THE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Shareholder(s) of **Modex Internationl Securities Limited (MISL).** If you require any clarification 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 Equity Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

Shri Pavan Sachdeva
H.No 263, Sector – 15, Part – I Huda, Gurgaon, Haryana 122001
Tel No. +91 9810068235, Fax No. 0124 -2356160, Email ID: pavan@pavansachdeva.com
(hereinafter referred to as "the Acquirer")
MAKES A CASH OFFER AT Rs. 30 /- (RUPEES THIRTY ONLY)
PER FULLY PAID EQUITY SHARE
To acquire
6,00,000 Equity Shares of Rs.10 /- each, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the 'SEBI SAST Regulations' or the 'Regulations')
representing 20% of the Paid up and Voting Equity Share Capital
of
MODEX INTERNATIONAL SECURITIES LIMITED ("MISL"/'Target Company')
Regd. Office: 507, Padma Tower – II, 22, Rajendra Place, New Delhi - 110008
Corporate Office: 1003-1004, 10th Floor, Surya Kiran Building, K.G. Marg, New Delhi - 110001
Tel. No. (011) 47217000, E Mail ID: contact@modexindia.com

Notes:

- This Offer is made pursuant to and in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof.
- This Offer is not conditional on any minimum level of acceptance.
- There has been no revision of Offer price, till the date of this Letter of Offer.
- The Offer is subject to approval from SEBI / Stock Exchange(s) wherein the target company is member, with regard to transfer of shares that are tendered pursuant to this Offer under SEBI (Stock-Brokers and Sub Brokers) Regulations,1992 & under relevant bye laws of the Stock Exchange respectively . The Acquirer & company shall apply to SEBI/Stock Exchange for approval in this regard immediately after close of offer.
- **Shareholders, who have accepted the offer by tendering the requisite documents in terms of the Public announcement/Letter of Offer, can withdraw the same up to 3 working days prior to the date of closure of the Offer. The Last date for such withdrawal is September 14th,2011.**
- The Acquirer can revise the Offer Price up to 7 working days prior to the date of closure of the Offer. The last date for such revision is September 8th,2011. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same Newspapers where the original Public Announcement had appeared.
- **Consideration at the same rate will be paid for all Equity Shares tendered anytime during the Offer period**.
- Details of Competitive bids , if any : **There is no competitive bid.**
- **If there is a competitive bid; the public offers under all the subsisting bids will close on the same date. As the offer price cannot be revised during 7 working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
- The Registration of all the Intermediaries associated with the Offer, viz. NEXGEN Financial Solutions Private Limited (Manager to the Offer) and Mas Services Limited (Registrar to the Offer) are valid and no action has been initiated by SEBI or any other Government body against them. A copy of this Letter of Offer including the Form of Acceptance and Acknowledgement, Form of Withdrawal and the Public Announcement along with Corrigendum to Public Announcement are available on SEBI's website: www.sebi.gov.in.

MERCHANT BANKER TO THE OFFER	REGISTRAR TO THE OFFER
NEXGEN FINANCIAL SOLUTIONS PRIVATE LIMITED SEBI Regn. No. INM 000011682 7th Floor, 709, Madhuban Building 55, Nehru Place New Delhi – 110 019 Tel. Nos. (011) 3068 2000 Fax No. (011) 3068 2111 E Mail: vikas@nexgenfin.com **Contact Person : Mr. Vikas Kumar Garg**	**MAS SERVICES LIMITED** SEBI Regn. No. INM 000000049 T-34, IInd Floor, Okhla Industrial Area, Phase II, New Delhi – 110 020 Tel Nos. (011) 2638 7281/82/83 Fax No. (011) 2638 7384 E mail Id: info@masserv.com **Contact Person: Mr. Sharwan Mangla**

The Schedule of activities is as follows:

Activity	As per original PA	Revised Schedule
Public Announcement (PA)	Friday May 20th,2011	Friday May 20th,2011
Corrigendum to Public Announcement		Thursday August 25, 2011
Specified date	Friday June 17th,2011	Friday June 17th,2011
Date by which Letter of Offer will be dispatched to Shareholders	Friday July 1st,2011	Saturday August 27th,2011
Offer opening date	Monday July 11th ,2011	Thursday September 1st, 2011
Last date for revision of Offer price/number of shares.	Wednesday July 20th,2011	Thursday September 8th, 2011
Last date for withdrawal by Shareholders	Tuesday July 26th,2011	Wednesday September 14th,2011
Offer closing date	Saturday July 30th,2011	Tuesday September 20th,2011
Date by which acceptance /rejection would be intimated and the corresponding payment for the acquirer Shares and/or the Share Certificate for the rejected Shares will be dispatched	Saturday August 13th,2011	Wednesday October 5th,2011

Specified date is only for the purpose of determining the names of the Shareholders as on such date, to whom the letter of Offer would be sent and all owners (registered or unregistered) of Shares of Modex International Securities Limited anytime before the closure of the Offer, are eligible to participate in the offer.

Risk Factors relating to the transaction and probable risks involved in associating with the Acquirer

A. Relating to the transaction

The Acquirer proposes to participate in the control and management of Target Company along with existing promoter group. This shall be subject to successful completion of the Open Offer formalities, including dispatch of consideration for the shares accepted. The same will also be subject to compliance with Regulation 23(6) of SEBI (Substantial Acquisition & Takeover Regulations), 1997.

B. Relating to the proposed Offer

Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration as the Acquirer have 15 days time from date of closure of offer to make payment of consideration.

The Offer is subject to approval from SEBI / Stock Exchange (s) wherein the company is a member, with regard to acquisition of shares that are tendered pursuant to this Offer under Regulation 6A(1)(c) of SEBI (Stock-Brokers and Sub Brokers) Regulations, 1992 & under relevant bye laws of the Stock Exchange respectively. The Acquirer & the company shall apply to SEBI / Stock Exchange(s) for approval in this regard immediately after close of offer period. Further, the offer may also be subject to any other statutory approval which may become applicable at a later date.

The dispatch of consideration can be delayed beyond 15 days from date of closure of Offer, in case the statutory approval from SEBI/Stock Exchange(s) or any other statutory approval which becomes so applicable on a later stage is not received. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of Offer.

In the event, the said statutory approval from SEBI/Stock Exchange etc. is refused, it may lead to withdrawal of the open offer by Acquirer under Regulation 27 of SEBI (Substantial Acquisition and Takeover Code), 1997

C. Probable Risks in associating with the Acquirer

The Acquirer with MISL/participating in the control and management of MISL by the Acquirer does not warrant any assurance with respect to the future financial performance of MISL.

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DEFINITIONS/ABBREVATIONS

1	Acquirer	**Shri Pavan Sachdeva** who is offering to acquire Shares through this Offer
2	Book Value	Book Value of each Equity Share as on the date referred to
3	DSE	Delhi Stock Exchange Ltd
4	EPS	Earnings Per Equity Share, for the period under reference and annualized
5	FIIs	Foreign Institutional Investors
6	FIs	Financial Institutions
7	FY	Financial Year
8	ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009
9	Merchant Banker/ Manager to the Offer	NEXGEN Financial Solutions Pvt. Limited
10	MISL/Target Company	Company whose Equity Shares are proposed to be acquired viz. Modex International Securities Limited
11	NAV	Net Asset Value per Equity Share
12	NRIs	Non Resident Indians and persons of Indian origin residing abroad
13	NW	Net Worth
14	Offer	Cash offer being made by the Acquirer to the Shareholders of the Target Company, to acquire up to 6,00,000 Equity Shares at a price of Rs.30/- per Equity Share.
15	PA/ Public Announcement	Announcement of the Offer made on behalf of the Acquirer, published in the dailies on May 20th,2011 & Corrigendum to Public Announcement on dated August 25, 2011
16	PAC/Person acting in Concert	Person who is acting in concert with the Acquirer in connection with the open Offer, in this case None.
17	PAT	Profit After Tax
18	PE Ratio	Price Earnings Ratio
19	Persons eligible to participate in the offer	All Equity Shareholders of the Target Company, other than the Acquirer, parties to the Agreement and promoter group Shareholders of the Target Company. Both registered and unregistered Shareholders can participate in the Offer
20	Persons not eligible to participate in the offer	Parties to the Agreement, promoter group Shareholders of the Target Company & the Acquirer
21	RBI	Reserve Bank of India
22	Registrar to the Offer	Mas Services Limited
23	Regulations/Takeover Regulations/SEBI(SAST) Regulations	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date
24	RNW	Return on Net Worth
25	SEBI/Board	Securities and Exchange Board of India
26	Share Purchase Agreement/ Agreement/SPA	Share Purchase Agreement entered into between the Acquirer and present promoters of the Target Company
27	Shares	Equity Shares

1. **DISCLAIMER CLAUSE**

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MODEX INTERNATIONAL SECURITIES LIMITED (MISL), THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR MISL WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. NEXGEN FINANCIAL SOLUTIONS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 1ST, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. **DETAILS OF THE OFFER**

2.1 Background of the Offer

2.1.1. This Offer is in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").

2.1.2. Shri Pavan Sachdeva, residing at H.No 263, Sector -15, Part – I Huda, Gurgaon, Haryana 122001 (Tel No. 9810068235, Fax No. (0124) 2356160, Email ID : pavan@pavansachdeva.com (hereinafter referred to as "the Acquirer) is making an Open Offer to the public Shareholders (Shareholders other than the Acquirer, parties to the Agreement and promoter group of MISL) of Modex International Securities Limited ("MISL", "the Target Company") to acquire 6,00,000 Equity Shares of Rs. 10/- each representing 20% of present paid up and voting Capital of MISL ("the Offer"), at a price of Rs. 30/- (Rupees Thirty Only) ("the Offer Price"), payable in cash, subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

2.1.3. There are no Persons acting in Concert (PACs) with the Acquirer.

2.1.4. As on date of the Public Announcement, the Acquirer does not hold any Equity Shares of MISL.

2.1.5. The Acquirer has, on May 14th,2011, entered into a Share Purchase Agreement (SPA) with Mr. **Dharmendra Kumar Arora**, Residing at A-154, Sector- 40 , Noida, Uttar Pradesh – 201301, Mrs. **Neena Arora,** W/o Mr. Dharmendra Kumar Arora, Residing at A-154, Sector- 40 , Noida, Uttar Pradesh – 201301, Mr. **Mahesh Gopal Goel,** residing at 23, Vasudha Enclave, Pitampura, New Delhi – 110034 and Mrs. **Sunita Goel** W/o Mr. Mahesh Gopal Goel residing at 23, Vasudha Enclave, Pitampura, New Delhi – 110034 promoter of MISL representing himself and other promoter group Shareholders of the Target Company, to acquire 7,16,000 fully paid up Equity Shares of MISL, constituting 23.87% of the present paid up and voting Capital of the Target Company at a price of Rs.22/- (Rupees Twenty Two only) per Equity Share for cash consideration (the Negotiated Price) as per the following details.

Sr. No.	**Name of Transferor**	**Existing Shareholding**		**Transfer Details**		**Post Transfer Shareholding**	
		No. of Shares	%	No. of Shares	%	No. **of Shares**	%
1.	Mr. Dharmendra Kumar Arora	7,35,000	24.50 %	19000	0.63%	7,16,000	23.87%
2**.**	Mrs. Neena Arora	3,39,000	11.30%	3,39,000	100%	-	-

3.	Mr. Mahesh Goel	7,35,000	24.50 %	19000	0.63%	7,16,000	23.87%
4.	Mrs. Sunita Goel	3,39,000	11.30%	3,39,000	100%		
	Total	21,48,000	71.60%	7,16,000	33.33%	14,32,000	47.73%

The Agreement also provides that the Acquirer may also participate in the management and control of MISL along with existing promoters group. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI (SAST) Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws and Regulations in force.

The above sellers and existing promoters group shall not participate in the proposed open offer by the acquirer.

2.1.6. The major terms and conditions of the Agreement are as follows:

(i) On the successful completion of the public offer pursuant to the provisions of SEBI Takeover Code the existing board of Target Company may be reconstituted to include adequate representation of Acquirer in the control and management of the company following the procedure laid down in the Companies Act, 1956 regarding the Appointment and Removal of Directors as the case may be. However, there is no specific understanding to that effect between the Existing Promoters Group and the Acquirer in the Share Purchase Agreement between the parties.

(ii) The change in Board and Management of the company with a view to give adequate rights to the Acquirer shall also be in conformity with compliance with Regulation 22(7) of SEBI Regulations. As the acquirer is already a director in the Board of MISL, he refuses to participate in any matter(s) concerning or relating to the offer.

(iii) During the offer period, i.e. from date of signing this Agreement till completion of all formalities relating to the Offer and certification by the Merchant Banker, the Existing Promoters Group / Acquirer shall restrain from taking any step which may led to any circumstances like reconstitution / redefining the Board of the company.

(iv) In case of non-compliance with any of the provisions of the Takeover Regulations, Agreement for Purchase of Shares and change in Control shall not be acted upon by the Sellers or the Acquirer.

(v) The Acquirer has paid an initial amount of Rs. 1,43,20,000 (Rupees One Crore Forty Three Lacs & Twenty Thousand only) to the existing promoters group that based upon the negotiated price of Rs. 22/- (Rupees Twenty Two) per share. The total consideration amount comes to Rs. 1,57,52,000 (Rupees One Crore Fifty Seven Lacs & Fifty Two Thousand Only) after paying the initial amount leaves a balance amount of Rs. 14,32,000 (Rupees Fourteen Lacs & Thirty Two Thousand only) which shall be paid by the acquirer within a stipulated period of 15 days from the date of the closure of the offer.

2.1.7. Apart from the consideration @ Rs. 22/- per Equity Shares as stated in Clause 2.1.6 above, no other compensation, directly or indirectly is given to the sellers under the Share Purchase Agreement.

2.1.8. The Acquirer, the Target Company, its promoters/Directors and the sellers under the Share Purchase Agreement have not been prohibited by SEBI from dealing in securities, in terms of directions issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

2.1.9. Mr. Pavan Sachdeva ("The Acquirer") is Non Executive Director in independent capacity of the company w.e.f. 01st June, 2009. There is no other person on the Board of Directors of the Target Company representing the Acquirer himself.

2.1.10. If the numbers of Equity Shares offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis and taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. In view of acceptance on proportionate basis as stated above, the number of Shares accepted may marginally exceed the Offer Size.

2.1.11. The Acquisition of Shares by the acquirer from the selling promoters group as well as shares tendered in the open offer is subject to approval from SEBI / Stock Exchange (s) wherein the company is a member, with regard to acquisition of shares that are tendered pursuant to this Offer under Regulation 6A(1)(c) of SEBI (Stock-Brokers and Sub Brokers) Regulations, 1992 & under relevant bye laws of the Stock Exchange respectively for change in the control of the company. Further, the transfer of shares under the agreement shall further be subject to Regulation 23(6) of SEBI (SAST) Regulations, 1997 with regard to fulfillment of all obligations by the acquirers under the regulations.

The company has already applied for approval from Stock Exchange(s), wherein the company is a member, for transfer of shares from selling promoters. The Status of the application and approval so far is as follows

S. No.	Name of Stock Exchange where approval applied	Date of Application submitted	Status of approval

1.	NSE	August 8, 2011	Pending
2.	MCX-SX	August 8, 2011	Received
3.	USE	August 9, 2011	Pending
4.	BSE	August 10, 2011	Received

However, the company is yet to apply for approval from SEBI for transfer of shares from the selling promoters. The Company has undertaken to file the same shortly.

Further, the approval for transfer of shares tendered in the open offer shall be made by the company to SEBI/Stock Exchange(s) immediately after the close of the offer.

The Acquirer & the company shall apply to SEBI / Stock Exchange(s) for approval in this regard immediately after close of offer period. Further, the offer may also be subject to any other statutory approval which may become applicable at a later date.

2.2 **Details of the proposed Offer**

2.2.1 A Public Announcement, as per Regulation 15 (1) of the Regulations, has made in all editions of one English national and one Hindi daily with wide circulation. The Details of Public Announcement are given below:

Newspaper	**Language**	**Editions**	**Date of PA**
Business Standard	English	All Editions	20.05.2011
Business Standard	Hindi	All Editions	20.05.2011

In addition, a corrigendum to Public Announcement (PA) has been made on 25.08.2011 in all editions of the Business Standard in Hindi as well as English language, in which original Public Announcement was made, containing the revised schedule of activity relating to Open Offer.

2.2.2 **The Public Announcement are also available at SEBI's Website: www.sebi.gov.in**

2.2.3 The Offer is to acquire 6,00,000 Equity Shares of Rs. 10/- each, representing 20% of the issued, present paid up and voting Capital of MISL .

2.2.4 The consideration will be paid in Cash.

2.2.5 The Offer price is Rs. 30/- (Rupees Thirty only) each fully paid up Equity Share. There are no partly paid Equity Shares.

2.2.6 This is not a competitive bid.

2.2.7 This Offer is not conditional on any minimum level of acceptance.

2.2.8 As on date of the Public Announcement, the Acquirer does not hold any Equity Shares of MISL

2.2.9 NEXGEN Financial Solutions Private Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. In compliance with Regulations 24(5A), they shall not deal in the Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the Offer.

2.2.10 The Acquirer has not acquired any Equity Share of MISL after the date of PA till the date of this Letter of Offer. In the event of any further acquisition of Equity Shares from the date of P.A. till 7 days prior to date of closure of the Offer by the Acquirer 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. However, the Acquirer will not acquire any Equity Shares of MISL during the period of 7 working days prior to the date of closure of the Offer.

3. OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO MISL

3.1 The objects of the acquisition are substantial acquisition of Shares of MISL by Acquirer and take part in the control and management of the Company with Existing Promoters Group. The Acquirer and Existing Promoters Group are keen to work together to pursue the growth plans of the company in an effective manner. As such the acquisition of shares by the Acquirer is being planned on a harmonious ground between the Existing Promoters Group and the Acquirer to work jointly and carry forward the operations of the company in an effective manner.

3.2 The Acquirer will continue with existing line of the business of the Target Company along with existing promoter group.

3.3 Post completion of Public Offer, there could be change in the control and management of the company by way of reconstitution of the Board or Directors of the company or in any other manner following the procedure lay down in the Companies Act, 1956 and as per understanding from time to time between the Existing Promoters Group and the Acquirer. Mr. Pavan Sachdeva ("the

Acquirer") can assume an increased responsibilities and become an Executive Director of the company. In case, it so happens, he will cease to be an independent director of the company and instead will be treated as Promoter Director in MISL.

3.4 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of MISL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. He undertakes that he shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders. Further, there is no intention between the existing promoters group and the acquirer to change the existing line of business of Stock & Share Broking including buying, selling or dealing in securities. The Parties will continue to pursue the existing activities of stock & share broking in compliance with applicable SEBI / Other guidelines as may be applicable on the company.

3.5 There is at present no conflict of interest between the Acquirer/other Companies /ventures promoted by the Acquirer.

4. **BACKGROUND OF THE ACQUIRER**

4.1 The Acquirer is Shri Pavan Sachdeva, Individual.

4.2 Shri. Pavan Sachdeva aged 51 years, qualified as Graduate and CA (Inter) Son of Shri. Raj Kumar Sachdeva, residing at H.No 263, Sector -15, Part – I, Huda, Gurgaon, Haryana 122001 is the Non Executive Director of MISL w.e.f. June 1st,2009. He is not on the Board of Directors of any other listed Company. He has overall experience of 26 years in Tax & Accounting, Capital Market and Real Estate.

4.3 There are no persons acting in concert (PACs) with the Acquirer for this Offer

4.4 The Acquirer does not belong to any group.

4.5 The Acquirer has not promoted or its director in any other listed Company.

4.6 There are no persons on the Board of the Target Company representing the Acquirer other than the Acquirer himself. He has been appointed as director in Target Company as independent non executive w.e.f. June 1st, 2009. During the offer period, the acquirer shall not take part in the proceedings of Board Meeting.

4.7 There are no pending litigations against the Acquirer.

4.8 The Acquirer is also an additional director in Modex Commodities Trades Pvt. Ltd. (MCTPL), a group company promoted by Existing Promoters Group of MISL, carries on the business of commodity broking. MCTPL is a registered market intermediary and registered with Securities and Exchange Board of India. The Company also holds the memberships of Multi Commodity Exchange of India Limited (MCX) vide membership id and FMC UMC Code is MCX/TCM/CORP/0760 and National Commodity Exchange of India Ltd. (NCDEX) vide membership no: NCDEX/CO/4/306 and FMC ID is NCDEX/TCM/CORP/0536). The Company has a paid up share capital of Rs. 75 lacs as on March 31st,2010. The Acquirer currently holds 26.67% share in MCTPL. MCTPL is not listed on any stock exchange.

4.9 No action has been taken by SEBI or Stock Exchanges against the Acquirer or ventures promoted by the Acquirer.

4.10 There is no agreement by the Acquirer with any other person/entity, in connection with this Offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

4.11 As per Certificate April 23rd,2011 from Shri Bhagwant Singh (Membership No. 092226), M/s Bhagwant Singh & Co., Chartered Accountants, Address A-355 Aggarwal City Mall (Near M2K cinema), Pitampura, Delhi – 110034 (Tel. No. 011-47500791, Email ID: bhagwant@bhagwantsingh.com), the Net worth of Shri Pavan Sachdeva as on date 31.03.2011 is Rs 465,01,982/- (Rupees Four Crores Sixty Five lacs One Thousand Nine Hundred Eighty Two Only).

4.12 The applicable provisions of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, are not applicable to the Acquirer as he has not acquired any Shares of the Target Company in accordance with the said guidelines.

4.13 The appointment of any nominees of the Acquirer on the Board of Directors of the Target Company shall be subject to compliance with Regulation 22(7) of SEBI (SAST) Regulations, 1997. The acquirer is already a director in non executive capacity of the target company. The Acquirer undertakes not to participate in any manner in the conduct of the company during the offer period.\

4.14 The Transfer of Shares under the Agreement and any change in control or sharing of control favor of Acquirer shall be subject to Regulations 23(6) of the Regulations & receipt of statutory approvals from SEBI/Stock Exchange(s).

4.15 **BRIEF DETAILS OF THE ACQUIRER AS ON DATE OF PUBLIC ANNOUNCEMENT IS TABULATED BELOW:**

	Net Worth as certified by Chartered Accountant	**Companies in which Acquirer is a Director**
Shri Pavan Sachdeva H. No - 263 Sector – 15 Part – I, Huda Gurgaon, Haryana - 122001	Rs. 465.02 Lacs	1. Canind Food Concepts Pvt. Ltd 2. Shivraj Buildcon Pvt. Ltd 3. Neervarun Properties Pvt. Ltd 4. Premium Automobiles Pvt. Ltd. 5. All Heaven Holdings and Estates Ltd. 6. Kalatex India Ltd 7. Klassy Construction Pvt. Ltd. 8. Gawri Construction Udyog Limited 9. Divian Leasing and Finance Private Ltd, Addl Director

		10. SCB Infotech Private Ltd 11. Span Promoters Private Limited, Addl. Director 12. Modex Commodity Trades Private Limited, Addl. Director

4.16 **BRIEF DETAILS OF VENTRES/UNLISTED COMPANIES PROMOTED BY THE ACQUIRER**

(i)

Name of the Company	Canind Food Concepts Pvt. Ltd.
Company No.	U15203DL1998PTC094006
Date of Incorporation	22.05.1998
Name of Directors	Mr. Pavan Sachdeva Mrs. Sangeeta Sachdeva Mr. Hari Krishan
Nature of Activities	Manufacturing of Food Item

Brief financials based on Audited Accounts for the last three years period ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**
Paid up Equity Capital	90.00	90.00	90.00
Reserves & Surplus (Net of Misc. expenses not written off	(36.06)	(1.50)	(1.50)
Capital Reserve	287.28	92.32	92.32
Total Income	-	-	-
Profit after Tax	(34.86)	-	-

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	119100	1191000	13.23%
2.	Pavan Sachdeva (HUF)	121800	1218000	13.53%
3.	Mrs. Sanjeeta Sachdeva	59100	591000	6.57%
4.	Mr. Hari Krishan	550000	5500000	61.11%
5.	Mrs. Anita Devi	50000	500000	5.56%
	Total	900000	9000000	100%

(ii)

Name of the Company	**Shivraj Buildcon Pvt. Ltd**
Company No.	U45400DL2008PTC172281
Date of Incorporation	04.01.2008
Name of Directors	Mr. Pavan Sachdeva Mrs. Sangeeta Sachdeva
Nature of Activities	Builders & Developers

Brief financials based on Audited Accounts for the last three years period ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**
Paid up Equity Capital	1.00	1.00	1.00
Reserves & Surplus (Net of Misc. expenses not written off	(11.87)	(2.70)	(0.16)
Total Income	270.40	1.50	0
Profit after Tax	(9.17)	(2.67)	(0.04)

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	5000	50000	50%
2.	Mrs. Sangeeta Sachdeva	5000	50000	50%
	Total	10000	100000	

(iii)

Name of the Company	**Neervarun Properties Pvt. Ltd.**
Company No.	U74899DL1982PTC013924
Date of Incorporation	25.06.1982
Name of Directors	Mr. Hari Krishan Pavan Sachdeva

Nature of Activities Properties

Brief financials based on Audited Accounts for the last three years period ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**
Paid up Equity Capital	3.39	3.39	3.39
Reserves & Surplus (Net of Misc. expenses not written off	(0.44)	(0.37)	(0.31)
Total Income	0	0	0
Profit after Tax	(0.07)	(0.05)	(0.05)

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	16975	169750	50%
2.	Mr. Hari Krishan	16975	169750	50%
	Total	33950	339500	

(iv)

Name of the Company	**Premium Automobiles Pvt. Ltd**
Company No.	U50401HR1995PTC032645
Date of Incorporation	25.04.1995
Name of Directors	Mr. Pavan Sachdeva Mrs. Sangeeta Sachdeva
Nature of Activities	Automobiles

Brief financials based on Audited Accounts for the last three years period ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**
Paid up Equity Capital	5.00	4.95	4.95
Reserves & Surplus (Net of Misc. expenses not written off	(17.05)	(4.65)	(0.03)
Capital Reserve	934.58	934.58	934.58
Total Income	1.69	0	0
Profit after Tax	(13.33)	(4.62)	0

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	49500	495000	99%
2.	Mrs. Sangeeta Sachdeva	480	4800	0.96%
3.	Mr. Gaurav Sahni	20	200	0.04%
	Total	50000	500000	100%

(v) .

Name of the Company	**All Heaven Holdings and Estates Ltd.**
Company No.	U74899DL1995PLC068966
Date of Incorporation	24.05.1995
Name of Directors	Ms. Neena Arora Mr. Pavan Sachdeva Mrs. Sangeeta Sachdeva Ms. Kiran Trehan Mr. Ravi Trehan
Nature of Activities	Real Estate & Investment

Brief financials based on Audited Accounts for the last three years period ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**

Paid up Equity Capital	5.00	5.00	5.00
Reserves & Surplus (Net of Misc. expenses not written off	(10.48)	(10.43)	(10.37)
Total Income	0	0	0
Profit after Tax	(0.05)	(0.05)	(0.06)

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	20500	205000	41%
2.	Pavan Sachdeva (HUF)	20000	200000	40%
3.	Mrs. Sangeeta Sachdeva	9100	91000	18.20%
4.	Mrs. Neena Arora	100	1000	0.2%
5.	Mr. Sudesh Chawla	100	1000	0.2%
6.	Mr. Rajesh Chawla	100	1000	0.2%
7.	Tijender Chawla	100	1000	0.2%
	Total	50000	500000	100%

(vi)

Name of the Company	**Kalatex India Ltd**
Company No.	U18101HR1994PLC032298
Date of Incorporation	18.06.1994
Name of Directors	Mr. Dharmendra Kumar Arora Mr. Pavan Sachdeva Mrs. Sangeeta Sachdeva Mr. Rajesh Chawla
Nature of Activities	Textile

Brief financials based on Audited Accounts for the last three years ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	**31-03-2010**	**31-03-09**	**31-03-08**
Paid up Equity Capital	75.00	75.00	75.00
Reserves & Surplus (Net of Misc. expenses not written off	(1.59)	(1.59)	(1.59)
Total Income	-	-	-
Profit after Tax	-	-	-

Details of Shareholding Pattern of the company is as follows :

Sr. No.	**Name of Shareholders**	**No. of Shares**	**Share Capital (Rs.)**	**% of Shareholding**
1.	Mr. Pavan Sachdeva	465100	4651000	62.01%
2.	Pavan Sachdeva (HUF)	284850	2848500	37.98%
3.	Mrs. Sangeeta Sachdeva	10	100	0.00%
4.	Mrs. Premium Automobile	10	100	0.00%
5.	Ms. Sarika Chawla	10	100	0.00%
6.	Mr. Rajesh Chawla	10	100	0.00%
7.	Tijender Chawla	10	100	0.00%
	Total	750000	7500000	0.00%

(vii)

Name of the Company	**Klassy Construction Pvt. Ltd**
Company No.	U45202DL1996PTC081712
Date of Incorporation	09.09.1996
Name of Directors	Mr. Vikas Saim Mr. Pavan Sachdeva Mrs.Sangeeta Sachdeva
Nature of Activities	Construction

Brief financials based on Audited Accounts for the last three years ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	31-03-2010	31-03-09	31-03-08
Paid up Equity Capital	1.02	1.02	1.02
Reserves & Surplus (Net of Misc. expenses not written off	26.55	25.70	(1.90)
Total Income	51.49	38.17	0
Profit after Tax	0.95	27.49	(1.79)

Details of Shareholding Pattern of the company is as follows :

Sr. No.	Name of Shareholders	No. of Shares	Share Capital (Rs.)	% of Shareholding
1.	Mr. Pavan Sachdeva	5600	56000	54.90%
2.	Pavan Sachdeva (HUF)	2500	25000	24.50%
3.	Mrs. Sangeeta Sachdeva	2500	25000	24.50%
	Total	102000	102000	100%

(viii)

Name of the Company	**Gawri Construction Udyog Limited**
Company No.	U74899DL1981PLC011396
Date of Incorporation	27.02.1981
Name of Directors	Mr. Dharmendra Kumar Arora Mr. Pavan Sachdeva Mr. Radhey Shyam Gawri Mr. Vipin Gawri
Nature of Activities	Construction

Brief financials based on Audited Accounts for the last three years ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	31-03-2010	31-03-09	31-03-08
Paid up Equity Capital	75.00	75.00	71.72
Reserves & Surplus (Net of Misc. expenses not written off	204.93	203.24	159.84
Total Income	758.08	1088.01	1281.79
Profit after Tax	1.69	43.39	48.17

Details of Shareholding Pattern of the company is as follows :

Sr. No.	Name of Shareholders	No. of Shares	Share Capital (Rs.)	% of Shareholding
1.	Mr. Pavan Sachdeva	1,00,000	10,00,000	6.67%
2.	Mrs. Sangeeta Sachdeva	1,00,000	10,00,000	6.67%
3.	Pavan Sachdeva (HUF)	7,50,000	75,00,000	50.00%
4.	Utkarsha Arora (Minor)	5,000	50,000	0.33%
5.	D. K. Arora (HUF)	5,000	50,000	0.33%
6.	Dharmendra Kumar Arora	1,50,000	15,00,000	10.00%
7.	Neena Arora	240,000	24,00,000	16.00%
8.	Earthcon Infrastructure Pvt. Ltd.	1,00,000	10,00,000	6.67%
9.	Klassy Construction Pvt. Ltd.	50,000	5,00,000	3.33%
	Total	15,00,000	1,50,00,000	100.00%

(ix)

Name of the Company	**Divian Leasing and Finance Private Ltd**
Company No.	U74899DL1995PTC068427
Date of Incorporation	10.05.1995
Name of Directors	Mr. Dharmendra Kumar Arora Mr. Pavan Sachdeva Mr. Radhey Shyam Gawri Mr. Vipin Gawri
Nature of Activities	Leasing & Finance

Brief financials based on Audited Accounts for the last three years ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	31-03-2010	31-03-09	31-03-08

Paid up Equity Capital	1.00	NA	NA
Reserves & Surplus (Net of Misc. expenses not written off	(0.05)	NA	NA
Total Income	0	NA	NA
Profit after Tax	(0.009)	NA	NA

(*) Company acquired by Mr. Pavan Sachdeva during Financial Year 2009-10.

Details of Shareholding Pattern of the company is as follows :

Sr. No.	Name of Shareholders	No. of Shares	Share Capital (Rs.)	% of Shareholding
1.	Mr. Pavan Sachdeva	5000	50000	50%
2.	Mrs. Sangeeta Sachdeva	5000	50000	50%
	Total	10000	100000	

(x)

Name of the Company	**SCB Infotech Private Ltd**
Company No.	U72900DL2010PTC199220
Date of Incorporation	17.02.2010
Name of Directors	Mr.Pavan Sachdeva Mrs. Sangeeta Sachdeva
Nature of Activities	Consultant and Development of IT

Brief financials based on Audited Accounts for the last three years ended 31st March 2010 are given below:

(Rs. In Lacs)

Details	31-03-2010	31-03-09	31-03-08
Paid up Equity Capital	1.00	NA	NA
Reserves & Surplus (Net of Misc. expenses not written off	(0.14)	NA	NA
Total Income	0	NA	NA
Profit after Tax	0	NA	NA

Details of Shareholding Pattern of the company is as follows :

Sr. No.	Name of Shareholder	No. of Shares	Share Capital (Rs.)	% of Shareholding
1.	Mr. Pavan Sachdeva	5000	50000	50%
2.	Mrs. Sangeeta Sachdeva	5000	50000	50%
	Total	10000	100000	

5. COMPLIANCE WITH REGULATION 21(2) & CLAUSE 40A OF THE LISTING AGREEMENT

The acquisition of 20 % of the voting capital of MISL under this Offer and the Shares being acquired through the Share Purchase Agreement may result in public Shareholding falling below the level required for continued Listing. Assuming full acceptance this Offer, the post offer holding of the Public shall be 8.40% of the voting Capital. In case consequent to the Shares being acquired through the Share Purchase Agreement, this offer and any further acquisitions by the Acquirer till 7 days prior to closure of the Offer, the public holding falls below the level required for continued listing, then the Acquirer/Target Company will comply with the relevant provisions of Clause 40A of the listing agreement. The Acquirer in terms of the provisions of regulation 21(2) of the SEBI (SAST) Regulations, 1997 will facilitate the target company to raise the level of Public shareholding to the level specified for continuous listing as specified in the listing agreement with the stock exchange within a period of twelve months from the date of closure of the offer in compliance with Securities Contract (Regulation) Rules, 1957 Accordingly, the Acquirer undertakes to comply with the provisions of the listing agreement in consultation with the stock exchange so as to maintain the minimum 25 % of public shareholding in the Target Company required for continuous listing.

6. BACKGROUND OF THE TARGET COMPANY

6.1.1 Modex International Securities Ltd (CIN: L74899DL1995PLC065153) ("MISL") was incorporated on 7th February 1995 in New Delhi under the Companies Act, 1956. The Company obtained Certificate for commencement of business on 10th March 1995. MISL started its stock broking business in the year 1989 under the trade name "MODEX INTERNATIONAL" as a firm and was converted later into Public Limited Company in the year 1995. In 1996, the company came out with Public Issue and listed with the Delhi Stock Exchange Limited. MISL is a Corporate Member of National Stock Exchange of India Ltd (Exchange Code: 08775, SEBI Registration No.: INB230877539), Bombay Stock Exchange of India Ltd (Exchange Code: 3106, SEBI Registration No.: INB010877539), United Stock Exchange (USE) (Exchange Code: 08775, SEBI Registration No.: INE270877532), MCX Stock Exchange Limited (MCX-SX) (Member ID: 12350, FMC UMC Code: MCX/TCM/CORP/0760) and Depository of Central Depository Services Ltd (DP ID: 42900). For Commodity Trading, its group company viz Modex Commodity Trades Pvt. Ltd. (MCTPL) has acquired the membership of Multi Commodity Exchange (MCX) and National Commodity Derivative Exchange (NCDEX) (Member ID: NCDEX/CO/4/306, FMC UMC Code: NCDEX/TCM/CORP/0536).

6.1.2 The Registered Office is situated at 507 Padma Tower – II, 22 Rajendra Place, New Delhi – 110008 (Tel. No. 011 – 47210300, E Mail ID: contact@modexindia.com)

6.1.3 The Corporate Office is at 1003-1004, 10th Floor, Surya Kiran Building, K.G. Marg, New Delhi – 110001 (Tel. No. (011 47217000).

6.1.4 MISL has other regional offices in Chandigarh, Bangalore, Dehradun and Visakhapatnam.

6.1.5 MISL is promoted by Shri Dharmendra Kumar Arora, Shri Mahesh Gopal Goel, Smt. Neena Arora and Smt. Sunita Goel.

6.1.6 The Directors of MISL are Shri Mahesh Gopal Goel (Whole Time Director) (DIN: 00229014), Shri Dharmendra Kumar Arora (Whole Time Director) (DIN: 00234555), Shri Vijay Dhawan (Non Executive Director) (DIN: 00253246), Shri Pavan Sachdeva (Non Executive Director) (DIN: 00257402), Shri Parminder Singh Kindra (Non Executive Director) (DIN: 000271909), Shri Sanjay Mohan Uniyal (Non Executive Director) (DIN: 00278354).

6.1.7 The Authorized Capital is Rs.350 Lacs, divided into 35 Lacs Equity Shares of Rs 10/- each. The paid up and voting Equity Share Capital as on date of Public Announcement is 30 Lacs Equity Shares of Rs. 10/- each, aggregating to Rs. 300 Lacs. All the outstanding Equity Shares are fully paid up and listed.

6.1.8 As on date of this Public Announcement, the promoters/promoter group hold 21,48,000 Equity Shares, constituting 71.60 % of the voting Capital.

6.2 Equity Share Capital History

Equity Share Capital Structure of MISL as on the date of Letter of Offer is as under:

Paid up Equity Shares of MISL	No. of Shares	% of Shares	Voting Rights	% of Voting Rights
Fully paid up Equity Shares	30,00,000	100	30,00,000	100
Partly paid up Equity Shares	-	0	-	0
Total paid up Equity Shares	30,00,000	100	30,00,000	100
Total voting rights in Target Company	30,00,000	100	30,00,000	100

6.3 Build Up of Current Capital

Build up of Authorized Capital

(In Rs.)

Date	From	To	Authorized Capital after enhancement
On Incorporation	0	10,000,000	10,000,000
18-05-1995	10,000,000	20,000,000	20,000,000
24-07-1995	20,000,000	35,000,000	35,000,000

The Authorized Capital consists of Equity Shares only.

Build up of Current Paid up Capital

Date of Allotment	No. and % of shares issued	Cumulative Paid up Capital (No. of Shares)	Mode of Allotment	Identity of Allottess (e.g. Promoters/others)	Status of compliance with SEBI (SAST) Regulations other Regulations under SEBI Act 1992 and other Statutory requirements
07.02.1995	700 (0.023% of Post Public Issue Capital)	700 (0.023% of Post Public Issue Capital)	Subscribers to Memorandum	Promoters	Complied
31.03.1995	77700 (2.59% of Post Public Issue Capital)	78400 (2.61% of Post Public Issue Capital)	Private Placement	Promoters	Complied

20.06.1995	967100 (32.23% of Post Public Issue Capital)	1045500 (34.85% of Post Public Issue Capital)	Private Placement	Promoters and Others	Complied
03.08.1995	101500 (3.38% of Post Public Issue Capital)	1147000 (38.23% of Post Public Issue Capital)	Private Placement	Promoters and Others	Complied
03.05.1996	1250000 (41.67% of Post Public Issue Capital)	2397000 (79.9% of Post Public Issue Capital)	Public Issue	Public	Complied
03.05.1996	603000 (20.10% of Post Public Issue Capital)	3000000 (100% of Present Paid up Capital)	Firm Allotment	Promoters	Complied

6.4 The Equity Shares of MISL are listed at Delhi Stock Exchange Ltd, Delhi (DSE). The Equity Shares are not admitted as a permitted security at any other Stock Exchange. The Shares have not been suspended from trading by the Stock Exchange.

6.5 The provisions of Clause 49 with regard to Corporate Governance of the Listing Agreement are being complied with by MISL. MISL has no arrears of listing fee to Delhi Stock Exchange (DSE).

6.6 No punitive action has been observed, to be taken by Stock Exchange for non compliance, by the Manager to the issue except for certain Non Compliance of SEBI (SAST Regulations), 1997 by MISL during 1997-2002 which was regularized by the company under SEBI Regularization Scheme, 2002.

Further, the following other irregularities were observed by Manager to the issue with regard to delayed filing of declaration under Regulation 8(3) and Regulation 7(1A) by MISL and Selling Promoters respectively under SEBI (Substantial Acquisition and Takeover Code), 1997 as detailed below :

Sr. No.	Name of the Person / Entity	Regulation / Sub-Regulation	Due Date for Compliance as mentioned in the Regulation	Actual date of Compliance	Delay, if any (in no. of days) Col 4 – Col 3
1	2	3	4	5	6
1.	* Modex International Securities Ltd.	8(3)	30.04.2003	06.02.2006	1013
2.	Mr. Devendra Kumar Arora	7(1A)	18.10.2006	20.07.2011	1736
3.	Mr. Devendra Kumar Arora	7(1A)	01.09.2007	20.07.2011	1418
4.	Mrs. Neena Arora	7(1A)	02.09.2005	20.07.2011	2147
5.	Mr. Mahesh Gopal Goel	7(1A)	18.10.2006	20.07.2011	1736
6.	Mr. Mahesh Gopal Goel	7(1A)	01.09.2007	20.07.2011	1418
7.	Mrs. Sunita Goel	7(1A)	02.09.2005	20.07.2011	2147

*The Company vide their letter dated 04.02.2006 has requested SEBI that by their interpretive mistake of regularization of SEBI Regularization Scheme – 2002, the return under Regulation 8(3) could not be filed to Stock Exchange. The company had sought to condone the default from SEBI on account of its non willful act. However, there was no subsequent correspondence available in furtherance to this in the record of the company showing the condonation of irregularity by SEBI.

For violation of Regulation 8(3) by the target company for the year 2003 and for the promoters for non compliance of regulation 7(1A) in the year 2005, 2006 and 2007, SEBI may initiate suitable action at later stage.

6.7 There are no pending litigations against MISL.

6.8 There are no warrants or options or convertible instruments, convertible into Equity Shares at a later stage.

6.9 MISL has entered into an agreement with Central Depository Services Limited ("CDSL") & National Securities Depository Limited ("NSDL") offering Equity Shares in dematerialized form in compliance with the requirements of the listing agreement

6.10 **Board of Directors as on Friday, 20th May, 2011, the date of PA**

Name	Date of Appointment	Residential Address	Designation	Director Identification

				Number (DIN)
Mahesh Gopal Goel	7/2/1995	23, Vasudha Enclave, Pitampura, New Delhi – 110034	Whole Time Director	00229014
Dharmendra Kumar Arora	7/2/1995	A-154, Sector- 40, Noida, Uttar Pradesh – 201301	Whole Time Director	00234555
Vijay Dhawan	3/8/1995	196, Kalyan Vihar, Model Town, New Delhi – 110009	Non- Executive Director	00253246
Pavan Sachdeva	1/6/2009	263, Sector - 15, Part - I, Gurgaon, Haryana – 122001	Non- Executive Director	00257402
Parminder Singh Kindra	15/05/2006	G-131, Jiwan Niketan, Block - G, Paschim Vihar, New Delhi – 110087	Non- Executive Director	000271909
Sanjay Mohan Uniyal	1/6/2009	132, Jhanda Mohalla, Dehradun, Uttarakhand – 248001	Non- Executive Director	00278354

***There has not been any change in Directors after the date of PA.**

6.11 Experience, Qualification etc. of the Board of Directors

Name	Age, Qualification, Occupation	Experience in Brief
Mahesh Gopal Goel	Age : 50 Qualification: M.Com, FCA Occupation : Business	Having 27 years of experience in the field of audit, Income Tax, Financial Consultant, corporate advisory and capital market, he is a co-promoter and key driver of the Company's growth strategies that has evolved Modex from a seed and now have taken the shape of a tree.
Dharmendra Kumar Arora	Age : 49 Qualification: B.Com (H), FCA Occupation : Business	Having 26 years of experience in the field of audit, Income Tax, Financial Consultant, corporate advisory and capital market
Vijay Dhawan	Age : 51 Qualification: B.Com (2nd Year) Occupation : Business	Mr. Dhawan, is a member of Delhi Stock Exchange since 1991 and also brings with him over 29 years of experience including electronic business.
Pavan Sachdeva	Age : 51 Qualification: B.Com CA (inter) Occupation : Business	He has overall experience of 26 years. This includes 10 years of Experience in Tax and Accounts matters and 16 years experience in real estate market of NCR in real estate market and now has also proved his mettle in capital market.
Parminder Singh Kindra	Age : 52 Qualification: B.com , FCA Occupation : Business	A chartered Accountant by qualification, Mr. Kindra has 10 years of experience in financial, tax consultancy and advisory services. Besides this he has 15 years of experience in the business of Coir Mattresses.
Sanjay Mohan Uniyal	Age : 46 Qualification: B.Com Occupation : Business	A well known Dehradun based Real Estate Tycoon having 29 yrs experience in same line and is well versed with stock broking activities

***Mr. Pavan Sachdeva, one of the Director of MISL is also an Acquirer in the present open offer. There is no other person on the Board of Directors of the Target Company representing the Acquirer.**

6.12 There has been the following change in Board of Directors in the last three years.

Name	Date of Change	Nature of Change
Shri Pavan Sachdeva	01.06.2009	Appointed as Non Executive Director
Shri Sanjay Mohan Uniyal	01.06.2009	Appointed as Non Executive Director

6.13 MISL is at present engaged in financial services such as securities, commodities, broking, mutual fund, depository and cleaning operations.

6.14 MISL is not a Sick Company and is not referred to BIFR. MISL does not have any overdue liabilities to Banks/FIs/Deposit holders

6.15 There has not been any mergers/demergers involving the Target Company nor was there any spin off of activity during the last three years. There has been no change in name since Incorporation.

6.16 **Brief Audited Financial data of MISL for the last three years ended on March 31, 2010, 2009 & 2008 and Limited Review Financial Information for the period ended March 31, 2011 are given herein :**

(Rs. in Lacs)

Profit & Loss Statement	**31.03.2011**	**31.03.2010**	**31.03.2009**	**31.03.2008**
Income from Operations	863.66	971.91	553.51	1018.46
Other Income	283.00	25.11	13.64	32.90
Total Income	**1146.66**	**997.02**	**567.15**	**1051.36**
Expenditure				
Brokerage Paid	268.40	250.10	178.14	339.69
Administrative Expenses	263.74	222.44	114.55	157.09
Personnel Expenses	187.61	188.50	120.15	53.00
Interest & Fin charges	11.54	7.30	7.98	2.94
Security Transaction Tax Paid	152.72	286.40	147.54	0.00
Total Expenditure	**884.01**	**954.74**	**568.36**	**552.72**
Profit/Loss before Depreciation	262.65	42.28	-1.21	498.64
Depreciation	27.05	22.21	14.07	7.99
Profit Before Tax	**235.60**	**20.07**	**-15.29**	**490.65**
Less: Provision for Current Taxes & liabilities	1.21	3.84	2.47	166.70
Profit After Tax for the year	**234.39**	**16.23**	**-17.76**	**323.95**
Balance Sheet Statement				
Sources of funds				
Paid up Equity Share Capital	300.00	300.00	300.00	300.00
Reserves & Surplus	774.65	540.26	524.03	541.79
Net Worth	**1074.65**	**840.26**	**824.03**	**841.79**
Secured Loans	7.87	13.14	0.00	0.00
Deferred Tax Liability	3.23	2.02	1.48	0.77
Total Source of funds	**1085.75**	**855.42**	**825.51**	**842.56**
Uses of funds				
Net Fixed Assets	93.00	94.53	33.58	36.00
Net Current Assets	763.65	512.79	552.83	571.46
Investments	229.10	248.10	239.10	235.10
Total	**1085.75**	**855.42**	**825.51**	**842.56**
Other Financial Data				
Dividend (%)	NIL	NIL	NIL	NIL
Earning Per Share (Rs) for the year, fully diluted & annualized	7.81	0.54	-	10.80
Return on Net Worth (%)	21.82%	1.93%	-	38.48%
Book Value Per Share (Rs.)	35.82	28.01	27.47	28.06

Notes:

There is no change in accounting policies during the above period.

There is no Revaluation Reserves.

There is no Other Income during the above period.

Prefix of –(minus) to figures denote negative figure.

Reason for significant fall in Total Income and PAT in 2008-09 : In 2008-09, Secondary market trading volume has been down by 33% on account of huge outflow of FII from the Indian Equity Markets which affected the benchmark index(es) of the country i.e. Nifty which declined by approx. 36%. The downtrend in equities adversely impacted the broking industry overall. Because of this reason, the company could not generate the sufficient brokerage in the year 2008-09 and 2009-10 and resultantly the profitability of the company was eroded to that extent.

Reasons for increase in Total Income and PAT in 2009-10 : In the wake of the Global financial crisis in 2008-09, the year was marred with uncertainty and volatility. Notwithstanding this, the Indian economy posted strong growth. Riding on the recovery in sentiment, the company has posted strong growth in revenue by 75.80%. However, pressure on margins continued resultantly the company was able to record a Profit After Tax of Rs. 16.23 lacs

Reason for Sharp increase in Profit After Tax during 2010-11 : There was an extraordinary income of Rs. 230.84 lacs on account of sale of agriculture land which had mainly resulted for growth in Profit After Tax which stood at Rs. 234.39 lacs during 2010-11. However, the income from operations declined by 11.14% due to increased competition in the broking industry.

6.17 Significant Accounting policies as on 31-03-2010, date of last audit:

a. Financial Statements are prepared under the historical cost convention in accordance with generally accepted accounting principles as well as the requirements under the Companies Act, 1956.
b. The company maintains its accounts on –going concern basis.
c. There are no significant qualifications by Auditors as on 31.03.2010.

6.18 Pre & Post offer Shareholding pattern of MISL shall be as follows:

Shareholder's category	Shareholding prior to the agreement /Acquisition and offer		Shares to be acquired which triggered off the regulations		Shares to be acquired in open offer (Assuming full acceptance)		Shareholding after the acquisition and Offer	
	(A)		(B)		(C)		(D)	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
I. Promoter Group								
Parties to the Agreement								
Shri Dharmendra Kumar Arora	7,35,000	24.50	19,000	0.63	-	-	7,16,000	23.87
Mrs. Neena Arora	3,39,000	11.30	3,39,000	11.30	-	-	-	-
Mr. Mahesh Goel	7,35,000	24.50	19,000	0.64	-	-	7,16,000	23.86
Mrs. Sunita Goel	3,39,000	11.30	3,39,000	11.30	-	-	-	-
Total (I)	**21,48,000**	**71.60**	**7,16,000**	**23.87**	**-**	**-**	**14,32,000**	**47.73**
II. Acquirer								
Shri Pavan Sachdeva	NIL	NIL	7,16,000	23.87	6,00,000	20	1316000	43.87
Total (II)								
III. Public Holding								
Non Institutions								
a. Bodies Corporate	4,50,300	15.01	-	-				
b. Others	4,01,700	13.39	-	-				
Total (III) (a+b)	**8,52,000**	**28.40**	**-**	**-**	**6,00,000**	**20.00**	**252000**	**8.40**
Total (I+II+III)	30,00,000	100.00			6,00,000	20.00	3000000	100.00

Notes:

a. There are no partly paid Equity Shares.

b. There are no warrants, options or convertible instruments, convertible at a later stage.

c. The Acquirer has not acquired any Shares from the date of the Public Announcement till date of this Letter of Offer.

d. The number of Shareholders under Public Category, i.e. under 3 above, is 157. The Total Shareholders comprising promoters group at present stands at 161.

e The Existing Promoters Group shall not participate in the present open offer by Acquirer (Mr. Pavan Sachdeva)

6.19 Details regarding the change in the Shareholding of Promoters Groups of the company from time to time.

Financial Year	Changes During the year		Cumulative Shareholding		Description wherever the changes occur	Status of Compliance by MISL
	No. of Shares	% Change	No. of Shares	%		Compliances including obtaining approval from Stock Exchange for transfer of shares duly received by MISL
From 20.02.1997 To 31.03.1997	-	-	1482500	(49.42%)		
31.03.1998	161000	(5.36%)	1643500	(54.78%)	Purchase by Promoter Group from Other Shareholders	
31.03.1999	(409500)	(-13.65%)	1234000	(41.13%)	Sale to Other Shareholders	
31.03.2000	508000	(16.93%)	1742000	(58.07%)	Purchase by Promoter Group from Other Shareholders	
31.03.2001	10000	(0.33%)	1752000	(58.40%)	Purchase by Promoter Group from Other Shareholders	
31.03.2002	-	-	1752000	(58.40%)		
31.03.2003	-	-	1752000	(58.40%)		
31.03.2004	-	-	1752000	(75.88%)	Change in Shareholding of Promoter due to forfeiture of 691300 Equity Shares on account of Non Payment of Call Money.	
31.03.2005	-	-	1752000	(75.88%)		
31.03.2006	150000	(6.50%)	1902000	(82.38%)	Purchase by Promoter Groups from Other Shareholders	
31.03.2007	132000	(5.72%)	2034000	(88.10%)	Purchase by Promoter Groups from Other Shareholders	
31.03.2008	114000	(4.93%)	2148000	(93.03%)	Purchase by Promoter Groups from Other Shareholders on 30.08.2007	
	(544000)		2148000	(93.03%)	Inter-se Transfer amongst the Promoter Group on 07.03.2008	
			2148000	(71.60%)	Change in Promoters Shareholding consequent upon re-issue of forfeited shares amounting to 691300 on 19.03.2008. Public Shareholding restored to a minimum of 25% in compliance with clause 40A of Listing Agreement.	
31.03.2009	-	-	2148000	(71.60%)		
31.03.2010	-	-	2148000	(71.60%)		
31.03.2011	-	-	2148000	(71.60%)		

Note: Modex Holdings Pvt. Ltd. & Span Promoters Pvt. Ltd. were included in promoters group till 07/03/2008 before their inter-se transfer of shareholding in favour of Existing Promoters Group

In our opinion, there have been instances of non- compliance under Chapter III of SEBI (SAST) Regulations, 1997 in the year 1997-1998, 1999-2000 & 2003-04 by the Promoters Group. SEBI may initiate appropriate action against the seller Promoters for not complying with the required provisions of Chapter III under SEBI (SAST) Regulation, 1997.

6.20 The Compliance Officer of MISL is Ms. Parul Jain, residing at C-21, Top Floor, Jitar Nagar, Vikas Marg, Delhi- 110051 (Tel. No. 011-47214004, Email ID: cs@modexindia.com) who will be available at the Corporate Office address of MISL and shall attend to all investor grievances.

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer price

7.1.1 The Equity Shares of MISL are listed at Delhi Stock Exchange Ltd, New Delhi (DSE). The Shares are not admitted as permitted Security in any other Stock Exchange.

7.1.2 The shares of MISL have been infrequently traded at Delhi Stock Exchange where they are listed during preceding six calendar months prior to the month of the Public Announcement.

As the share of "MISL" have been traded infrequently at Delhi Stock Exchange where they are listed during the preceding six calendar months prior to the month of the Public Announcement, the offer price in terms of Regulation 20(5) of the SEBI (SAST) Regulations, 1997 has been determined taking into account the following parameters:

1.	Negotiated price paid by the Acquirer under the any Agreement referred to in Regulation 20 (4)(a)		Rs. 22.00
2.	Highest Price Paid by the Acquirer for acquisition including by way of allotment in a Public of Rights issue, if any, during the twenty-six period prior to the date of Public Announcement		N.A.
3.	Price paid by the Acquirer under any Preferential allotment made to them any time during the twenty six weeks preceding the date of PA		N.A.
4.	Other Financial Parameters	Year Ended March 31,2010 (Audited)	Year Ended March 31,2011 (Unaudited with Limited Review
	Return on Net Worth (%)	1.93%	21.81%
	Book Value Per Share (Rs.)	28.01	35.82
	Earnings Per Share (Rs.)	0.54	*7.82
	Price Earning Multiple (with reference to the Offer price of (Rs. 30/- per share)	55.55	2
	The Average industry P/E for the sector in which MISL operate (Source: Capital Market Vol: May 30 – June 12, 2011, Industry : Finance & Investments		15.70

***Earning Per Shares of Rs. 7.82 has been arrived on account of exceptional income on account of sale of agriculture land Rs.230.84 lacs and as such it is likely that the income received during the current year may not continue in the succeeding years. Correspondingly, the PE of 2 shown above may not necessarily represent the true indicator of current industry benchmark PE multiple.

The Fair Market Value of Shares of MISL has been determined by M/s S. Chand Mittal & Co., Chartered Accountants , Phone No. 011 – 41548802 and having office at 207, D.R. Chambers, 12/56, Desh Bandhu Gupta Road Karol Bagh, New Delhi – 110005 vide their report dated 9th June, 2011 stating that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30) the fair value per share is Rs. 22.83. The pricing is made on the basis of **"Guidelines for valuation of equity shares of company and the business and the net assets of branches" issued by Ministry of Finance, Department of Economic Affairs, vide letter No.S.11 (21) CCI (11)/90, dated 13.07.1990."** The objective of these guidelines is to enable companies to make a best reasonable judgment of the fair value of equity shares of a company.

The relevant extracts of the report is stated as under:-

There are mainly three recognized methods, which have been used for valuation of shares of a listed company namely;

a) Market Value of shares based on quotation of shares noted in the stock exchange where the shares are listed. In case of MISL shares, since no transaction has been recorded in the stock exchanges where the shares are listed for in the last more than three years, this method of valuation in our opinion cannot be used to determine the fair market value of the shares of the companies.

b) Net Asset Value Method (NAV) : The value determined is calculated by taking into account book value of all assets of the company (based on latest audited results as on March 31st, 2010), after reducing there from the liabilities of the company and the accumulated losses of the company. Details are as under:

Particulars		**Amount (Rs. in Lacs)**
Total Assets		2108.19
Less : Total Liabilities		
- Secured & Unsecured Borrowings	13.14	
- Current Liabilities & Provisions	1252.77	
- Deferred Tax Liabilities	2.02	1267.93
Net Asset Value / Net Worth [A]		840.26

Particulars	**Amount**
Net Worth [A] in Lacs	840.26
Number of Equity Shares [B]	30,00,000
Value Per Share C=[A/B] in rupees	**28.01**

c) The Price Earning Capacity Value (PECV) : The concept underlying this approach to valuation of shares of the company is that the future earning reasonably expected to accrue to the company should be used to determine the fair value of the company's share. Based on the guidelines available, value under PECV method is calculated by the following methodology.

For calculating the Value based on Profit Earning Capacity the weighted average profit after tax based on the audited financial statements for the last four years and unaudited financial statements (with limited review) as on 31st March 2011 has been considered since the financials of the company show huge fluctuations and it may not be pertinent to judge the valuation of the company based upon last three year computation.

Accordingly, the computation of average profit has been done as follows. For calculation of Average Profit, we have assigned an equal weight for arriving at Profit After Tax since the latest financials include an exceptional profits on account of sale of land amounting to Rs. 230.84 lacs which may not continue in the succeeding years. Capitalization rate is taken at 17.5% (being the rate prescribed for the intermediate companies) on the weighted average profits.

Based on the above factors the value under this method is calculated as under :

A. Calculation of Weighted Average:

Year	Profit After Tax (Rs. in Lacs)	Weights	Value (Rs. in lacs)
2006-07	(25.66)	1	(25.66)
2007-08	323.94	1	323.94
2008-09	(17.76)	1	(17.76)
2009-10	16.22	1	16.22
2010-11	234.39	1	234.39
Total (A)		5	531.13

B. Calculation of Value Per Share

Particulars	Amount (Rs. in Lacs)
Weighted Average Profit (in rupee lacs) i.e. [531.13/5]	106.23
Rate of Capitalization	17.50%
Amount of Capitalization	607.01
No. of Shares	30,00,000
Value Per Share (in Rs.)	**20.23**

Based on the above calculation the Fair Value of the Shares of MISL is summarized below in which "two" weight has been attached to Price Earning Capacity Value (PECV) and "one" weight has been attached to the Net Assets Value Method (NAV).

The details are as under :

Particulars	**Value Per Share**	**Weight**	**Amount (in Rs.)**
Net Asset Value	28.01	1	28.01
Price Earning Capacity Value	20.23	2	40.46
Total		3	68.48
Weighted Average Value Per Share			**22.83**

In view of the above & taking into account all relevant parameters, the offer price of Rs. 30 (Rupess Thirty only) per fully paid up equity share of Rs. 10 each, being the highest amongst the price mentioned above is justified in Regulation 20(5) of SEBI (SAST) Regulations, 1997 as applicable on the date of PA.

7.1.3 This is not an indirect acquisition/control.

7.1.4 The Acquirer has not been allotted any Equity Shares of MISL by way of allotment in a Public or Right issue or preferential allotment in the 26 weeks prior to the date of this Public Announcement; the Acquirer has not acquired any Equity Shares of MISL in any manner. The Equity Shares of MISL are infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997 during the 6 months preceding the month in which this Public Announcement is made at the Stock Exchange where listed. As the Equity Shares were infrequently traded, the offer price has been determined taking into account the parameters as setout under Regulations 20 (5) viz. Book Value, EPS, Return on Net Worth, price paid by the Acquirer for acquisition through the agreement etc. The Book value of Equity Shares of MISL as on March 31st, 2010, the date when accounts were last audited is Rs. 28.01.

7.1.5 **Non Compete Fee:** There is no non-compete agreement for payment to any person.

7.1.6 In the opinion of the Manager to the Offer and the Acquirer and in terms of Regulation 20 (11) of the Regulations, the Offer price of Rs. 30/- per fully paid Equity Share is justified.

7.1.7 In the event of any further acquisition of Equity Shares by the Acquirer up to 7 working days prior to the closure of the Offer 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. However, the Acquirer shall not be acquiring any Equity Shares of MISL during the period of 7 working days, prior to the date of closure of the Offer.

7.2 Financial arrangements

7.2.1 The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and from own funds in India and no borrowings from Banks/FIs/others or Foreign sources such as NRIs is envisaged for the same.

7.2.2 Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 180 Lacs (Rupees One Crore & Eighty Lakhs only).

7.2.3 In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created an Escrow Account with a deposit amount of Rs. 45,00,000/- (Rupees Forty Five Lakhs only), which is 25 % of the total consideration payable under the Offer, with DCB Bank on May 18th,2011 and lien has been marked on the said account in favor of NEXGEN Financial Solutions Private Limited, Manager to the Offer.

7.2.4 The Acquirer has authorized NEXGEN Financial Solutions Private Limited, Managers to the Offer to realize the value of the Escrow Account in terms of SEBI (SAST Regulations), 1997.

7.2.5 As per Certificates dated April 23rd, 2011, from M/s Bhagwant Singh & Co., Chartered Accountants, the Net Worth of Shri Pavan Sachdeva as on March 31st, 2011 is Rs. 465,01,982/- (Rupees Four Crore Sixty Five Lakhs One Thousand Nine

Hundred Eighty Two only.)

7.2.6 The liquid source with Acquirer Shri Pavan Sachdeva is Rs. 389.94 Lacs. This will be adequate to meet the cost of Acquisition of Shares through the Agreement, the Open Offer and expenses thereof.

7.2.7 NEXGEN Financial Solutions Private Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8 TERMS AND CONDITIONS OF THE OFFER

a. This Offer will open on September 1st, 2011 and will close on September 20th, 2011. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.

b. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.

c. The Specified date for this Offer is June 17th, 2011

d. **Specified date is only for the purpose of determining the names of the Shareholders as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of MISL anytime before the closure of the Offer are eligible to participate in the Offer.**

e. The Acquirer will comply with the Takeover Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Share Purchase Agreement and its related conditions.

f. In case of non-compliance with any of the provisions of the Takeover Regulations, the Share Purchase Agreement shall not be acted upon by the Seller or the Acquirer.

8.1 Eligibility for accepting the Offer

8.1.1 The Letter of Offer shall be sent to all Equity Shareholders (except the present promoters, parties to the agreement and the Acquirer) whose names appear in register of members of Target Company as on June 17th, 2011 the Specified Date.

8.1.2 This Offer is also open to persons who own Equity Shares in MISL but are not registered Shareholders as on the "Specified date".

8.1.3 All Equity Shareholders (except the present promoters, parties to the Agreement & the Acquirer) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

8.1.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Mas Services Limited, T-34, IInd Floor, Okhla Industrial Area, Phase II, New Delhi – 110 020. (Telephone No. (011) 2638 7281/82/83, Fax No. (011) 2638 7384 email: info@masserve.com (**Contact Person: Shri. Sharwan Mangla**).

8.1.5 The Public Announcement, the Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the **SEBI website: www.sebi.gov.in**. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI's website for applying in the Offer or to withdraw from the Offer.

8.1.6 Shareholders who have sent their equity shares for dematerialisation need to ensure that the process of getting shares dematerialised is completed well in time so that the credit in the Depository Escrow Account should be received before the date of Closure of the Offer, i.e. September 20th, 2011 else the application would be rejected.

8.1.7 In case of physical shares: By stating name, address, distinctive nos., folio no., number of equity shares tendered and to be withdrawn.

8.1.8 In case of dematerialised Shares: By stating name, address, number of equity shares tendered and to be withdrawn, DP name, DP ID, Beneficiary account number, Counter Foil/Photocopy of delivery instruction in "off market" mode duly acknowledged by the DP in special depository account.

8.1.9 In either case: A copy of acknowledgement received from manager to the offer upon tendering the shares.

8.1.10 The acceptance of this Offer by the Equity Shareholders of MISL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

8.1.11 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of MISL.

8.1.12 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.

8.1.13 For any assistance please contact NEXGEN Financial Solutions Private Limited, Manager to the Offer or the Acquirer or the Registrar to the Offer.

8.2 Statutory Approvals:

8.2.1 The Offer is subject to approval from SEBI / Stock Exchange(s) wherein the target company is member, with regard to acquisition of shares that are tendered pursuant to this Offer under SEBI (Stock-Brokers and Sub Brokers)

Regulations,1992 & under relevant bye laws of the Stock Exchange respectively . The Acquirer & company shall apply to SEBI for approval in this regard immediately after close of offer. Further, the offer may also be subject to any other statutory approval which may become applicable at a later date.

8.2.2 Barring unforeseen circumstances, the Acquirer would endeavor to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirer fails to obtain requisite Statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

8.2.3 In the event, the said statutory approval from SEBI/Stock Exchange(s) etc. is refused, it may lead to withdrawal of the open offer by Acquirer under Regulation 27 of SEBI (Substantial Acquisition and Takeover Code), 1997

8.2.4 No approval is required to be obtained from Banks/Financial Institutions for the Offer.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ACCEPTANCE OF THE OFFER

Name and Address of the persons (Registrars to the Offer) to whom the Equity Shares along with documents required to be submitted therewith, should be sent. The same can be submitted to the office of the Registrar to the Offer:

Registrars to the Offer	Working days and timings	Mode of delivery
MAS SERVICES LIMITED **T-34, 2nd Floor, Okhla Industrial Area** **Phase – II, New Delhi - 110 020** **Tel No. (011) 2638 7281/82/83** **Fax No. (011) 2638 7384** **email: info@masserve.com** **Contact Person: Mr. Sharwan Mangla**	From Monday to Friday between 10.00 am to 5.00 pm and between 10.00 am to 1.00 pm on Saturday	By Post/Courier/Hand Delivery

9.1 Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance cum acknowledgement, original Share certificates and transfer deeds and other documents as specified in the Letter of Offer to the Registrar to the Offer M/s. Mas Services Limited either by hand delivery, courier or by Registered Post, to reach them on or before the closure of the Offer, i.e. September 20th, 2011 between 10.00 am to 5.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with MISL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by MISL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

9.2 Beneficial owners (shareholders holding shares in dematerialised form) will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post/Courier or by hand delivery on or before the date of Closure of the offer, i.e. September 20th, 2011 between 10.00 am to 5.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of " MAS-MODEX Escrow A/c" ("Depository Escrow Account") filled in as per the instructions given below:

DP Name: Gogia Capital Services Limited, DP ID: 300589, Client ID: 10225167, Depository: NSDL

Shareholders having their beneficiary account in CDSL shall use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL. The Acceptance Form along with Share Certificates and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.

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

9.3.1 Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of MISL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the date of closure of the Offer.

9.3.2 In case the Share Certificate(s) and Transfer Deeds are lodged with MISL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by MISL /its Share Transfer Agent, for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

9.3.3 **Unregistered owners holding Equity Shares in physical Form should enclose**

a. Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates.
b. Original Share Certificates.
c. Original broker contract note of a registered broker of a recognized Stock Exchange
d. Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for acceptance. The Acquirer shall accept all valid fully paid up Shares tendered (except those which are withdrawn, within the date specified for withdrawal).

9.4 If the number of Equity Shares offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis and 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. It will also be ensured that the acceptance from a Shareholder is not less minimum marketable lot or the entire holding, if it is less than the marketable lot. In view of acceptance on proportionate basis as stated above, the number of Shares accepted may marginally exceed the Offer Size.

9.5 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of the Offer. In case the Acquirer fail to obtain requisite Statutory approvals in time, on account of any willful default or neglect or inaction or no action, then action in terms of Regulation 22(13) will be initiated by SEBI.

9.6 The Equity Shares Certificate(s) and the transfer form (s) together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of offer until the Acquirer complete the offer obligations in accordance with the regulations.

9.7 In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement.

9.8 The Withdrawal can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before September 14th, 2011.

9.9 The Withdrawal option can also be exercised by making an application on plain paper along with the following details: In case of physical shares :By stating name, Address, Distinctive numbers, Folio nos., No. of Shares tendered and to be withdrawn.

9.10 While tendering their equity shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non resident shareholders will be required to submit a No Objection Certificate ("NOC") or Tax Clearance Certificate or Certificate for Deduction of Tax at lower rate from Income Tax Authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at lower rates is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders. Non Resident Shareholders should also submit copy of the permission received from the Reserve Bank of India for acquisition of the shares of Target Company. In case of its non-submission the Acquirers reserve the right to reject the shares tendered in the Offer.

10 SETTLEMENT/ PAYMENT OF CONSIDERATION

Consideration for Equity Shares accepted will be paid as given hereinafter: Shareholders who have offered their equity shares would be informed about acceptance or rejection of the Offer within 15 days from the date of Closure of the Offer. The consideration to the shareholders whose shares have been accepted will be paid by Cheque / Demand Draft / Pay Order crossed 'Account Payee' only in favor of the first holder of equity shares within 15 days from the date of Closure of the Offer. For shares, which are tendered in electronic form, the bank account as specified in beneficial owner's depository account details will be considered and the consideration will be credited with the said bank account. The unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholder's / unregistered owner's 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. In case of other applicants, the consideration of value up to Rs. 1,500/- will be despatched "Under Certificate of Posting". Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of Manager to the Public Offer at NEXGEN Financial Solutions Pvt. Ltd., 709, Madhuban Building, 55 Nehru Place, New Delhi - 110019 (Tel No. 9999148006, Fax No. (011) 30682111, Email ID: info@nexgenfin.com**. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.**

a. Copies of Certificates dated 23.04.2011 from Shri Bhagwant Singh (Membership No. 092226), M/s Bhagwant Singh & Co., Chartered Accountants, Address A-355 Aggarwal City Mall (Near M2K cinema), Pitampura, Delhi - 110034, the Net worth of Shri Pavan Sachdeva as on date 31.03.2011 is Rs 465,01,982/- (Rupees Four Crores Sixty Five lacs One Thousand Nine Hundred Eighty Two Only).
b. Copy of Certificate of Incorporation No. 55-65153 issued on 7th February 1995 issued by the Registrar of Companies, New Delhi , the Target Company.
c. Certified copy of Certificate for commencement of Business dated 10th March 1995 of MISL issued by Registrar of Companies, New Delhi.
d. Audited Balance Sheet, Profit and Loss Account, Report of Auditors, Directors etc. of MISL & Acquirer as on 31.03.2008, 31.03.2009, 31.03.2010 & Unaudited financial results on 31-03-2011.
e. Copy of Share Purchase Agreement May 14th, 2011between the Acquirer & present promoter of MISL for purchase of Shares and change in control of MISL.
f. Copy of Fixed Deposit Account No 06222000000055, dated May 18th, 2011 of DCB Bank, Jharsa Branch, Sector -15, Part I, Jharsa Road, Gurgaon , Haryana for Rs 45 Lacs being Escrow Account created.
g. Copy of Letter from the Acquirer, authorizing, NEXGEN Financial Solutions Private Limited to realize the value of Escrow Account, in terms of the Regulations.
h. Published Copies of the Public Announcement made in newspapers on date May 20th,2011 & Corrigendum to the Public Announcement dated August 25, 2011
i. Copy of MOU dated February 1st,2011 between the Acquirer and Manager to the Offer.
j. Copy of MOU dated May 5th, 2011 between the Acquirer and the Registrar to the Offer.
k. Due Diligence Certificate June 1st 2011 submitted to SEBI by, NEXGEN Financial Solutions Private Limited Manager to the Offer
l. Copy of SEBI's observation letters from time to time in relation to the Draft Letter of Offer document filed with SEBI by Manager to the open offer
m. Undertaking dated May 14th, 2011 by the Acquirer, agreeing to maintain public holding as per Clause 40A of listing agreement.
n. Undertaking dated May 14th, 2011by the Acquirer, expressing their intention not to delist the Equity Shares of MISL after the Offer.
o. Undertaking dated May 14th, 2011by the Acquirer agreeing that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.
p. Undertaking dated 23rd August, 2011 by the Acquirer agreeing that the copy of all SEBI's observation in relation to the draft letter of offer filed with SEBI be made available for Public Inspection.

12. DECLARATION

The Acquirer accepts full responsibility for the information contained in this Letter of Offer and Form of Acceptance. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. The Acquirer shall be responsible for ensuring compliance of the Regulations.

Sd/-

Shri Pavan Sachdeva
(Acquirer)

Place: New Delhi
Date: August 25th, 2011

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal

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

Offer opens on	September 1st, 2011
Offer closes on	September 20th, 2011

From:

To

MAS SERVICES LIMITED
T – 34, IInd Floor,
Okhla Industrial Area, Phase II
New Delhi – 110 020
Contact Person: Sharwan Mangla

Dear Sir,

Sub: Open Offer to acquire 6,00,000 Equity Shares representing 20% of the paid up and voting Equity Capital of Modex International Securities Limited by Shri Pavan Sachdeva

I/We refer to the letter of Offer **dated 25th August, 2011** for acquiring the Equity Shares held by me/us in Modex International Securities Limited.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Equity Shares of Modex International Securities Limited in Physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

SI. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Shares Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

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

--*Tear Here*--

Acknowledgement Receipt

Received from Mr./Ms./M/s.____ Form of acceptance cum acknowledgement in connection with open offer to Shareholders of **Modex International Securities Limited.**

Ledger Folio No.________________ No. of Share Certificates________________ for _______________ Shares of Modex International Securities Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates/number of Shares

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

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

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

Name	
Address	
Pin Code	

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

	PAN/GIR No.
1st Shareholder	
2nd Shareholder	

Yours faithfully
Signed & delivered

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

Place : _________

Date : _________

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS/RTGS etc, the applicants are requested to provide details of Bank account of the sole/first shareholder.

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	
Payment through RTGS	
IFSC Code of the Branch	
MICR Code of the Branch	

Note: All future correspondence, if any, should be addressed to the Registrar to the Offer, at the address in which the Acceptance Form was lodged by you.

FORM OF WITHDRAWAL

Offer opens on	September 1st, 2011
Offer closes on	September 20th, 2011
Last Date of withdrawal	September 14th, 2011

From:

To

MAS SERVICES LIMITED
T – 34, IInd Floor,
Okhla Industrial Area, Phase II
New Delhi – 110 020
Contact Person: Mr. Sharwan Mangla

Dear Sir,

Sub: Open Offer to acquire 6,00,000 Equity Shares representing 20% of the paid up and voting Equity Capital of Modex International Securities Limited by Shri Pavan Sachdeva

I/We refer to the letter of Offer **dated 25th August, 2011.** for acquiring the Equity Shares held by me/us in **Modex International Securities Limited.**

I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirer to return to me/us, the tendered Equity Shares at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer/Manager to the Offer/Registrar to the Offer.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirer will return the original Share Certificate(s), Share Transfer Deed(s), only on completion of verification of the documents.

---*Tear Here*--

Acknowledgement Receipt

Received from Mr./Ms./M/s.____Form of withdrawal.

Ledger Folio No.________________ No. of Share Certificates________________ for _______________ Shares of **Modex International Securities Limited**

Stamp of Registrar		In case of physical Shares, verify the number of Share certificates/number of Shares

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the offer are as given below:

SI. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Shares Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

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

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

Yours faithfully
Signed & delivered

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

Place : _________

Date : _________

Note: All future correspondence, if any, should be addressed to the Registrar to the Offer, at the address in which the Acceptance Form was lodged by you.