**OFFER OPENING PUBLIC ANNOUNCEMENT UNDER REGULATION 18(7) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, FOR THE ATTENTION OF THE SHAREHOLDERS OF**

# SERVOTECH ENGINEERING INDUSTRIES LIMITED

*(CIN:L28933MH1994PLC081857)*

**Registered Office:** 203, Chartered House, Dr. C H Street, Dhobi Talav, Near Marine Lines, Mumbai-400 002.
**Tel No.:** +91 22 2208 6368, **Fax No.:** +91 22 2206 7131, **E-Mail:** info@servotech-india.com

This advertisement is issued by Mark Corporate Advisors Private Limited **("Manager to the Offer")** for and on behalf of Mr. Radheshyam Lahoti **('Acquirer')**, Lahoti Exports Private Limited **('LEPL'/'PAC 1')**, Quality Products Marketing Private Limited **('QPMPL'/'PAC 2')**, Mr. Ramawtar Lahoti (**'PAC 3')** and Focus Investment & Traders Private Limited **('PAC 4')** pursuant to regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended **["SEBI (SAST) Regulations"]**, in respect of the Open Offer to acquire 13,34,200 Equity Shares of ₹10 each of Servotech Engineering Industries Limited **('SEIL'/'Target Company')** representing 26% of the Share Capital and 32.98% of the Voting Capital of the Target Company. The Detailed Public Statement **("DPS")** with respect to the Offer was published on May 08, 2015(Friday) in the following newspapers:

| Publication | Language | Edition(s) |
|---|---|---|
| Financial Express | English | All Editions |
| Jansatta | Hindi | All Editions |
| Mumbai Lakshadweep | Marathi | Mumbai Edition |

1) The Offer Price is ₹6.95 (Rupees Six and Paise Ninety Five only) (₹5.47 per share as per SEBI's Order and ₹1.48 being the interest @ 10% p.a.) per Equity Share **("Offer Price")**. The interest component in the Offer Price has been revised due to delay in the payment of consideration to the continuing Shareholders i.e. those persons who were shareholders of the Target Company as on September 26, 2012 and continue to be shareholders of the Target Company on the date of the closing of the Offer.

2) The Committee of Independent Directors **("IDC")** of the Target Company has issued the following recommendation (relevant extract) on the Offer, which was published on July 31, 2015 (Friday) in the above mentioned newspapers:

| | |
|---|---|
| Recommendation on the Open offer, as to whether the offer is fair and reasonable | IDC is of the view that Open Offer is fair and reasonable |
| Summary of reasons for recommendation | IDC has reviewed (a) the Public Announcement ("PA") dated April 29, 2015 in connection with the Offer issued on behalf of Radheshyam Lahoti and others; (b) The Detailed Public Statement ("DPS") which was published on May 08, 2015 (c) The Draft Letter of Offer ("DLoF") dated May 15, 2015 and (d) the Order of SEBI dated January 23, 2015 |

3) There was no Competitive Bid.

4) The Registrar to the Offer has confirmed that the Letter of Offer to the shareholders of the Target Company whose name appears as on the Identified Date i.e. July 21, 2015 have been dispatched on July 28, 2015.

5) Please note that a copy of the LoF (including Form of Acceptance) is also available on Securities and Exchange Board of India **("SEBI")** website (http://www.sebi.gov.in). Registered/unregistered Shareholders/Owner of shares, if they so desire may also apply on the Form of Acceptance downloaded from the SEBI's website. Further, in case of non-receipt / non-availability of the Form of Acceptance, the application can also be made on plain paper along with the following details:

a) **In the case of Equity Shares held in physical form:** Name of the Shareholder, Address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deed(s) duly executed and witnessed along with the self attested copy of PAN card of the Shareholder should be sent to System Support Services 89, Andheri-Kurla Road, (Next to Logitech Park, Above McDonalds), Sakinaka, Andheri (E), Mumbai-400 072, Tel No.: +91 22 2850 0835, Fax No.: +91 22 2850 1438, Contact Person: Mr. Mahendra Mehta/Mr. Zoeb Sutarwala,Email: sysss72@yahoo.com/ zoebsss@hotmail.comeither by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer i.e., not later than August 17, 2015 (Monday), in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.

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

| | | |
|---|---|---|
| Account Name | : | Servotech Engineering Industries Limited-Open Offer-Operated by-System Support Services |
| DP Name | : | SW Capital Private Limited |
| DP ID | : | 12036300 |
| Beneficiary ID/Client ID | : | 00089218 |
| ISIN | : | INE185D01015 |
| Market | : | Off-Market |
| Depository | : | Central Depository Services (I) Ltd. |

Shareholders having their beneficiary account in NSDL have to use inter-depository delivery instruction slips for crediting their Equity Shares in favour of the Depository Escrow Account **"Servotech Engineering Industries Limited-Open Offer-Operated by-System Support Services"** maintained with CDSL. Above mentioned documents should be sent to the Registrar to the Offer.

6) Comments received from SEBI by way of their letter dated July 17, 2015 in terms of regulation 16(4) of the SEBI(SAST) Regulations, have been incorporated in the Letter of Offer and also in this advertisement to the extent applicable.

7) The Offer Price for Continuing Shareholders, whose Equity Shares are tendered and accepted under the Offer, would be ₹6.95 per Equity Share (comprising of the Offer Price of ₹5.47 per Equity Share and Interest of ₹1.48 per Equity Share) and for other Public Shareholders would be ₹5.47 per share only (Rupees Five and Paise Forty Seven only). The accrued interest of ₹1.48 per Equity Share is calculated at the rate of 10% per annum from December 19, 2012 till September 01, 2015, i.e. the scheduled date of payment of consideration, in accordance with the Order of Whole Time Member of SEBI. Such interest is payable only to Continuing Shareholders, i.e., those persons who were shareholders of the Target Company as on September 26, 2012 and continue to be shareholders of the Target Company till the date of the closing of the Offer i.e. August 17, 2015, and whose Equity Shares are tendered and accepted under the Offer. The Offer Size has been revised to ₹92,72,690 (Rupees Ninety Two Lakhs Seventy Two Thousand Six Hundred and Ninety only).

8) The process for surrendering the shares held by continuing shareholders have been suitably incorporated under "Operational Terms & Conditions" in the Letter of Offer.

9) The Open Offer is triggered pursuant to acquisition of 1,00,000 Equity Shares of the Target Company on September 26, 2012 by the Promoter/ Promoter Group as their aggregate holding in the Target Company crossed 25% of the Voting Capital. The Hon'ble Whole Time Member of SEBI vide Order No. WTM/RKA/CFD-DCR/05/2015 dated January 23, 2015 directed the Promoter/Promoter Group of the Target Company namely Mr. Radheshyam Lahoti ('Acquirer'), Lahoti Exports Private Limited ('PAC 1'), Quality Products Marketing Private Limited ('PAC 2'), Mr. Ramawtar Lahoti ('PAC 3'), Focus Investment & Traders Private Limited ('PAC 4') and Mr. Sitaram Lahoti to make a Public Announcement to acquire shares of the Target Company and pay interest at the rate of 10% per annum in accordance with the provisions of SEBI (SAST) Regulations, 2011.

10) As per the said SEBI Order, the interest @ 10% p.a. from December 19, 2012 till the date of payment of consideration i.e. September 01, 2015, shall be made to the continuing shareholders who were holding shares in the Target Company as on the date of violation i.e. September 26, 2012 and whose shares are validly tendered and accepted in the Open Offer.

11) There are 14,47,711 partly paid up Equity Shares of ₹10 each (paid-up to the extent of ₹2.50 per share). The Shareholders who are holding partly paid-up shares as on the identified date i.e. July 21, 2015 have to make the partly paid-up shares as fully paid-up to become eligible to surrender their shares in the Open Offer. The partly paid-up Shareholders have to pay ₹28.85 per share [₹7.50 per share towards the principal amount + ₹21.35 per share towards the interest @ 15% p.a. (as mentioned in the Prospectus) from the date of allotment i.e. July 16, 1996].

12) We have incorporated Educational Qualification and Experience details of the Board of Directors of Lahoti Exports Private Limited ('LEPL'/ 'PAC 1') and Quality Products Marketing Private Limited ('QPMPL'/'PAC 2') on page no. 6 and page no. 8 respectively of the Letter of Offer.

13) The Acquirer and the PACs who are part of Promoter/Promoter Group of the Target Company have not complied with Regulation 7(1A) of Chapter II of SEBI (SAST) Regulations, 1997 for FY 2006-2007, and FY 2007-2008 and delayed compliance of Chapter V of SEBI (SAST) Regulations, 2011 for FY 2014-2015. SEBI may initiate appropriate actions against them for such non-compliances/delayed compliance. SEBI may also initiate appropriate action against the Promoters of the Target Company for the delay in making this Open Offer.

14) There are no Contingent Liabilities in respect to Lahoti Exports Private Limited ('LEPL'/'PAC 1'), Quality Products Marketing Private Limited ('QPMPL'/'PAC 2') and Focus Investment & Traders Private Limited ('FITPL'/'PAC 4').

15) There are currently no outstanding convertible instruments to be converted into Equity Shares of the Target Company at a future date. There has been no merger/de-merger or spin off in the Target Company during the past three years.

16) **Schedule of Activities:**

The Schedule of Activities have been revised and the necessary changes have been incorporatedin the LoF at all the relevant places. The Revised Schedule of Activities is in compliance with the applicable provisions of SEBI (SAST) Regulations, 2011.

| Nature of Activity | Original Day & Date | Revised Day & Date |
|---|---|---|
| Date of Public Announcement | Wednesday, April 29, 2015 | Wednesday, April 29, 2015 |
| Date of publishing the Detailed Public Statement | Friday, May 08, 2015 | Friday, May 08, 2015 |
| Last date for filing of Draft Letter of Offer with SEBI | Friday, May 15, 2015 | Friday, May 15, 2015 |
| Last date of a Competing offer | Friday, May 29, 2015 | Friday, May 29, 2015 |
| Latest date by which SEBI's observations will be received | Friday, June 05, 2015 | Friday, July 17, 2015 |
| Identified Date* | Tuesday, June 09, 2015 | Tuesday, July 21, 2015 |
| Last date by which the Letter of Offer will be dispatched to the Shareholders' (Except the Acquirer/PACs and their Group Entities) as on the identified date | Tuesday, June 16, 2015 | Tuesday, July 28, 2015 |
| Last Date for revising the Offer Price/number of shares | Thursday, June 18, 2015 | Thursday, July 30, 2015 |
| Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published | Friday, June 19, 2015 | Friday, July 31, 2015 |
| Date of pre offer advertisement for Opening the Offer | Monday, June 22, 2015 | Monday, August 03, 2015 |
| Date of Commencement of the Tendering Period (Offer opening date) | Tuesday, June 23, 2015 | Tuesday, August 04, 2015 |
| Date of Closing of the Tendering Period (Offer closing date) | Monday, July 06, 2015 | Monday, August 17, 2015 |
| Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or equity share certificate/return of unaccepted share certificates/credit of unaccepted shares to demat account | Monday, July 20, 2015 | Tuesday, September 01, 2015 |

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the shareholders (registered or unregistered) of the Target Company (except the Acquirer, PACs and their Group Entities) are eligible to participate in this Offer any time during the tendering period of the Offer.*

Capitalized terms used in this advertisement, but not defined herein, shall have the same meanings assigned to such terms in the PA, DPS and the Letter of Offer. This advertisement is expected to be available on SEBI's website (http://www.sebi.gov.in)

**Issued by the Manager to the Offer:**

MARK

**Mark Corporate Advisors Private Limited**
*CIN:U67190MH2008PTC181996*
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Sant Janabai Road (Service Lane),
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Mumbai- 400 057
**Tel. No.:** +91 22 2612 3207
**Fax No.:** +91 22 2612 3208
**Contact Person:** Mr. Manish Gaur
**Email:** openoffer@markcorporateadvisors.com
**SEBI Regn No.:** INM000012128

**For and on behalf of the Acquirer and PACs**

**Sd/-**
**Radheshyam Lahoti ('Acquirer')**
*(For himself and duly constituted Power of Attorney holder for PAC 1, PAC 2 and PAC 3)*
Focus Investment & Traders Private Limited ('PAC 4')

**Place:** Mumbai
**Date:** August 03, 2015