LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of Vybra Automet Limited ("VAL / Target Company"). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in the Target 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 the stock exchange through whom the said sale was affected.

CASH OFFER

Pursuant to regulations 10, 11 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

By

Mr. Vilas Vitthal Valunj ("Acquirer")

residing at

Flat No. C-1/5, Rajshree Villa, Bhonsale Paradise, Range Hills Road, Shivaji Nagar, Pune – 411 020 (Maharashtra)

Ph:+91-8008802228; Fax:+91-20-2712 0896

Along with the Persons Acting in Concert ("PACs")

Mr. Partha Debnath

residing at

Sangramgarh, P.O.- Bangal Enamel, P.S.- Noapara, Dist- North 24 Parganas 743 122 (West Bengal)

Ph:+91-8008802227

&

Mr. Janardhan Shriniwas Purandare

residing at

Vivekanand Nagar Hudco N-12, C-134 Aurangabad 431 003 (Maharashtra)

Ph:+91-8008802224

to the shareholder(s) of

Vybra Automet Limited

Registered office: Survey No. 507 & 508, Padamati Somaram Road, Bibinagar, Bhongir Taluqa, District Nalgonda – 508 126, Andhra Pradesh.

Ph: +91–8685–278714 Fax: +91–8685–278714

To acquire 14,25,800 fully paid up Equity Shares of Rs. 10/- each representing 20% of the current voting capital of Vybra Automet Limited **at a price of Rs. 22.65 (Rupees Twenty Two and Paise Sixty five only) (the "Offer Price")per fully paid-up Equity Share inclusive of interest of an amount of Rs. 0.20 (Paise Twenty) per share payable in cash.**

Please Note:

1. This Offer is being made pursuant to and in accordance with regulations 10, 11 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof (the "SAST Regulations / Regulations").
2. This Offer is neither conditional nor subject to any minimum level of acceptance by shareholders of the Target Company.
3. There are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer including equity shares tendered by non-resident shareholders. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer and the PACs shall not proceed with the Offer in the event any statutory approval is not obtained.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Wednesday, September 22, 2010, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Monday, September 27, 2010.
5. If there is any upward revision in the Offer Price by the Acquirer and the PACs prior to or on the last date for revising the Offer Price viz., Thursday, September 16, 2010, you will be informed by way of another Public Announcement in the same newspapers in which the first Public Announcement was published. The Acquirer along with the PACs shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. **This is not a competitive bid.**
7. **If there is a competitive bid(s):**
   a. **The public offers under all the subsisting bids shall close on the same date;**
   b. **As the Offer Price cannot be revised during 7 (seven) 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.**
8. No competitive bid has been announced till the date of this Letter of Offer.
9. A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) will also be available on the website of Securities and Exchange Board of India ("SEBI") (http://www.sebi.gov.in)

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
Microsec Capital Limited 74A, Mittal Tower, 7th Floor 210, Nariman Point Mumbai- 400 021 Tel.: 91-22- 2285 5544 (3 Lines) Fax: 91-22- 2285 5548 E-mail: mgoenka@microsec.in Website: www.microsec.in **Contact Person Mr. Manav Goenka/ Mr. Anurag Goyal**	**C. B. Management Services (P) Ltd** P-22, Bondel Road Kolkata – 700 019 Tel.: 91-33-22806692/93/94 Fax: 91-33- 2287 0263 E-mail: cbmsl1@cal2.vsnl.net.in **Contact Person: Mr. P.Basu**
Offer Opens on : Wednesday, September 8, 2010	**Offer Closes on:** Monday, September 27, 2010

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Time Schedule	Revised Time Schedule
Public Announcement Date	Monday, May 10, 2010	Monday, May 10, 2010
Specified Date *	Friday, June 04, 2010	Friday, June 04, 2010
Last date for a competitive bid	Monday, May 31, 2010	Monday, May 31, 2010
Date by which the Letter of Offer will be despatched to the shareholders of the Target Company	Thursday, June 24, 2010	Tuesday, August 31, 2010
Offer Opening Date	Thursday, July 01, 2010	Wednesday, September 08, 2010
Last date for revising the offer price/offer size	Friday, July 09, 2010	Thursday, September 16, 2010
Last date for withdrawal by shareholders	Thursday, July 15, 2010	Wednesday, September 22, 2010
Offer Closing Date	Tuesday, July 20, 2010	Monday, September 27, 2010
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be despatched	Wednesday, August 04, 2010	Tuesday, October 12, 2010

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer, PACs and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

RISK FACTORS

RISK RELATED TO THE TRANSACTION

The transaction between the Acquirer, Sellers and the Target Company is subject to the fulfillment of certain precedent conditions mentioned in the Share Purchase Agreement entered into between them.

RISK RELATED TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

a. The Offer involves an offer to acquire 20% of the current Voting Capital of the Target Company. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

b. In the event that (a) a statutory and regulatory approval, if applicable, is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirer and the PACs not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer and PACs may be delayed.

c. The Shares tendered in the Offer will lie in trust with the Registrar in credit of designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of VAL. Accordingly, the Acquirer and the PACs make no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of VAL on whether to participate or not to participate in the Offer.

d. The shareholders who have lodged their shares would not be able to withdraw them after the last date of withdrawal i.e. Wednesday, September 22, 2010 even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, in the designated escrow account, till such time as the process of acceptance of tendered shares and the payment of consideration is completed.

RISK RELATED TO ASSOCIATION WITH THE ACQUIRER & PACs

The Acquirer and the PACs make no assurance with respect to the future financial performance of the Target Company.

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1 DEFINITIONS

Acquirer / Mr. Vilas Vitthal Valunj	Mr. Vilas Vitthal Valunj, residing at Flat No. C-1/5, Rajshree Villa, Bhonsale Paradise, Range Hills Road, Shivaji Nagar, Pune – 411 020 (Maharashtra)
APIDC	Andhra Pradesh Industrial Development Corporation
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Date of closure of Offer	Monday, September 27, 2010
DP	Depository Participant
Eligible Person(s) / Eligible Shareholder(s) for the Offer	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirer, Parties to the SPA and Persons Acting in Concert.
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
Letter of Offer/LOO	This Letter of Offer dated August 24, 2010
Microsec/MCL/Manager to the offer/MB/Merchant Banker	Microsec Capital Limited, the Merchant Banker appointed by the Acquirer pursuant to regulation 13 of the SAST Regulations, having registered office at 53 Syed Amir Ali Avenue, 1st floor, Kolkata – 700 019
NSDL	National Securities Depositories Limited
Offer	Open Offer for acquisition of 14,25,800 equity shares of the Target Company, representing 20% of its current voting capital at the Offer Price payable in cash.
Offer Price	Rs. 22.65 (Rupees Twenty Two and Paise Sixty Five Only) per fully paid up Equity Share inclusive of interest of an amount of Rs. 0.20 (Paise Twenty) per share payable in cash.
Offer Period	20 (twenty) days period from the date of opening of offer on Wednesday, September 8, 2010 to closing of Offer on Monday, September 27, 2010
Person Acting in concert/ PACs	Mr. Partha Debnath & Mr. Janardhan Shriniwas Purandare
Public Announcement/PA	Public Announcement of the Offer made by the Acquirer along with PACs on May 10, 2010 • In all editions of Business Standard (English); • In all editions of Business Standard (Hindi); • In all editions of Andhra Prabha; • In Mumbai edition of Nava Shakti.
Registrar/ Registrar to the Offer/	C.B Management Services (P) Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at P-22, Bondel Road, Kolkata – 700 019
Regulations / SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act 1992
Sellers	Mr. V. A. Norhi and Chaitu Engineering Private Limited
Share(s)	Fully Paid up equity shares of face value of Rs 10/- each of Vybra Automet Limited
SPA / Share Purchase Agreement	Share Purchase Agreement dated April 02, 2010 entered between Mr. V. A. Norhi and Chaitu Engineering Private Limited and Mr. Vilas Vitthal Valunj
Specified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent
Voting Capital /Paid-up capital of Target Company	Equity share capital of Vybra Automet Limited comprising of 71,29,000 equity shares of Rs. 10 each.
Vybra Automet Limited/ VAL/Target Company	A Company incorporated under the Companies Act, 1956 and having its registered office at Survey No. 507 & 508, Padamati Somaram Road, Bibinagar, Bhongir Taluqa, District Nalgonda – 508 126, Andhra Pradesh

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the Regulations unless specified.

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 VYBRA AUTOMET LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE TARGET COMPANY WHOSE EQUITY 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 AND PACS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND PACs DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, MICROSEC CAPITAL LIMITED, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 21, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PACS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

The Acquirer, PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer or in the Public Announcement or in any advertisement or other announcement issued by, or at the instance of the Acquirer, the PACs and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so entirely at his/her/their own risk.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This open offer (the “Offer”) is being made by the Acquirer along with the PACs to the shareholders of the Target Company in compliance with regulations 10, 11 and 12 of the SAST Regulations triggered by an acquisition of more than 15% of the voting rights of the Target Company.

3.1.2 The Acquirer has entered into a Share Purchase Agreement (‘SPA’) on April 02, 2010 with (a) Mr. V. A. Norhi and (b) Chaitu Engineering Private Limited (collectively referred to as the “Sellers”). Under the SPA, the Sellers have committed to sell to the Acquirer their collective holding of 9,97,000 fully paid-up equity shares (the ‘Sale Shares’) representing 13.98% of the total current issued, subscribed and fully paid-up equity capital of Target Company at a price of Rs. 15.00 (Rupees Fifteen only) (the ‘Negotiated Price’) per fully paid-up equity share in cash. The total consideration payable for the Sale Shares is Rs. 1,49,55,000 (Rupees One Crore Forty Nine Lacs and Fifty Five Thousand only). As per the stock exchange filings by the Target Company, the Sellers belong to the Promoter Group of the Target Company.

3.1.3 The sale of Sale Shares is subject to the Acquirer complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and amendments made thereto.

3.1.4 The main provisions of the SPA are:

a) On completion of the Offer, the Acquirer and his representatives shall be appointed on the Board of Directors of the Target Company.

b) For the period intervening the date of execution of the SPA and date on which the Acquirer is appointed on the Board of the Target Company, the Sellers have agreed to cause the business of the Target Company to be operated in ordinary course, subject to certain rights of prior consent granted to the Acquirer in relation to specific matters or material aspects.

c) Pursuant to Regulation 22(16) of the SAST Regulations, the Sellers and the Acquirer shall not act upon the sale and purchase of the Sale Shares and the payment of the Purchase Consideration in the event of non-compliance with the provisions of the SAST Regulations by the Acquirer and the Sellers.

3.1.5 The Sale Shares are currently pledged with banks in the following proportion: 7,30,000 equity shares with Axis Bank and 2,67,000 equity shares with ICICI Bank. These shares have been pledged with the banks as security against term loan and cash credit facilities availed by the Target Company from these banks.

The promoters of the Target Company have made a delayed disclosure under regulation 8A(1) of the Regulations on February 10, 2010 to the Target Company. In compliance with regulation 8A(4)of the Regulations, the Target Company has made the disclosure on the same date to the stock exchange.

3.1.6 The Acquirer has also acquired 10,00,000 equity shares representing 14.03% of total paid up/voting share capital of the Target Company from Grapes Finances Private Limited at a price of Rs. 15.00 (Rupees Fifteen) per share in cash on April 02, 2010. As per the stock exchange filings by the Target Company, Grapes Finances Private Limited belongs to the Public category. The 10,00,000 equity shares acquired by the Acquirer from Grapes Finances Private Limited are currently pledged in the following proportion: 5,00,000 equity shares with Deepsang Corporation and 5,00,000 equity shares with ICICI Bank.

3.1.7 The Acquirer has undertaken that if the pledge of the shares referred to in paras 3.1.2 and 3.1.6 is revoked before the completion of the open offer formalities then such shares would be transferred to an escrow account.

3.1.8 There has been a delay of 32 days in making the public announcement and interest @ 10% p.a. has been calculated on the price determined as on the date of the public announcement. The offer price in terms of regulation 20(4) of the Regulations as on April 08, 2010 (the date on which the public announcement should have been made) is Rs. 16.86.

Reason for delay in Public Announcement

As the Sale Shares are pledged, the Acquirer and the Target Company had written letter to Axis Bank for its consent for the proposed change in management and control of the Target Company in favour of the Acquirer. Axis Bank, vide its letter dated March 26, 2010, had agreed to the proposed transfer of shares from the promoters to the Acquirer and the consequent change in management and control of the Target Company subject to the payment of the entire interest outstanding as March 31, 2010 by April 30, 2010 and the Acquirer agreeing to continuation of the pledge on the Sale Shares. After receiving the approval of the Bank, the Acquirer and the promoters have entered into a share purchase agreement on April 02, 2010 for the acquisition of the Sale Shares.

In order to avoid a situation wherein Axis Bank could raise an objection for the proposed change in management and control, the Acquirer decided to wait till the Target Company paid the entire outstanding interest as demanded by Axis Bank. The Target Company has made the payment of interest on April 27, 2010. Once the promoters and the Acquirer were satisfied that Axis Bank would not raise any objection to the change in control, the Acquirer decided to go ahead with the public announcement.

3.1.9 Prior to the acquisitions referred to paras 3.1.2 and 3.1.6 above, the Acquirer along with the PACs held 10,33,227 equity shares representing 14.49% of total paid up/voting share capital of the Target Company. Subsequent to entering into the SPA and acquisition of shares from Grapes Finances Private Limited, the Acquirer along with the PACs shall be holding 30,30,227 equity shares representing 42.51% of the total paid up/voting share capital of the Target Company. The highest price paid by the Acquirer and the PACs for acquiring equity shares of the Target Company during the 12 months period preceding the date of the PA is Rs. 16.04 per share. The Acquirer and the PACs have confirmed that they will not exercise the voting rights, which have been vested by virtue of the acquisition of the above shares, till the completion of all the formalities under the Regulations.

3.1.10 As on date of the PA, Microsec Capital Limited, Manager to the Offer does not hold any shares of the Target Company. Further, as required under regulation 24(5A) of the SEBI (SAST) Regulations, they have undertaken not to deal in the shares of the Target Company during the period commencing from the date of their appointment in terms of regulation 13 of the SEBI (SAST) Regulations till the expiry of fifteen days from the date of closure of the offer.

3.2 Details of the Offer

3.2.1 The Public Announcement dated May 10, 2010 was published in the following newspapers, in accordance with regulation 15 of the Regulations:

Name of the Newspaper	Edition
Business Standard (English)	All Editions
Business Standard (Hindi)	All Editions
Andhra Prabha	All Editions
Nava Shakti	Mumbai Edition

3.2.2 A copy of the Public Announcement for the Open Offer is also available on the SEBI website (www.sebi.gov.in)

3.2.3 Mr. Partha Debnath and Mr. Janardhan Shriniwas Purandare are the Persons acting in Concert ("PACs") in relation to this Offer. The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only.

3.2.4 In compliance with regulations 10, 11 and 12 of the SAST Regulations, the Acquirer and the PACs are making an Open Offer to the shareholders of the Target Company (other than the Sellers) to acquire 14,25,800 Equity shares of Rs.10/- each representing 20% of the total issued, subscribed and fully paid-up equity capital of Target Company, at a price of Rs. 22.65 (Rupees Twenty Two and Paise Sixty Five Only) per fully paid up Equity Share inclusive of interest of an amount of Rs. 0.20 (Paise Twenty) per share payable in cash.

3.2.5 There are no partly paid –up shares of the Target Company.

3.2.6 This is not a competitive bid and there have been no competitive bid(s) as on the date of this letter of offer.

3.2.7 This Offer is neither conditional nor subject to any minimum level of acceptance.

3.2.8 The Acquirer will acquire all the shares that are validly tendered in accordance with the terms of the offer at the offer price, subject to a maximum of 14,25,800 Equity shares.

3.2.9 The equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof

3.2.10 In the event the equity shares tendered in the offer by the shareholders of VAL are more than the equity shares to be acquired under the offer, the acquisition of equity shares from each shareholder will be on the proportionate basis, irrespective of whether the equity shares are held in physical or dematerialised form.

3.2.11 The Acquirer and the PACs have not acquired any shares of the Target Company from the date of the PA up to the date of this letter of Offer.

3.3 Reason for the acquisition / offer

3.3.1 On completion of the offer (assuming full acceptance in the Offer), the Acquirer alongwith PACs may hold, in the aggregate, 4,456,027 fully paid-up shares representing 62.51% of the voting capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with regulations 10, 11 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

3.3.2 The Acquirer has more than 15 years of experience in the auto ancillaries and forging industries. The Target Company is also engaged in manufacturing of closed die forgings for the automobile sector. The acquisition provides an opportunity to the Acquirer to invest in an existing company with an existing set up in a business where he has a wide experience. The Acquirer would strengthen the Target Company with the requisite financial and human resources and try to turnaround the operations of the Target Company. The Acquirer reserves the right to modify the present structure in a manner which is useful to the larger interests of the shareholders. Any change in the structure that may be affected will be in accordance with the applicable laws.

4 BACK GROUND OF THE ACQUIRER & PACs

4.1 MR. VILAS VITTHAL VALUNJ (ACQUIRER")

4.1.1 Mr. Vilas Vitthal Valunj, aged about 43, son of Mr. Vitthal Valunj, is the Acquirer and is residing at Flat No. C-1/5, Rajshree Villa, Bhonsale Paradise, Range Hills Road, Shivaji Nagar, Pune – 411 020 (Maharashtra), Ph:+91-8008802228; Fax:+91-20-2712 0896. Mr. Valunj has more than 15 years of experience in the auto ancillaries and forging industries.

4.1.2 Mr. Sailesh R. Shah, Chartered Accountant (Membership no. 30264), having office at Mittal Court, Moledina Road, Pune- 411 011 has certified vide his certificate dated March 29, 2010 that the net worth of Mr. Vilas Vitthal Valunj as on March 29, 2010 is Rs. 2,225.08 Lacs.

4.2 MR. PARTHA DEBNATH (PACs)

4.2.1 Mr. Partha Debnath, aged about 36, son of Mr. Narayan Chandra Debnath is residing at Sangramgarh, P.O.- Bangal Enamel, P.S.- Noapara, Dist- North 24 Parganas 743 122 (West Bengal), Ph:+91-8008802227. Mr. Partha has over six years of experience in legal and corporate law matters.

4.2.2 Mr. Partha Sengupta (Membership no. 054978), partner of Partha Sengupta & Co. Chartered Accountants, having office at 13A, Balaram Ghosh Street, Kolkata – 700 004, has certified vide certificate dated April 06, 2010 that the net worth of Mr. Partha Debnath as on April 3, 2010 is Rs. (0.73) Lacs.

4.3 **MR. JANARDHAN SHRINIWAS PURANDARE (PACs)**

4.3.1 Mr. Janardhan Shriniwas Purandare, aged about 36, son of Mr. S A Purandare, is residing at Vivekanand Nagar Hudco N-12, C-134 Aurangabad 431 003, Maharashtra, Ph:+91-8008802224. Mr. Janardhan has He has more than 10 years of experience in auto ancillaries and forging industries.

4.3.2 Mr. Partha Sengupta (Membership no. 054978), partner of Partha Sengupta & Co. Chartered Accountants, having office at 13A, Balaram Ghosh Street, Kolkata – 700 004, has certified vide certificate dated April 06, 2010 that the net worth of Mr. Janardhan Shriniwas Purandare as on April 4, 2010 is Rs. 25.04 Lacs.

4.4 **Companies Promoted by the Acquirer & PACs**

The following companies have been promoted by the Acquirer:

1. Little Master Auto Components (India) Private Limited

a. Background of the company

Little Master Auto Components (India) Private Limited, was incorporated on February 29, 2008 as a private limited company under the Companies Act, 1956, with its registered office at C-1/5, Rajshree Villa, Bhonsale Paradise, Range Hills Road, Shivaji Nagar, Pune – 411 020 (Maharashtra). The company is engaged in the business of manufacturing of industrial, electrical and electronic components.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-09**
Equity capital	1.00
Reserves (excluding revaluation reserve)	-
Profit & Loss Account (Debit Balance)	(4.72)
Preliminary Expenses (not written off)	(0.94)
Total income	-
Profit after tax	(4.72)
Earnings per Share (Rs.)	(471.63)
Book Value per Share (Rs.)	(466.03)

***(Source:** Audited annual accounts)*

2. Little Master Auto Cast Private Limited

a. Background of the company

Little Master Auto Cast Private Limited was incorporated on December 20, 2007 as a private limited company under the Companies Act, 1956. The registered office of the company is situated at C-1/5, Rajshree Villa, Bhonsale Paradise, Range Hills Road, Shivaji Nagar, Pune – 411 020 (Maharashtra). The company is engaged in the business of manufacturing of automotive castings and forgings.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-08**	**31-Mar-09**
Equity capital	1.00	50.00
Share Application Money	54.27	-
Reserves (excluding revaluation reserve)	-	-
Preliminary Expenses (not written off)	(7.81)	(12.52)
Total income	2.24	90.48
Profit after tax	(4.48)	(5.55)
Earnings per Share (Rs.)	(448.27)	(11.09)
Book Value per Share (Rs.)	(681.02)	74.96

***(Source:** Audited annual accounts)*

Other Confirmations

None of the above named companies have become a sick company under the meaning of Sick Industrial Companies Act, 1985 and no winding proceedings have been initiated against any of these companies.

Furthermore, no applications have been made in respect of any of the above companies to the Registrar of Companies for striking off their names.

No companies have been promoted by the PACs.

4.5 The Acquirer/ PACs have not complied with the applicable provisions of chapter II of SEBI (SAST) Regulations with respect to the acquisition of 10,33,227 equity shares representing 14.49% of total paid up capital of the Target Company. Further, SEBI may initiate suitable action against the Acquirer & PACs in this regard.

4.6 The Acquirer and PACs are not related to each other. However, for the purpose of this acquisition, they are acting in concert.

4.7 The Acquirer/ PACs have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

4.8 There is no separate agreement between the Acquirer and the PACs with respect to the acquisition of shares.

4.9 The Acquirer and PACs do not hold any position on the Board of Directors of any listed company.

4.10 **Disclosure under Regulation 16 (ix)**

4.10.1 As on the date of the PA, the Acquirer and the PACs do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company or except to the extent required for the purpose of restructuring, rationalizing and / or streamlining of operations, assets, liabilities, investments, businesses or otherwise of the Target Company for commercial reasons or operational efficiencies.

4.10.2 Other than in the ordinary course of business, the Acquirer and the PACs undertake that they will not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters as per the requirements of business and in line with the business opportunities from time to time.

5 DISCLOSURE IN TERMS OF REGULATION 21(2) OF THE REGULATIONS

5.1.1 As per the Listing Agreements with the Bombay Stock Exchange Limited and in terms of clause 40A of the Listing Agreement (as amended), the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

5.1.2 Pursuant to the successful closure of the Offer and even assuming full acceptances, the public shareholding in the Target Company shall not fall to less than 25% of the Voting Capital.

6 BACK GROUND OF THE TARGET COMPANY

6.1 Vybra Automet Limited (VAL) is a public limited company having its registered office at Survey No. 507 & 508, Padamati Somaram Road, Bibinagar, Bhongir Taluqa, District Nalgonda – 508 126, Andhra Pradesh, Tel.: +91–8685–278714 Fax: +91–8685–278714. The Target Company was incorporated on May 07, 1984 under the Companies Act, 1956 in the State of Andhra Pradesh. The CIN no. of the Company is "L24119AP1984PLC004685". The name of the Target Company has not been changed since inception.

6.2 VAL is presently engaged in the manufacturing of Closed Die Steel Forgings, having installed capacity of 15,600 MT per annum. The manufacturing facility of VAL is located at Survey No. 507 & 508, Padamati Somaram Road, Bibinagar, Bhongir Taluqa, District Nalgonda – 508 126, Andhra Pradesh. VAL caters mainly to the auto and auto ancillary industries and is an established supplier to various Original Equipment Manufacturers (OEMs) in India.

6.3 As on the date of the PA, the Authorised Share Capital of the Target Company is Rs. 1000.00 Lacs comprising of 1,00,00,000 Equity Shares of Rs. 10/- each. The current Issued, Subscribed and Paid-up capital of the Target Company is Rs. 712.90 Lacs comprising of 71,29,000 fully paid-up Equity Shares of Rs. 10/- each. The capital structure of the Target Company is as under:

Paid Up Equity Shares	**No. of Shares/ Voting Rights**	**% of shares/ voting rights**
Fully Paid up Equity Shares	71,29,000	100%
Partly Paid Up Equity Shares	Nil	Nil
Total paid Up Equity Shares	71,29,000	100%
Total Voting Rights in the Target Company	**71,29,000**	**100%**

6.4 The build-up of the Capital of the Target Company as certified and provided by the management of the Target Company is detailed as below:

Date / year of allotment	Shares Issued		Cumulative paid up Capital	Mode of Allotment	Face Value (Rs.)	Identity of Allottees	Compliance Status
	Number	%					
1984	189,000	2.65	189,000	On Incorporation	10	Promoters	YES
1984	214,190	3.00	403,190	Cash	10	To Promoters, friends, relatives and APIDC	YES
31.01.86	171,500	2.41	574,690	Cash	10	To Promoters, friends, relatives and APIDC	YES
31.01.86	370,400	5.20	945,090	Public Issue	10	Public Shareholders	YES
31.01.86	(2,290)	(0.03)	942,800		10	Cancellation due to the forfeiture of shares	YES
09.07.96	1,015	0.01	1,886,615	Re-Issue of the Forfeited Shares	10	Promoters	YES
09.07.96	942,800	13.22	1,885,600	Rights Issue	10	Public & Promoters	YES
09.07.96	2,276,585	31.93	4,163,200	Conversion of unsecured loan into equity	10	Friends and relatives	YES
25.08.04	1,275	0.02	4,164,475	Re-Issue of the Forfeited Shares	10	Friends and Relatives of Promoters	YES
08.09.05	1,450,000	20.34	5,614,475	Preferential Issue	10	Promoter and Strategic Investor	YES
16.12.06	700,000	9.82	6,314,475	Conversion of Warrants	10	Promoter and Strategic Investor	YES
07.03.07	814,525	11.43	7,129,000	Conversion of Warrants	10	Promoter and Strategic Investor	YES
TOTAL	**7,129,100**	**100.00**					

Note: *The status of compliance by the Target Company relating the capital buildup is with respect to all the applicable provisions of the SEBI (SAST) Regulations, 1997 and the other applicable provisions of SEBI Act, 1992 and other statutory requirements, as applicable.*

6.5 The Target Company does not have any outstanding convertible instruments to be exercised at a later date and neither any shares of the company are partly paid up.

6.6 The equity shares of VAL are currently listed on the Bombay Stock Exchange Limited. The equity shares were also listed on the Hyderabad Stock Exchange Limited ("HSE"). However, SEBI has derecognized HSE as a stock exchange with effect from August 29, 2007.

6.7 As per undertaking received from the Target Company, the Target Company has complied with the listing agreement requirements and the trading of company's shares has never been suspended by the Stock Exchanges. Further no penal / punitive actions have been taken by the Stock Exchanges against the Target Company.

6.8 VAL does not have any unlisted shares on the Stock Exchange.

6.9 As per the information provided, the Target Company has made certain delays in complying with the provisions of Chapter II of SAST Regulations during the period 1998-2003. VAL has received a letter dated May 11, 2007 from BSE wherein the Target Company was directed by the Exchange to submit the disclosures required under regulations 6(2), 6(4) and 8(3) of SAST Regulations for the period 1998-2003.

The Target Company vide its letter dated June 10, 2007 submitted the disclosures for the said years. Henceforth the Target Company has regularly complied with the provisions of Chapter II of the Regulations. SEBI may initiate action against the Target Company at a later stage for such delayed compliances. **(Details of compliances by the Target Company are attached as Annexure – A)**.

The promoter Group of the Target Company has not complied with the provisions of Chapter II of SAST Regulations w.r.t disclosures under regulations 6(1), 6(3), 8(1) and 8(2) of the Regulations. SEBI may initiate action against the Promoter Group at a later stage for such non compliances.

6.10 There has been no merger, de-merger and spin off in the last three years in the Target Company.

6.11 The Target Company does not have any subsidiary.

6.12 The Board of Target Company as on the date of PA, comprises of 7 (Seven) Directors. The details of the Board of Directors of the VAL are as below:

Name & Designation	Din No.	Date of Appointment	Qualification	Experience	Residential Address
Mr. V. A. Norhi, (Managing Director)	00387272	07.04.1984	B.E., REC Warangal	Mr. Norhi has 35 years of experience in the engineering and forging industries	AG-8, Stone Valley, Road No. 4, Banjara Hills, Hyderabad
Mr. B.Y.Somayajulu, (Non-Executive, Non-Independent Director)	00316928	01.02.1985	B.E., M.Tech, IIT	Mr. Somayajulu has more than 30 years of experience in the various engineering industries	12-13-53/4, Vijaypuri colony, Tarnaka, Hyderabad
Mr. M.Venkateswara Rao, (Non-Executive, Independent Director) (Nominee Director of APIDC)	00035838	01.05.2007	B.Com, LLB, ACS, AICWA, MBA	Mr. Rao has more than 25 years of experience in the field of institutional financing	APIDC, Bahseer Bagh, Hyderabad
Mr. Soumen Sengupta, (Non-Executive, Independent Director)	02199705	31.03.2010	FCA & ICWA	Mr. Sengupta has 8 years of international experience in financial consultancy	1C, Sandhyatra, Green Field Height,Newtown, Kolkata- 700156
Mr. Debendra Raut, (Non-Executive, Independent Director)	01588508	31.03.2010	Company Secretary	Mr. Raut is a senior consultant to many public sector enterprises and banks with respect to corporate law matters	2/62, Ashokenagar, Kolkata- 700040
Mr. Jaideep A. Kulkarni, (Non-Executive, Independent Director)	02988655	31.03.2010	B.E. (Met)	Mr. Kulkarni has 13 years of experience in various industries	Raclheya, 14, Vijay Colony, Khadgaon Road, Latur – 413512
Mr. Prashant K. Nambiar, (Non-Executive Independent Director)	02988679	31.03.2010	D.ME	Mr. Nambiar has more than 15 years of experience in various industries	Kailash Apartment, Flat No. 21, N 1 CIDCO, Bhakti Nagar, Aurangabad- 431003

None of the directors of the Target Company is a representative of the Acquirer and the PACs.

6.13 Brief financial details of Vybra Automet Limited for the financial years and ended March 31, 2007, 2008 & 2009 and for the nine month period ended December 31, 2009 are as below:

Profit & Loss Account

(Rs. in Lacs)

Particulars	**For year ended**			**For the Nine Month period ended December 31, 2009**
	March 31, 2007	**March 31, 2008**	**March 31, 2009**	
Income from operations	7,010.56	7,157.37	6,215.10	2,109.50
Other Income	9.14	71.14	34.26	11.25
Total Income	**7,019.71**	**7,228.51**	**6,249.36**	**2,120.75**
Total Expenditure	**6,221.71**	**6,139.47**	**6,545.36**	**3,260.42**
Profit Before Depreciation Interest & Tax	**798.00**	**1,089.04**	**(295.99)**	**(1,139.67)**
Depreciation	127.09	219.03	277.18	231.62
Interest	118.71	351.44	601.04	377.88
Profit Before Tax and Extra - Ordinary Item	**552.19**	**518.56**	**(1,174.21)**	**(1,749.17)**
Extra-Ordinary Income	55.26	**-**	**-**	**-**
Profit Before Tax	**607.45**	**518.56**	**(1,174.21)**	**(1,749.17)**
Provision for Tax	198.11	**160.63**	**(340.49)**	**(575.03)**
Profit After Tax	**409.34**	**357.94**	**(833.73)**	**(1,174.14)**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As At**			
	March 31, 2007	**March 31, 2008**	**March 31, 2009**	**December 31, 2009**
Sources of Funds				
Equity Paid Up Share Capital	712.90	712.90	712.90	712.90
Reserve & Surplus (excluding revaluation reserves)	2,561.23	2,919.17	2,422.46	2,422.46
Profit & Loss (Debit Balance)	-	-	(347.02)	(1,521.16)
Miscellaneous expenditure not written off	(1.62)	(0.63)	-	-
Net Worth	**3,272.51**	**3,631.43**	**2,788.34**	**1,614.20**
Secured Loans	2,770.77	3,560.61	3,960.30	4,049.38
Unsecured Loans	342.16	882.58	979.63	908.56
Deferred Tax Liability	172.95	284.79	-	-
Total	**6,558.39**	**8,359.41**	**7,728.27**	**6,572.14**
Uses of Funds				
Net Fixed Assets	3,679.73	5,085.73	5,254.22	5,021.38
Capital Work-In-Progress	815.80	-	-	-
Investment	-	-	5.05	-
Deferred Tax Assets	-	-	64.62	640.44
Net Current Assets	1,908.18	3,273.68	2,404.37	910.32
Pre-Operative Expenses	154.68	**-**	**-**	**-**
Total	**6,558.39**	**8,359.41**	**7,728.27**	**6,572.14**

Other Financial Date

Particulars	**For year ended**			**For the Nine Month period ended December 31, 2009**
	March 31, 2007	**March 31, 2008**	**March 31, 2007**	
Dividend (%)	Nil	Nil	Nil	Nil
Earnings Per Share (Rs.)	5.74	5.02	(11.69)	(16.47)*
Return on Net Worth (%)	12.51	9.86	(29.90)	(72.74)
Book Value Per Share (Rs.)	45.90	50.94	39.11	22.64

** Not Annualised*

Source: *Audited annual accounts. The unaudited accounts for the nine months ended December 31, 2009 have been certified by the statutory auditors*

Note:

i) Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year/period

ii) Return on Networth calculated as PAT/Networth at the end of the year/period

iii) Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year/period

6.14 **Reasons for fall / rise in the total income and PAT in the past:**

<u>Comparison between 2008-09 and 2007-08</u>

Total Income for the year ended 31st March 2009 was Rs. 6,249.36 Lacs as compared to Rs. 7,228.51 Lacs for the year ended 31st March 2008. The fall in total income was due to a decrease in the sales both in terms of the quantity sold and lower sales realization. Further due to rise in raw material prices and a sharp increase in interest and finance charges, there was a net loss for the year ended 31st March 2009 of Rs. 833.73 Lacs as compared to a net profit of Rs. 357.94 Lacs for the year ended 31st March 2008.

<u>Comparison between 2007-08 and 2006-07</u>

Total Income for the year ended 31st March 2008 marginally increased to Rs. 7,228.51 Lacs as compared to Rs. 7019.71 Lacs for the year ended 31st March 2007. Profit after Tax decreased from 409.34 Lacs for the year 31st March 2007 to Rs. 357.94 Lacs for the year 31st March 2008 due to an increase in interest cost.

6.15 The contingent liabilities of the Target Company as per the audited financials for the year ended March 31, 2009 are as under:

Particulars	**Amount in Rs. Lacs**
Export obligation on import of Capital Equipment	2351.03
Others	1.43
Total	**2352.46**

6.16 As on the date of this letter of offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' Category	**Shareholding & voting rights prior to the agreement / acquisition and offer**		**Shares / voting rights agreed to be acquired which triggered off the Regulations**		**Shares / voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer.**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
<u>(1) Promoter Group</u>								
a. Parties to agreement, if any	997,000	13.99%	(997,000)	(13.99)%	-	-	-	-
b. Promoters other than (a) above	2,700 *	0.04%	-	-	-	-	-	-
<u>Total 1(a+b)</u>	**999,700**	**14.02%**	**(997,000)**	**(13.99)%**	-	-	-	-
<u>(2) Acquirer & PACs</u>								
a. Acquirer	622,702	8.73%	1,997,000	28.01%	1,425,800	20.00%	4,045,502	56.75%
b. PACs	410,525	5.76%	-	-			410,525	5.76%
<u>Total 2 (a+b)</u>	**1,033,227**	**14.49%**	**1,997,000**	**28.01%**	**1,425,800**	**20.00%**	**4,456,027**	**62.51%**
<u>(3) Parties to agreement other than(1)& (2)</u>	-	-	-	-	-	-	-	-
<u>(4) Public (other than parties to agreement, Acquirers & PACs)</u>	-	-						
<u>a) Institutions (Mutual Funds / UTI, FIs/Banks/FIIs/FVCI etc</u>	100,150	1.40%	-	-			This will depend on the response within each category of (4)	
b) Bodies Corporate	1,999,991	28.05%	(1,000,000)	(14.03)%				
c) Others	2,995,932	42.02%	-	-				
<u>Total (4)(a+b+c)</u>	**5,096,073**	**71.48%**	**(1,000,000)**	**(14.03)%**			**2,672,973**	**37.49%**
GRAND TOTAL (1+2+3+4)	**7,129,000**	**100.00%**	-	-	**1,425,800**	**20.00%**	**7,129,000**	**100.00%**

** 2,700 equity shares held by Mr. BY Somayajulu shall form part of the public shareholding after the completion of the open offer*

6.17 As on March 31, 2010, there were 5,050 shareholders in the public category holding 5,096,073 shares of the Target Company.

6.18 The Acquirer and the PACs have not acquired any share of the Target Company from the date of PA till the date of this Letter of Offer

6.19 Details about the numbers of shares held and percentage holding of promoters and promoter group in the Target Company as at March 31 of every year since 1997 are given below:

Shareholdings			**Purchase / Inter se Transfer / Transmission made during the year**	**Sale / Inter se / Transfer / transmission made during the year**	**Mode of allotment / acquisition**	**Shareholdings**		
As on	**No. of shares**	**%**				**As on**	**No. of shares**	**%**
20/02/97	820,570	19.71	-	-	-	31/03/97	820,570	19.71
1/4/1997	820,570	19.71	10,100	-	Market Purchase	31/03/98	830,670	19.95
1/4/1998	830,670	19.95	-	-	-	31/03/99	830,670	19.95
1/4/1999	830,670	19.95	-	-	-	31/03/00	830,670	19.95
1/4/2000	830,670	19.95	1,261,420	-	Market Purchase	31/03/01	2,092,090	50.25 **(Note:1)**
1/4/2001	2,092,090	50.25	-	-	-	31/03/02	2,092,090	50.25
1/4/2002	2,092,090	50.25	-	-	-	31/03/03	2,092,090	50.25
1/4/2003	2,092,090	50.25	-	-	-	31/03/04	2,092,090	50.25
1/4/2004	2,092,090	50.25	-	568,432	Market Sale	31/03/05	1,523,658	36.60 **(Note:2)**
1/4/2005	1,523,658	36.60	250,000	-	Preferential Allotment	31/03/06	1,286,968	22.92 **(Note:3)**
			-	486,690	Market Sale			
1/4/2006	1,286,968	22.92	410,525		Conversion Of warrants	31/03/07	1,695,283	23.78
				2,210	Market Sale			
1/4/2007	1,695,283	23.78	-	-	-	31/03/08	1,695,283	23.78
1/4/2008	1,695,283	23.78	-	-	-	31/03/09	1,695,283	23.78
1/4/2009	1,695,283	23.78	90,366	-	Market Purchase	31/03/10	1,785,649	25.05
1/4/2009	1,785,649	25.05	-	985,949	Sold to Acquirer & PACs through Off Market Transaction	Balance On the date of PA	799,700	11.22%

Note: The above table has been prepared based upon the information provided by the Target Company.

Note:

1. During the financial year 2000-2001, Promoters of the Target Company i.e., Mr. V.A. Norhi and Mr. B.Y. Somayajulu acquired 12,35,710 and 25,710 equity shares representing 29.68% and 0.62 % of the then paid up equity and voting share capital of VAL respectively. In our opinion there was non compliance of regulation 11(1) of the Regulations pursuant to acquisition the said shares by the Promoters.

2. During the financial year 2004-2005, the promoters of the Target Company i.e., Mr. V.A. Norhi and Mr. B.Y. Somayajulu sold 5,40,372 and 28,060 equity shares representing 12.96% and 0.67% of the then paid up equity and voting share capital of VAL respectively. In our opinion there was non-compliance of the regulation 7(1A) in respect of the sale of the said shares.

3. During the financial year 2005-2006, the promoters of the Target Company i.e., Mr. V.A. Norhi and Mr. B.Y. Somayajulu sold 4,61,750 and 24,940 equity shares representing 17.50% and 0.63% of the then paid up equity and voting share capital of VAL respectively. In our opinion there was the non-compliance of the regulation 7(1A) in respect of the sale of the said shares.

For the above non-compliances, SEBI may initiate suitable action against the Promoters of the Target Company at a later stage.

6.20 The Target Company has complied with all the requirements of Corporate Governance under clause 49 of the Listing agreement entered into with the Stock Exchanges.

6.21 **Pending Litigation matters**

As certified by the management of the Target Company, the following litigations are pending against the Target Company as on the date of this Letter of Offer:

Sl. No.	Name of the opposite Party	Nature of case	Brief Description	Amount involved (Rs. in Lacs)
1	Ellarve Metal Limited	Winding up Petition u/s. 433 of the Companies Act, 1956.	The said party is a creditor who had supplied raw materials to the Target Company with certain terms and conditions of payments. Subsequently the Target Company could not make the payment in time. Hence the creditor has filed a winding up petition before the Hon'ble High Court of Andhra Pradesh. u/s 433 of the Companies Act, 1956.	59.12
2	Ellarve Metal Limited	U/s. 138 of the Negotiable Instruments Act	The said party is a creditor, who had supplied raw material with certain terms and conditions of payments. Subsequently the Target Company had issued post dated cheques for the outstanding settlement. But the PD's were dishonored. Hence the creditor has filed a case u/s 138 of the Negotiable Instruments Act	73.20
3	Mastana Construction	U/s. 138 of the Negotiable Instruments Act	The said party is a creditor, who had undertaken some civil work foe the expansion programs of the Target Company. Subsequently the Target Company had issued post dated cheques for the outstanding settlement. But the PD's were dishonored. Hence the creditor has filed a case u/s 138 of the Negotiable Instruments Act	10.00
4	KVR Forging Ltd.	Money Suit	The Target Company had entered into a lease agreement with the said party. However, during the term of the agreement, the Target Company discontinued the payment of lease rental to the said party.	143.00
5	HSBC Limited	Case before Debt Recovery Tribunal	The Target Company has been sanctioned unsecured loan by the bank for buying raw materials. However, the Target Company has defaulted in repayment of the said loan. Hence the bank has approached the Debt Recovery Tribunal for the necessary action and recovery.	159.92
6	Sales Tax Department	Writ Petition	A VAT audit was conducted by the department wherein the department has raised a demand on account of non availment of deferred sales tax incentives. The said demand has been contested and disputed by the Target Company by filing a writ petition before the Hon'ble High Court of Andhra Pradesh	25.75
7	EPF Appellate Tribunal	Appeal	The EPF Department has raised a demand with respect to penal damages and interest. The Target Company has contested the demand and has filed an appeal before the Appellate Tribunal for the waiver of the said demand.	21.93

6.22 **Compliance Officer**

Mr. B. Chandrasen (Asst. Company Secretary)
Vybra Automet Limited
Survey No. 507 & 508, Padamati Somaram Road,
Bibinagar – 508 126
District Nalgonda, Andhra Pradesh
Ph: +91–8685–278714
Fax: +91–8685–278714

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of the Target Company are currently listed on Bombay Stock Exchange Limited ('BSE'). The equity shares were also listed on the Hyderabad Stock Exchange Limited ("HSE"). However, SEBI has derecognized HSE as a stock exchange with effect from August 29, 2007. Based on the information available, the equity shares of the Target Company are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

7.1.2 The annualized trading turnover based on the trading volume of Target Company's shares on BSE are as under:

Event	Total no. of shares Traded	Total No. of shares listed	Annualized Trading turnover (in terms of % to total listed share)
Total no. of shares traded during the 6 calendar month prior to the month in which PA was made i.e. May 2010	10,85,036	71,29,000	30.44%
Total no. of shares traded during the 6 calendar month prior to the month in which PA was actually triggered i.e. April 2010	8,83,837	71,29,000	24.80%

(Source: BSE website)

As the annualized trading turnover on BSE is more than 5% of the total number of shares listed, the shares are frequently traded on BSE.

7.1.3 **The price and volume data of the Target Company on BSE**

<u>Taking May 10, 2010 as the Reference Date i.e. date of Public Announcement</u>

For 26 week period prior to the date of the PA i.e. May 10, 2010 is as under:

Week No.	Week ending	Week High (Rs.)	Week Low (Rs.)	Average (Rs.)	Total Volume
1	9-May-10	24.05	21.00	22.53	30,372
2	2-May-10	23.60	21.05	22.33	73,739
3	25-Apr-10	20.05	19.00	19.53	32,184
4	18-Apr-10	20.35	19.50	19.93	21,798
5	11-Apr-10	20.90	19.00	19.95	134,342
6	4-Apr-10	17.65	14.65	16.15	315,517
7	28-Mar-10	16.00	14.48	15.24	42,175
8	21-Mar-10	14.96	14.00	14.48	33,218
9	14-Mar-10	14.50	14.20	14.35	11,511
10	7-Mar-10	13.83	13.35	13.59	11,013
11	28-Feb-10	13.10	12.72	12.91	3,886
12	21-Feb-10	14.59	13.65	14.12	8,483
13	14-Feb-10	14.24	13.42	13.83	8,909
14	7-Feb-10	14.10	13.45	13.78	21,577
15	31-Jan-10	15.61	14.10	14.86	27,373
16	24-Jan-10	16.03	15.61	15.82	107,562
17	17-Jan-10	15.22	13.90	14.56	44,407
18	10-Jan-10	14.47	11.26	12.87	91,050
19	3-Jan-10	10.82	10.70	10.76	6,719
20	27-Dec-09	11.35	10.74	11.05	7,984
21	20-Dec-09	11.25	11.04	11.15	14,338
22	13-Dec-09	12.09	11.39	11.74	6,717
23	6-Dec-09	12.19	11.64	11.92	13,182
24	29-Nov-09	11.99	11.40	11.70	21,525
25	22-Nov-09	12.05	11.44	11.75	9,015
26	15-Nov-09	12.40	11.27	11.84	9,404
		Average Price		**14.72**	**1,108,000**

For 2 weeks preceding the date of PA i.e. May 10, 2010 is as under:

Day No.	Dates	High Price	Low Price	Average	Volume
1	7-May-10	21.90	21.00	21.45	1,008
2	6-May-10	22.15	22.05	22.10	2,516
3	5-May-10	23.75	22.00	22.88	4,734
4	4-May-10	24.80	23.00	23.90	8,879
5	3-May-10	24.75	23.40	24.08	13,235
6	30-Apr-10	23.60	21.45	22.53	14,019
7	29-Apr-10	22.85	21.00	21.93	24,375
8	28-Apr-10	23.15	21.05	22.10	10,931
9	27-Apr-10	22.10	22.10	22.10	3,975
10	26-Apr-10	21.05	21.00	21.03	20,439
		Average Price		**22.41**	**104,111**

Taking April 8, 2010 as the Reference Date i.e. date on which actual PA was due

For 26 week period prior to the date on which actual PA was due i.e. April 8, 2010 is as under:

Week No.	Week ending	Week High (Rs.)	Week Low (Rs.)	Average (Rs.)	Total Volume
1	7-Apr-10	20.90	17.65	19.28	142,524
2	31-Mar-10	16.19	14.65	15.42	300,641
3	24-Mar-10	14.63	14.00	14.32	31,880
4	17-Mar-10	14.96	14.20	14.58	22,937
5	10-Mar-10	14.49	13.80	14.15	8,596
6	3-Mar-10	13.71	12.72	13.22	10,513
7	24-Feb-10	14.02	12.95	13.49	5,492
8	17-Feb-10	14.59	14.24	14.42	10,140
9	10-Feb-10	14.20	13.42	13.81	18,912
10	3-Feb-10	14.65	14.00	14.33	19,460
11	27-Jan-10	16.03	14.92	15.48	59,329
12	20-Jan-10	15.92	14.70	15.31	79,007
13	13-Jan-10	14.54	13.79	14.17	79,310
14	6-Jan-10	12.54	10.70	11.62	45,873
15	30-Dec-09	11.00	10.82	10.91	3,622
16	23-Dec-09	11.35	10.74	11.05	11,723
17	16-Dec-09	12.09	11.25	11.67	12,018
18	9-Dec-09	12.19	11.39	11.79	11,565
19	2-Dec-09	11.90	11.40	11.65	18,351
20	25-Nov-09	11.99	11.58	11.79	9,989
21	18-Nov-09	12.40	11.44	11.92	11,000
22	11-Nov-09	12.39	11.27	11.83	9,659
23	4-Nov-09	11.64	11.24	11.44	4,639
24	28-Oct-09	12.62	11.80	12.21	30,991
25	21-Oct-09	12.00	11.61	11.81	18,735
26	14-Oct-09	12.45	11.87	12.16	37,728
		Average Price		**13.22**	**1,014,634**

For 2 weeks preceding the date on which actual PA was due i.e. April 8, 2010 is as under:

Day No.	Dates	High Price	Low Price	Average	Volume
1	7-Apr-10	21.90	20.30	21.10	36391
2	6-Apr-10	20.90	19.00	19.95	46605
3	5-Apr-10	19.20	15.90	17.55	20101
4	1-Apr-10	17.80	16.25	17.03	39427
5	31-Mar-10	16.24	14.36	15.30	54358
6	30-Mar-10	15.45	14.50	14.98	1766
7	29-Mar-10	15.69	14.41	15.05	219966
8	26-Mar-10	16.45	14.77	15.61	11181
9	25-Mar-10	15.70	14.64	15.17	13370
		Average Price		**16.86**	**443165**

The highest price considering both the reference dates is as under:

	Taking Reference Date as May 10, 2010	**Taking Reference Date as April 8, 2010**
Average of 26 Weeks	14.72	13.22
Average of 2 Weeks	22.41	16.86
Higher of the two above	**22.41**	**16.86**

Therefore, we have considered May 10, 2010 as the reference date for calculation of offer price under regulation 22(4) of SAST Regulation.

7.1.4 Based on the parameters set out in the Regulations for frequently traded stocks, the Offer Price is justified in view of Regulation 20(4) of SAST Regulations as it is in excess of the higher of the following:

Particulars	**Price Per Share (in Rs.)**
The Negotiated Price	15.00
Highest Price paid by the Acquirer alongwith PACs for any acquisition (including by way of allotment in a public or rights or Preferential issue) during the 26 week period prior to the date of this Public Announcement.	16.04
Average of the weekly high and low of closing prices of the equity shares of the Target Company on BSE during the 26 weeks period preceding the date of the Public Announcement	14.72
Average of the daily high and low prices of the equity shares of the Target Company on BSE during the 2 weeks preceding the date of the Public Announcement	22.41
Offer Price in term of Regulation 20(4)	22.41
Interest @10% P.a (For 32 days**)**	0.20
Offer Price (inclusive of interest of Rs.0.20 per share)	22.65

7.1.5 In the opinion of the Manager to the Offer and the Acquirer, the Offer Price of Rs. 22.65 per fully paid-up equity share is justified in terms of Regulations 20(4) and 20(11) of SEBI (SAST) Regulations.

7.1.6 There is no non-compete agreement between Acquirer & Sellers.

7.1.7 If the Acquirer acquires any shares of the Target Company after the date of the PA and up to 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the offer. Further, the Acquirer shall not acquire any shares of the Target Company during the last seven working days prior to the closure of the offer, except those accepted in the offer.

7.2 **Financial Arrangements:**

7.2.1 The maximum consideration payable by the Acquirer assuming full acceptance in the Offer would be Rs. 3,22,94,370 (Rupees Three Crores Twenty Two Lacs Ninety Four Thousand Three Hundred and Seventy only) ("**Maximum Consideration**") payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of cash deposit for an amount of Rs. 83,00,000 (Rupees Eighty Three Lacs only) **("Cash Deposit")** placed with HDFC Bank Limited, Central Plaza Branch, 2/6 Sarat Bose Road, Kolkata- 700 020 **('Escrow Bank')** for the performance of the Acquirer's obligations under the Regulations. The cash deposit is in excess of 25% of the maximum consideration payable under the offer. The Manager to the Offer is empowered to realize the value of the aforesaid escrow account and instruct the escrow bank to issue cheques/demand drafts in terms of the SAST Regulations.

7.2.3 Mr. Sailesh R. Shah, Chartered Accountant (Membership no. 30264) **("Chartered Accountants")**, having office at Mittal Court, Moledina Road, Pune- 411 011 has certified vide his certificate dated May 07, 2010 that the Acquirer has adequate financial resources available for meeting his obligations under the Regulations for a value up to the Maximum Consideration.

7.2.4 On the basis of the aforesaid financial arrangements and based on the confirmations received from the Escrow Bank and the Chartered Accountants, the Manager to the Offer confirms that adequate funds are available with the Acquirer through verifiable means to implement this offer in full.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 All owners of equity shares, except the Acquirer, Promoter and Sellers, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of VAL whose names appear on the register of members of VAL and to the beneficial owners of the equity shares of VAL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 04, 2010 (the 'Specified Date'). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the open offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website www.sebi.gov.in during the period the Offer is open and may also be downloaded from the site.

8.3 There shall be no discrimination in acceptance of locked-in and non-locked in shares. However, the equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

8.4 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of the Offer.

8.5 The acceptance of the Offer made by the Acquirer and the PACs is entirely at the discretion of the Shareholders of the Target Company. The Acquirer and the PACs will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.6 The Acquirer along with the PACs is permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than September 16, 2010, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where original Public Announcement was published.

8.7 The Acquirer, PACs and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other regulation made under the SEBI Act.

8.8 **Statutory approvals and other approvals required for the offer**

8.8.1 As on the date of the PA, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer and the PACs shall not proceed with the Offer in the event any statutory approval indicated herein is not obtained in terms of regulation 27 of the Regulations.

8.8.2 It may be noted that in case of non-receipt of any statutory approval within time, SEBI has the power to grant an extension of time to the Acquirer and the PACs for payment of consideration to the shareholders under the Offer provided that the Acquirer and the PACs agrees to pay interest for the delay, in accordance with Regulation 22(12) of the SAST Regulations.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of VAL whose names appear on the register of members of VAL and to the beneficial owners of the equity shares of VAL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 04, 2010 (the 'Specified Date').

9.2 Shareholders of the Target Company who wish to avail of and accept the offer shall send/ deliver the Form of Acceptance along with all the revelant documents to the Registrar to the offer **C B Management Services (P) Limited** at P-22, Bondel Road, Kolkata- 700 019 whether by hand delivery on weekdays (Monday to Friday between 10 a.m to 5 p.m) or by registered post, so as to reach on or before the closure of the Offer, i.e. September 27, 2010 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.3 Shareholders who hold equity shares of VAL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, Original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, so as to reach on or before the closure of the Offer, i.e. September 27, 2010.

9.4 The Registrar to the Offer, C B Management Services (P) Limited has opened a special depository account with LKP Securities Limited. Beneficial owners and shareholders holding equity shares of VAL in the dematerialised form, will be required to send their Form of Acceptance to the Registrar to the Offer on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of 'CBMS(P)L ESCROW A/C VYBRA AUTOMET LTD OPEN OFFER' and filled in with the details given below:

Name of the special depository account	CBMS(P)L ESCROW A/C VYBRA AUTOMET LTD OPEN OFFER
Depository	Central Depository Services (India) Limited (CDSL)
DP Name	LKP Securities Limited
DP ID	12030000
Client ID	00521237
ISIN	INE251F01010
Market	Off Market

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in National Securities Depository Limited (NSDL) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL.

9.5 Unregistered owners or shareholders who have not received the Letter of Offer may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, folio number, distinctive numbers, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'off-market' mode or counterfoil of the delivery instruction in the 'off-market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

9.6 Shareholders of VAL who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to VAL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

9.7 **THE SHARES AND THE OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR THE TARGET COMPANY OR THE MANAGER TO THE OFFER**

9.8 The Registrar to the Offer will hold in trust the equity shares and Share Certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance and the transfer deed(s) on behalf of the shareholders of VAL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are dispatched/ returned.

9.9 **Mode of making payment**

The payment of consideration, if any, would be done through any of the following modes:

a) Electronic Clearing System (ECS) – Payment of consideration would be done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, odhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non- MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of considerations would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of consideration through ECS is mandatory for shareholders having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive payment through direct credit or RTGS.

b) Direct Credit – Shareholders having bank accounts with the Escrow Banker(s), in this case being, HDFC Bank Limited, shall be eligible to receive considerations through direct credit. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirer.

c) RTGS – Shareholders having a bank account at any of the abovementioned 68 centres and whose consideration amount exceeds Rs. One Lac, have the option to receive payment through RTGS. Such eligible shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirer. Charges, if any, levied by the shareholders's bank receiving the credit would be borne by the shareholder.

d) National Electronic Fund Transfer (NEFT) – Payment of consideration shall be undertaken through NEFT wherever the shareholders' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the shareholders through this method. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

e) For all other shareholders, including those who have not updated their bank particulars with the MICR code, the payments will be dispatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/ Registered Post for payments of Rs. 1,500 and above. Such payments will be made by cheques, pay orders or demand drafts drawn on HDFC Bank Limited and payable at par.

9.10 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 owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

9.11 In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer on or before Wednesday, September 22, 2010.

- The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal.
- Shareholders should enclose the following: -

  For Equity Shares held in demat form beneficial owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - Photocopy of the delivery instruction slip in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP.

  For Equity Shares held in physical form Registered shareholders should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with VAL and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
- The withdrawal of Equity Shares will be available only for the Share certificates/ Equity Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.
- The intimation of returned Equity Shares to the shareholders will be sent at the address as per the records of VAL/ Depository as the case may be.
- The Form of Withdrawal along with enclosure should be sent to the Registrar to the Offer only.
- In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from VAL. The facility of partial withdrawal is available only to Registered shareholders.
- Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
- In case of physical Equity Shares: name, address, Distinctive Nos., Certificate Numbers., Folio Number, number of Equity Shares tendered
- In case of dematerialized Equity Shares: name, address, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of delivery instructions slip in "off market" mode or counterfoil of the delivery instruction slip in "off market" mode, duly acknowledged by the DP, in favour of the Special Depository Escrow Account.

9.12 Any shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of the Target Company may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such shares are received

9.13 While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, the Acquirer reserve the right to reject such shares tendered. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount payable to such NRI / OCB /Non-domestic companies / other persons who are not resident in India.

9.14 In case the number of shares tendered by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

9.15 Schedule of the major activities of the open offer are as under:

Activity	**Original Time Schedule**	**Revised Time Schedule**
Public Announcement Date	Monday, May 10, 2010	Monday, May 10, 2010
Specified Date *	Friday, June 04, 2010	Friday, June 04, 2010
Last date for a competitive bid	Monday, May 31, 2010	Monday, May 31, 2010
Date by which the Letter of Offer will be despatched to the shareholders of the Target Company	Thursday, June 24, 2010	Tuesday, August 31, 2010
Offer Opening Date	Thursday, July 01, 2010	Wednesday, September 08, 2010
Last date for revising the offer price/offer size	Friday, July 09, 2010	Thursday, September 16, 2010
Last date for withdrawal by shareholders	Thursday, July 15, 2010	Wednesday, September 22, 2010
Offer Closing Date	Tuesday, July 20, 2010	Monday, September 27, 2010

Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Wednesday, August 04, 2010	Tuesday, October 12, 2010

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer, PACs and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

9.16 Financial data contained in this Letter of Offer has been rounded off to the nearest Lac except wherein stated.

10 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 74A, Mittal Tower, 7th Floor, 210, Nariman Point, Mumbai- 400 021 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

a) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

b) Certificate dated March 29, 2010 issued by Mr. Sailesh R. Shah, Chartered Accountant (Membership no. 30264), having office at Mittal Court, Moledina Road, Pune- 411 011 has certifying the net worth of the Acquirer.

c) Certificate dated May 07, 2010 from Mr. Sailesh R. Shah, Chartered Accountant (Membership no. 30264) confirming that the Acquirer has adequate financial resources available for meeting his obligations under the Regulations for a value up to the Maximum Consideration.

d) Audited Reports of Vybra Automet Limited for the year ended March 31, 2007, 2008 and 2009

e) Copy of the SPA dated April 2, 2010 which triggered the Open Offer.

f) Published copy of the Public Announcement

g) Copy of letter from HDFC Bank Limited confirming the cash deposit in the escrow account for an amount in excess of 25% of the total consideration

h) Copy of Agreement entered into between with C. B. Management Services Private Limited and LKP Securities Limited for opening the special depository account for the purpose of the offer.

i) SEBI letter No. CFD/DCR/TO/SKM/12838/2010 dated July 19, 2010 issued in terms of proviso to the regulation 18(2) of the Regulations.

11 DECLARATION BY THE ACQUIRER & PACs

The Acquirer and the PACs accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirer and the PACs shall be responsible for ensuring compliance with the SEBI (SAST) Regulations and for their obligations laid down in the SEBI (SAST) Regulations.

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

Partha Debnath

Date: August 24, 2010
Place: Mumbai

(Mr. Partha Debnath has been authorized by Mr. Vilas Vitthal Valunj and Mr. Janardhan Shriniwas Purandare to sign this Letter of Offer on their behalf.)

Encl.:

1) Form of Acceptance-cum-Acknowledgement

2) Form of Withdrawal

3) Transfer Deed for shareholders holding Equity Shares in Physical Form

STATUS OF COMPLIANCE BY THE TARGET COMPANY WITH THE PROVISIONS OF CHAPTER II OF THE TAKEOVER REGULATIONS

Sl. No.	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**
1	6(2)	20-May-97	10-Jun-07	3,673
2	6(4)	20-May-97	10-Jun-07	3,673
4	8(3)	30-Apr-98	10-Jun-07	3,328
5	8(3)	30-Apr-99	10-Jun-07	2,963
6	8(3)	30-Apr-00	10-Jun-07	2,597
7	8(3)	30-Apr-01	10-Jun-07	2,232
8	8(3)	30-Apr-02	10-Jun-07	1,867
9	8(3)	30-Apr-03	10-Jun-07	1,502
10	8(3)	30-Apr-04	20-Apr-04	-
11	8(3)	30-Apr-05	9-Apr-05	-
12	8(3)	30-Apr-06	22-Apr-06	-
13	8(3)	30-Apr-07	7-Apr-07	-
14	8(3)	30-Apr-08	15-Apr-08	-
15	8(3)	30-Apr-09	12-Apr-09	-
16	8(3)	30-Apr-10	12-Apr-10	-
17	8A(4)	19-Feb-09	10-Feb-09	-

The Target Company has received a letter dated May 11, 2007 from BSE wherein the Target Company was directed by the Exchange to submit the disclosures required under regulations 6(2), 6(4) and 8(3) of SAST Regulations for the period 1998-2003. The Target Company vide its letter dated June 10, 2007 has submitted the disclosures for the said years.