.00 (Rupees Ten) is fair value per share of the Target Company, which is the minimum required price for allotment of shares.

Based on the parameters considered and presented in tables and paragraph above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 10.00/- (Rupees Ten Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

- 6.1.6. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.7. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer

during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

- 6.1.8. If the Acquirer acquire equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.9. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- 6.1.10. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to the shareholders.

6.2. Financial Arrangement

- 6.2.1. The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 2,895,330 (Twenty Eight Lacs Ninety Five Thousand Three Hundred and Thirty Only) Equity Shares from the public shareholders of the Target Company at an Offer Price of Rs. 10.00/- (Rupees Ten Only) per fully paid up equity share is Rs. 28,953,300 (Rupees Two Crores Eighty Nine Lacs Fifty Three Thousand and Three Hundred Only) (the “**Maximum Consideration**”).
- 6.2.2. The Acquirer has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources of the Acquirers.
- 6.2.3. Acquirers, the Manager to the Offer and Kotak Mahindra Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at E-25, Saket, New Delhi – 110017 have entered into an Escrow Agreement dated September 06,

2016 for the purpose of the Offer (the "**Offer Escrow Agreement**") in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement, the Acquirer has opened an Escrow Account bearing name and style as "**CPCPL-MPL-OPEN OFFER ESCROW ACCOUNT**", (the "**Escrow Account**") and have deposited cash of Rs. 7,250,000 (Rupees Seventy Two Lacs and Fifty Thousand Only) being more than 25% of the total consideration payable.

- 6.2.4. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.5. Mr. Vinod Gupta (Membership No. 090687), Partner of SPMG & Company, Chartered Accountant having office at 3322A, 2nd Floor, Bank Street, Karol Bagh, New Delhi – 110005; Tel. No.: (+) 91 11 28728769 & (+) 91 11 28727385; Email: www.spmg.in, vide certificate dated August 31, 2016 has certified that the Acquirer has adequate net worth and sufficient resources to meet the fund requirement for this Takeover Open Offer.
- 6.2.6. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill their obligations through verifiable means in relation to the Offer in accordance with the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational terms and conditions

- 7.1.1. The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2. LoF will be dispatched to all the equity shareholders of MPL, whose names appear in its Register of Members on May 09, 2017, Tuesday, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4. of this LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 7.1.7. Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected.
- 7.1.8. While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

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

7.1.10. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company.

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

7.2. Locked in shares: The pre-preferential shareholding of Acquirer will be under lock-in from the relevant date upto six months from the date of trading approval of the equity shares being allotted to the Acquirer. The shares being allotted to the Acquirer shall also be under Lock-in in terms of Regulation 78 of SEBI (ICDR) Regulations, 2009.

7.3. Persons eligible to participate in the Offer

All registered shareholders of MPL and unregistered shareholders who own the Equity Shares of MPL any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialized form, for the sale of shares of the Target Company except for the Acquirer and other existing promoters of the Target Company are eligible to participate in the Offer.

7.4. Statutory and other Approvals:

7.4.1. To the best of the knowledge of the Acquirer, there are no statutory or other approvals required to complete the acquisition of the Equity Shares under the Offer as on the date of this DPS, except as set out below. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Offer would also be subject to such other statutory or other approval(s) being obtained. The Acquirer will not proceed with the Offer in the event such statutory approvals that are required are refused in terms of Regulation 23 of SEBI (SAST) Regulations. This Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer.

7.4.2. If the holders of the Equity Shares who are not persons resident in India (including non-resident Indians ("**NRIs**"), overseas corporate bodies ("**OCBs**") and registered foreign portfolio investors) require any approvals (including from RBI, the Foreign Investment Promotion Board or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

7.4.3. The NRIs and OCBs holders of Equity Shares, if any, must obtain all requisite approvals

required to tender the Equity Shares held by them pursuant to the Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept the Offer.

- 7.4.4. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
- 7.4.5. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.4.6. The Acquirer does not require any approval from financial institutions/banks in India for the Offer.
- 7.4.7. The Manager to the Offer i.e. Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.
- 8.2. **BSE** shall be the **Designated Stock Exchange** for the purpose of tendering Equity Shares in the Open Offer.
- 8.3. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window ("**Acquisition Window**").
- 8.4. The Acquirer has appointed **K. K. Securities Limited ("**Buying Broker**")** as their Buying Broker for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

The Contact details of the Buying Broker are as mentioned below:

Name – K. K. Securities Limited;

Address – 76-77, Scindia House, Janpath, New Delhi – 110001;

Contact Person – Mr. Sanjay Bansal;

Tel. No. – 011-46890000; 09811168570;

Email ID – kksl@kksecurities.com;

- 8.5. All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("**Selling Broker**"), during the normal trading hours of

the secondary market during the Tendering Period.

- 8.6.** Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.
- 8.7.** The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8.** Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.9. Procedure for tendering Equity Shares held in dematerialised Form:**

- a) The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.
- b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c) For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“**TRS**”) generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.
- f) The Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Shareholders are advised to retain the acknowledged copy of the Delivery Instruction Slip (DIS) and the TRS till the completion of Offer Period.

- 8.10. Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:**

- a) Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
 - i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity

- Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
- ii. Original share certificates;
 - iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;
 - iv. Self-attested copy of the Shareholder's PAN Card;
 - v. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
 - vi. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
 - c) After placement of order, as mentioned in paragraph 10(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 8.10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as **“MODIPON LIMITED – OPEN OFFER”**. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
 - d) Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares by the Acquirer shall be subject to verification as per the

SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as “unconfirmed physical bids”. Once, Registrar to the Offer confirms the orders it will be treated as “Confirmed Bids”.

- e) In case any person has submitted Equity Shares in physical form for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.

8.11. Modification / Cancellation of orders will not be allowed during the period the Offer is open.

8.12. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period.

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

Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Banker website (www.corporateprofessionals.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

8.14. Accidental omission of non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in anyway.

8.15. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Shareholders are advised to adequately safeguard their interest in this regard.

8.16. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

8.17. Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.

- 8.18.** The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer through Registered Post.

8.19. Settlement of Funds / Payment Consideration

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including

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

NOTE ON TAXATION

1. Capital gain: Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed Equity Shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax and STT.
2. **SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.**
3. **Tax deduction at source**
 - a) In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer shall not deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.
 - b) In the case of non-resident Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Shareholder. It is therefore recommended that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.
4. Interest payment, if any: In case of interest payments by the Acquirers for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
5. **THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.**

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 D-28, South Extn. Part-I, New Delhi – 110049 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. Certificate of Incorporation, Certificate of Commencement of Business, Memorandum & Articles

of Association of Acquirer;

- 9.2. Certificate from Mr. Vinod Gupta (Membership No. 090687), Partner of SPMG & Company, Chartered Accountants having office at 3322A, 2nd Floor, Bank Street, Karol Bagh, New Delhi – 110005; Tel. No. +91 11 28728769, +91 11 287287385; dated August 31, 2016 certifying that Acquirer has adequate Net Worth and sufficient resources to meet the fund requirement for this Takeover Open Offer;
- 9.3. Audited Annual Reports of MPL for the years ended March 31, 2014, 2015 and 2016;
- 9.4. Audited Annual Reports of Acquirer for the years ended March 31, 2014, 2015 and 2016;
- 9.5. Escrow Agreement between the Acquirer, Kotak Mahindra Bank Limited and Manager to the Offer;
- 9.6. Confirmation from Kotak Mahindra Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 2011;
- 9.7. Copy of Public Announcement filed on September 01, 2016, Published copy of the Detailed Public Statement which appeared in the Newspapers on September 09, 2016, Issue Opening PA and any corrigendum to these, if any;
- 9.8. A copy of the Recommendation made by the Board of MPL;
- 9.9. A copy of the Observation letter from SEBI; and
- 9.10. Copy of Agreement between the Acquirer and the Registrar to the Offer.

10. DECLARATION BY THE ACQUIRER

The Acquirer accepts full responsibility for the information contained in this LOF and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirer would be responsible for ensuring compliance with the concerned Regulations.

For and on behalf of Acquirer

Modi Intercontinental Private Limited

Sd/-

Veena Modi

Date: May 08, 2017

Place: New Delhi

11. ENCLOSURES

- 11.1. Form of Acceptance cum Acknowledgement
- 11.2. Blank Share Transfer

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(For physical shares being tendered)

(All terms and expressions used herein shall have the same meaning as described 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	:	MAY 24, 2017, WEDNESDAY
OFFER CLOSSES ON	:	JUNE 06, 2017, TUESDAY
Please read the Instructions overleaf before filling-in this Form of Acceptance		

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.	

From:

Tel. No.:

Fax No.:

E-mail: To,

The Acquirer

C/O MAS SERVICES LIMITED

T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020

Dear Sir/s,

REG.: OPEN OFFER TO THE SHAREHOLDERS OF MODIPON LIMITED (“MPL”/“TARGET COMPANY”) BY MODI INTERCONTINENTAL PRIVATE LIMITED (“ACQUIRER”) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

I / we, refer to the Letter of Offer dated _____ for acquiring the equity shares held by me / us in **Modipon Limited**.

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

I / We, unconditionally Offer to sell to the Acquirer the following equity shares in MPL held by me/ us at a price of Rs. 10.00/- (Rupees Ten Only) per fully paid-up equity share.

1. I/We 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 MPL		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				

2. I / We confirm that the Equity Shares of MPL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
3. I / We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of equity shares that the Acquirer 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 Acquirer 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 Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. 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 Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer 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.
5. 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 Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
6. I/We note and understand that the Shares would held in trust by the Registrar until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
7. 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.

8. I / We irrevocably authorise the Acquirer 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 MPL:

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

Place: ----- **Date:** -----

Tel. No(s). : ----- **Fax No.:** -----

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS

Bank Account No.: ----- Type of Account: -----

(Savings /Current /Other (please specify))

Name of the Bank: -----

Name of the Branch and Address: -----

MICR Code of Bank-----

IFCS Code of Bank-----

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

	1 st Shareholder	2 nd Shareholder	3 rd 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, 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. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of MPL.
 - II. Shareholders of MPL to whom this Offer is being made, are free to Offer his / her / their shareholding in MPL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

**OPEN OFFER TO THE SHAREHOLDERS OF MODIPON LIMITED (“MPL”/“TARGET COMPANY”)
BY MODI INTERCONTINENTAL PRIVATE LIMITED (“ACQUIRER”) PURSUANT TO SEBI
(SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

Received from Mr. / Ms.....

Ledger Folio No/ -----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

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer

MAS Services Limited

T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020;

Contact Person: Mr. N. C. Pal;

Ph.: 011-26387281