OFFER OPENING ADVERTISEMENT TO THE EQUITY SHAREHOLDERS UNDER REGULATION 18 (7) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 OF

MEDINOVA DIAGNOSTIC SERVICES LIMITED

Registered Office: 6-3-652, Kautilya, Somajiguda, Hyderabad – 500 082, Andhra Pradesh, India
Tel: 91 40 2339 4848/2331 0066; Fax: 91 40 2332 7464; Email: medicorp@medinovaindia.com; Website: www.medinovaindia.com.

This Advertisement is being issued by Karvy Investor Services Limited **("Manager to the Offer")**, on behalf of **M/s. Vijaya Diagnostic Centre Private Limited ("Acquirer" / "VDC")** pursuant to Regulation 18 (7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended **("SEBI (SAST) Regulations, 2011")** in respect of the open offer to acquire equity shares of **Medinova Diagnostic Services Limited ("Target Company")**. The Detailed Public Statement and Corrigendum to Detailed Public Statement with respect to the aforementioned offer was made on April 3, 2014 and May 23, 2014 respectively, in all editions of Financial Express (English), Janasatta (Hindi), Prajasakthi (Telugu) and Loksatta (Marathi).

1. The Offer Price is Rs. 5/- (Rupees Five Only) per Equity Share **("Offer Price")**. There has been no revision in the Offer Price.
2. The Committee of Independent Directors **("IDC")** of the Target Company has issued the following recommendation (relevant extract) on the Open Offer, which was published on May 27, 2014 in the above mentioned newspapers:

Recommendation on the Open offer, as to whether the offer is fair and reasonable	IDC members believe that the Open Offer price of Rs.5/- per equity share is fair and reasonable and in line with SEBI (SAST) Regulations, 2011.
Summary of reasons for recommendation	i) The negotiated price as per the Share Purchase Agreement entered amongst M/s. Standard Medical & Pharmaceuticals Limited, VDC and MDSL is Rs. 5/- per Equity Share. ii) MDSL has been making losses and the Net worth of MDSL as on December 31, 2013, based on the limited review report is Rs. 338.53 lakhs in negative. iii) The Fair Value of MDSL is Rs. 2.92/- per fully paid up Equity Share, which has been calculated considering the Supreme Court's decision in the Hindustan Lever Employees' Union vs. Hindustan Lever limited (1995) reported at (83 Companies Cases 30) and in terms of Regulation 8(2) of SEBI (SAST) Regulations, 2011, as certified vide valuation certificate dated March 27, 2014, by P Kamalakar Rao of M/s. Dendukuri Associates, Chartered Accountants, Hyderabad, India. iv) IDC Members are of the opinion that the Offer Price of Rs. 5/- per equity share offered by the Acquirer is in accordance with the relevant regulations prescribed in the SEBI (SAST) Regulations, 2011 and prima facie appear to be justified. v) The Acquirer with its present chain of diagnostic units, intends to broad base its number of units and capitalize on the TC units which are located in Pune, Hyderabad and Kolkata. vi) On account of above points, the offer seems fair and reasonable, considering the present scale of business operations of TC.

3. There has been no competitive bid to the Open Offer.
4. The letter of offer dated May 22, 2014 **("Letter of Offer")** has been dispatched by May 26, 2014 to all the Shareholders of the Target Company as on May 16, 2014 **("Identified Date")**.
5. The attention of shareholders is invited to the fact that the Letter of Offer along with form of acceptance – cum – acknowledgment would also be available at SEBI website (http://www.sebi.gov.in/) and downloading the form of acceptance – cum – acknowledgement from the website for applying in the offer is one of the alternatives available to the shareholders. Further, in case of non-receipt/non-availability of the form of acceptance – cum - acknowledgement, the application can be made on plain paper along with the following details:

a. In case of Equity Shares held in physical form: Name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deed(s) duly executed and witnessed along with the self attested copy of PAN card of all Shareholders should be sent to **Karvy Computershare Private Limited, Unit: Medinova Diagnostic Services Limited** at Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 **("Registrar to the Offer")**.

b. In case of Equity Shares held in dematerialized form: Name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owner's depository participant, in favour of the Depository Escrow Account, whose details are as follows:

Account Name	KCPL-MEDINOVA DIAGNOSTIC SERVICES LTD - OPEN OFFER ESCROW ACCOUNT
Depository	National Securities Depository Limited
DP Name	Karvy Stock Broking Limited
DP ID Number	IN300394
Client ID Number	18735412

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") shall be required to use the inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account created with NSDL.

6. All comments received from SEBI by way of their letter dated May 20, 2014, in terms of Regulation 16(4) of the SEBI (SAST) Regulations, 2011, have been incorporated in the Letter of Offer.
7. The Acquirer has deposited 23,26,800 Equity Shares which were acquired through off market mode on March 27, 2014, in the Escrow Account opened for the purpose of Open Offer in terms of Regulation 22(1) of the SEBI (SAST) Regulations, 2011 on May 22, 2014.
8. To the best of the knowledge of the Acquirer, there are no statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to the Open Offer. However in case of any statutory approvals being required by the Acquirer at a later date, the Open Offer shall be subject to such approvals.
9. Schedule of Activities

Activity	Day and Date
Public Announcement (PA) Date	Thursday, March 27, 2014
Detailed Public Statement (DPS) Date	Wednesday, April 2, 2014
Identified Date*	Friday, May 16, 2014
Last date for making a competing offer	Tuesday, April 29, 2014
Date when Letter of Offer were dispatched	Monday, May 26, 2014
Date of commencement of tendering period	Friday, May 30, 2014
Date of closure of tendering period	Thursday, June 12, 2014
Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched.	Thursday, June 26, 2014
Date by which the underlying transaction which triggered open offer will be completed.	Tuesday, September 30, 2014

** Date falling on the 10th Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Shareholders to whom the Letter of Offer was sent.*

The capitalised terms used but not defined in this advertisement shall have the meanings assigned to such terms in the Public Announcement and/or Detailed Public Statement and/or Letter of Offer.

This advertisement is expected to be available on the SEBI website at www.sebi.gov.in

ISSUED BY THE MANAGER TO THE OFFER ON BEHALF OF ACQUIRER

KARVY INVESTMENT BANKING

Karvy Investor Services Limited

"Karvy House", 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500 034, India.
Tel.: 91 40 2342 8774/ 2331 2454 Fax: 91 40 2337 4714/ 2331 1968 Email: cmg@karvy.com
Investor Grievance Email: igmbd@karvy.com Website: www.karvy.com Contact Person: Ankit Bhatia

CONCEPT

Place: Hyderabad
Date: May 28, 2014

Size: 16x29 cms