THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer ("**LOF**") is sent to you as a shareholder(s) of **Wheel And Axle Textiles Limited** ("**the Company" / "Target Company").** If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the sale was effected.

OPEN OFFER by

(1) **Mr. Vasudev Fatandas Sawlani**; (2) **Mr. Murli Fatandas Sawlani**; (3) **Mr. Harish Fatandas Sawlani**; (4) **Mrs. Priya Vasudev Sawlani**; (5) **Mrs. Disha Murlidhar Sawlani**; and (6) **Mrs. Reena Harish Sawlani**; all residing at Plot C, Bunglow 2, Sawlani Estate, Ghod Dod Road, Surat – 395 007; Gujarat; Tel : +91-9913425000, e-mail : vsvora.ca@gmail.com (hereinafter collectively referred to as "**the Acquirers**") to the existing shareholders of

Wheel And Axle Textiles Limited

Regd Off: Garden House Dr Amichand Shah Wadi, Rampura Tunki, Surat – 395 003; Gujarat.
Tel: 0261-2419019; Fax : 0261-2418980; e-mail : wheelandaxletex@yahoo.in

TO ACQUIRE 1,25,500 fully paid-up Equity Shares of Rs. 10/- each, representing 25.10% of the fully diluted voting Equity Share Capital of the Target Company for cash at a price of Rs. 193.05 per Equity Share.

Notes:

1. The Offer is being made by the Acquirers pursuant to the Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("**SEBI SAST Regulations**")
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. If there is any upward revision in the Offer Price or withdrawal by the Acquirers at any time prior to commencement of the last three working days before the commencement of the Tendering Period, you will be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer.
6. **There was no competing offer**
7. A copy of the public announcement, detailed public statement and the LOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ARIHANT capital markets ltd. **Merchant Banking Division** SEBI REGN NO.: INM 000011070 1011, Building No. 10, Solitaire Corporate Park Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400 093 Tel : 022-42254800/862; Fax : 022-42254880 Email: mbd@arihantcapital.com Website: www.arihantcapital.com **Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P.**	**Sharex Dynamic (India) Private Limited** SEBI Registration No. INR 000002102 Unit – 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072. Tel No.: +91- 22- 2851 5606 / 5644; Fax No.: +91- 22- 2851 2885 Email: sharexindia@vsnl.com Website: www.sharexindia.com. **Contact Person: Mr. B. S. Baliga**

The Schedule of activities is as follows:

Activity	Day	Date
Public Announcement Date	Wednesday	April 15, 2015
Detailed Public Statement Date	Wednesday	April 22, 2015
Filing of draft Letter of Offer with SEBI	Wednesday	April 29, 2015
Last date for competing offer	Friday	May 15, 2015
SEBI observations on draft LOF	Friday	May 22, 2015
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Tuesday	May 26, 2015
Date by which LOF will be despatched to the shareholders	Tuesday	June 2, 2015
Last date by which the Board of Target Company shall give its recommendation	Friday	June 5, 2015
Issue Opening Advertisement Date	Monday	June 8, 2015
Date of commencement of tendering period (open date)	Tuesday	June 9, 2015
Date of expiry of tendering period (closure date)	Monday	June 22, 2015
Date by which all requirements including payment of consideration would be completed	Monday	July 6, 2015

RISK FACTORS

Risk Factors relating to the proposed Offer

1. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation leading to a stay on this offer, or (c) SEBI instructs the Acquirers to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public 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, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
2. **As per Regulation 18(9) of SEBI SAST Regulations, Shareholders who have tendered shares in acceptance of the open offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
3. The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirers make no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
4. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Probable risks involved in associating with the Acquirers

1. The Acquirers make no assurance with respect to the financial performance of the Target Company after change of control of management and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirers do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

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

TABLE OF CONTENTS

1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirers	**Mr. Vasudev Fatandas Sawlani**; **Mr. Murli Fatandas Sawlani**; **Mr. Harish Fatandas Sawlani**; **Mrs. Priya Vasudev Sawlani**; **Mrs. Disha Murlidhar Sawlani**; and **Mrs. Reena Harish Sawlani** all residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat – 395 007; Gujarat;
2.	ASE	Ahmedabad Stock Exchange
3.	Book Value	Book Value of each Equity Share as on the date referred to
4.	BSE	Stock Exchange at Mumbai i.e. BSE Limited
5.	DPS/ Detailed Public Statement	Announcement of this Offer to the Shareholders of the Target Company published on behalf of the Acquirers on April 22, 2015 in Business Standard (English and Hindi all editions), Mumbai Lakshwadeep (Mumbai) and Kesari, Surat
6.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirers, deemed PACs and Promoters) anytime before the closure of the Offer
7.	EPS	Earnings per Equity Share
8.	FOA/Form of Acceptance	Form Of Acceptance Cum Acknowledgement
9.	Identified Date	Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent
10.	Letter of Offer / LOF	This Letter of Offer
11.	Maximum Consideration	Total consideration payable by the Acquirers under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 2,42,27,775/- (Rupees Two Crore Forty Two Lakhs Twenty Seven Thousand Seven Hundred Seventy Five only)
12.	Merchant Banker/ Manager to the Offer	Arihant Capital Markets Limited
13.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
14.	Offer	This Open Offer being made by the Acquirers to the public shareholders for acquisition of 1,25,500 Equity Shares representing 25.10% of the fully diluted voting equity share capital of the Target Company at the Offer Price payable in cash.

15.	Public Announcement or PA	Public Announcement dated April 15, 2015 issued in relation to this Offer and submitted to stock exchanges where the Target Company was listed as well as to SEBI
16.	PAT	Profit after Tax
17.	PBDIT	Profit Before Depreciation, Interest and Tax
18.	PBT	Profit Before Tax
19.	RBI	Reserve Bank of India
20.	Registrar to the Offer	Sharex Dynamic (India) Private Limited
21.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date
22.	SEBI/Board	Securities and Exchange Board of India
23.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10/- each of the Target Company
24.	Shareholders	Shareholders of the Target Company
25.	SPA	Share Purchase Agreement dated April 15, 2015 entered into by the Acquirers with the Seller for purchase of 3,74,500 Equity Shares of the Target Company.
26.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Wheel & Axle Textiles Limited
27.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from June 9, 2015 to June 22, 2015

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF WHEEL & AXLE TEXTILES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 29, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This offer to acquire 1,25,500 Equity Shares of face value of Rs. 10/- each at a price of Rs. 193.05 per Equity Share, representing 25.10% of the fully diluted voting Equity Share capital of the Target Company is being made in terms of Regulation 3(1) and 4 of SEBI SAST Regulations for the purpose of substantial acquisition of Equity Shares and voting rights of the Target Company, accompanied with the change in control and management as the aggregate equity stake of the Acquirers in the paid up equity share capital of the Target Company will be more than the stipulated threshold of 25% consequent to the acquisition of Shares by the Acquirers through the SPA dated April 15, 2015.

3.1.2 This Open Offer is being made by **Mr. Vasudev Fatandas Sawlani**; **Mr. Murli Fatandas Sawlani**; **Mr. Harish Fatandas Sawlani**; **Mrs. Priya Vasudev Sawlani**; **Mrs. Disha Murlidhar Sawlani**; and **Mrs. Reena Harish Sawlani** all residing at Plot C, Bunglow No. 2, Savlani Estate, Ghod Dod Road, Surat – 395 007; Gujarat; to the Equity Shareholders of Wheel & Axle Textiles Limited pursuant to the Regulation 3(1) and Regulation 4 and in compliance with the SEBI SAST Regulations, 2011.

3.1.3 The Acquirers do not hold any Equity Shares in the Target Company and have never held any Equity Shares in the Target Company in the past.

3.1.4 The Acquirers have entered into a Share Purchase Agreement (SPA) on April 15, 2015 with the following shareholders who are also the promoters of the Target Company to acquire 3,74,500 Equity Shares of face value Rs. 10/- each fully paid-up representing 74.90% of the paid up and voting equity share capital at a price of Rs. 193.05 per fully paid up equity share ("Negotiated Price") :

Name	Shares	% to Paid-up Equity
Mr. Praful A. Shah	1,90,900	38.18%
Praful A Shah HUF	14,950	2.99%
Mrs. Shilpa P. Shah	56,250	11.25%
Mr. Alok P. Shah	56,200	11.24%
Mr. Suhail P. Shah	56,200	11.24%
Total	**3,74,500**	**74.90**

This agreement has necessitated the Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations. The total consideration for the shares being acquired under the SPA is Rs. 7,22,97,225/-.

The salient features of the SPA are:

1. The total consideration for 3,74,500 Equity shares ('Sale Shares') at the negotiated price of Rs 193.05 per fully paid up equity share is Rs. 7,22,97,225/-
2. The SPA shall not be acted upon in case any of the provisions of the SEBI Takeover Regulations are not complied with.
3. The Target Company shall continue to operate under the supervision of the Sellers till the completion of the Open Offer formalities and Sellers shall manage the Company in proper manner and as per the prudent business policies as may be reasonably required in the ordinary course of business.

3.1.5 There is no person acting in concert (PAC) with the Acquirers within the meaning of Regulation 2(1)(q) of the SEBI SAST Regulations.

3.1.6 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

3.1.7 The Acquirers may, subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) of the SEBI SAST Regulations, reconstitute the Board of Directors of the Company by appointing their representatives, as they may deem fit. As on date, the Acquirers have not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.

3.1.8 The Board of Directors of the Target Company in accordance with Regulation 26(6) of the SEBI SAST Regulations have constituted a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this open offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation atleast two working days before the commencement of the tendering period, in the same newspapers where the DPS of the Offer was published.

3.2 Details of the proposed Offer

3.2.1 A detailed public statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers, on April 22, 2015 :

Newspaper	Language of the Newspapers	Editions
Business Standard	English & Hindi	All
Mumbai Lakshwadeep	Marathi	Mumbai
Kesari	Gujarati	Surat

Copy of the detailed public statement is also available at SEBI's website : www.sebi.gov.in

3.2.2 The Acquirers are making an open offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company to acquire up to 1,25,500 Equity Shares of Rs. 10/- each representing 25.10% of the fully diluted equity and voting share capital of the Target Company, at a price of Rs. 193.05 per Share ("Offer Price") payable in cash subject to the terms and conditions set out in the Public Announcement, DPS and this Letter of Offer.

3.2.3 The Offer Price is Rs. 193.05 per Equity Share. There are no partly paid up shares.

3.2.4 There is no differential pricing for the shares proposed to be acquired under the open offer.

3.2.5 This is not a competing offer.

3.2.6 All the shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.

3.2.7 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirers will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 1,25,500 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company.

3.2.8 There was no competing offer.

3.2.9 The Acquirers have not purchased any Shares of the Target Company after the date of Public Announcement (PA).

3.3 Object and Purpose of Acquisition/offer and Future Plans

3.3.1 The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 24(1) and other applicable provisions of SEBI SAST Regulations as they may deem fit.

3.3.2 The Acquirers propose to continue the existing line of business of the Target Company and may also undertake other business activities in future, subject to the approval of members of the Company and other necessary approvals.

3.3.3 The Acquirers do not currently have any plans to dispose off or otherwise encumber any assets of the Target Company in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business. The Acquirers undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders.

4 BACKGROUND OF THE ACQUIRER

4.1 **Mr. Vasudev Fatandas Sawlani (PAN : ADEPS9864P)**

4.1.1 Mr. Vasudev Sawlani, aged 58 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat – 395 007, is a Commerce Graduate. He has over 29 years of experience in the field of textiles, especially Marketing and Sales. He looks after the day to day affairs of the business of family group companies with special focus on sales.

4.1.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mr. Vasudev F Sawlani as on April 15, 2015 is Rs. 10,35,19,000/- (Rupees Ten Crore Thirty Five Lakhs Nineteen Thousand only) and that he has sufficient liquid assets as on date to fulfill his monetary obligations under this Open Offer.

4.2 **Mr. Murli Fatandas Sawlani (PAN : ADEPS9862M)**

4.2.1 Mr. Murli Sawlani, aged 56 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat - 395 007, is a Commerce Graduate. He has over 29 years of working experience and looks after the site development, construction as well as all legal aspects pertaining to land for the Group.

4.2.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mr. Murli F Sawlani as on April 15, 2015 is Rs. 10,95,48,000/- (Rupees Ten Crore Ninety Five Lakhs Forty Eight Thousand only) and that he has sufficient liquid assets as on date to fulfill his monetary obligations under this Open Offer.

4.3 **Mr. Harish Fatandas Sawlani (PAN : ADEPS9863L)**

4.3.1 Mr. Harish Sawlani, aged 55 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat - 395 007, holds Diploma in Textiles. He has about 27 years of working experience and looks after all the financial and administrative matters of the family group companies.

4.3.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mr. Harish F Sawlani as on April 15, 2015 is Rs. 10,77,17,000/- (Rupees Ten Crore Seventy Seven Lakhs Seventeen Thousand only) and that he has sufficient liquid assets as on date to fulfill his monetary obligations under this Open Offer.

4.4 **Mrs. Priya Vasudev Sawlani (PAN : AEDPS0878R)**

4.4.1 Mrs. Priya Sawlani, aged 54 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat - 395 007, is a Commerce Graduate. She has about 11 years of working experience and looks after Designing Department of the family group companies. She is one of the promoters of Shantai Exim Limited, Shantai Realty (India) Limited and Shantai Technologies Limited.

4.4.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mrs. Priya V Sawlani as on April 15, 2015 is Rs. 4,08,91,000/- (Rupees Four Crore Eight Lakhs Ninety One Thousand only) and that she has sufficient liquid assets as on date to fulfill her monetary obligations under this Open Offer.

4.5 **Mrs. Disha Murlidhar Sawlani (PAN : AFSPS3507B)**

4.5.1 Mrs. Disha Sawlani, aged 50 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat - 395 007, is a Commerce Graduate.. She has about 10 years of working experience and looks after the Public Relation & Management department of the family group companies.

4.5.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mrs. Disha M Sawlani as on April 15, 2015 is Rs. 4,04,69,000/- (Rupees Four Crore Four Lakhs Sixty Nine Thousand only) and that she has sufficient liquid assets as on date to fulfill her monetary obligations under this Open Offer.

4.6 **Mr. Reena Harish Sawlani (PAN : AACPS3341L)**

4.6.1 Mrs. Reena Sawlani, aged 49 years, residing at Plot C, Bunglow No. 2, Sawlani Estate, Ghod Dod Road, Surat - 395 007, is a Commerce Graduate. She has about 10 Years of working experience and looks after Designing Department of the family group companies.

4.6.2 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide certificate dated April 15, 2015 that the net worth of Mrs. Reena H Sawlani as on April 15, 2015 is Rs. 4,48,32,000/- (Rupees Four Crore Forty Eight Lakhs Thirty Two Thousand only) and that she has sufficient liquid assets as on date to fulfill her monetary obligations under this Open Offer.

4.7 **Entities promoted / managed by the Acquirers :**

4.7.1 The Acquirers have promoted the following companies / entity :

1. Shantai Exim Limited
2. Shantai Realty (India) Limited
3. Shantai Technologies Limited
4. Sawlani Synthetics Private Limited
5. Shantai Developers

4.7.2 Brief background on each of the above entities :

<u>Shantai Exim Limited (PAN : AAECM1115D; CIN : U51909GJ2004PLC045155)</u>

Date of Incorporation	December 15, 2004
Registered Office	Plot No. 435, Sawlani Silk Mills Compound, GIDC Industrial Estate, Pandesara, Surat – 394 221
Constitution	Closely held unlisted Public Limited Company
Board of Directors	1. Mr. Vasudev F. Sawlani 2. Mr. Murli F. Sawlani 3. Mr. Harish F. Sawlani 4. Mr. Viral S. Vora 5. Mr. Kirankumar N. Doshi 6. Mr. Ashokkumar C. Chevli
Nature and business	Manufactures / Exporters of Textile Fabrics
Paid-up Capital	Rs. 8,84,13,000/-

Shantai Realty (India) Limited (PAN : AAKCS8046B; CIN : U45201GJ2007PLC050330)

Date of Incorporation	March 23, 2007
Registered Office	M – 8 to 13, Agrassen Point, Citylight, Surat – 395007
Constitution	Closely held unlisted Public Limited Company
Board of Directors	1. Mr. Vasudev F. Sawlani 2. Mr. Murli F. Sawlani 3. Mr. Harish F. Sawlani 4. Mr. Viral S. Vora 5. Mr. Kirankumar N. Doshi 6. Mr. Bahubal K. Kapadia 7. Mr. Khozaim A. Motiwala
Nature and business	Business in Real Estate
Paid-up Capital	Rs. 49,65,150

Shantai Technologies Limited (PAN : AANCS4888E; CIN : U72200GJ2009PLC058158)

Date of Incorporation	September 22, 2009
Registered Office	816 to 820, Golden Point, Begumpura, Falsa Wadi, Ring Road, Surat – 395001
Constitution	Closely held unlisted Public Limited Company
Board of Directors	1. Mr. Vasudev F. Sawlani 2. Mr. Murli F. Sawlani 3. Mr. Harish F. Sawlani 4. Mr. Viral S. Vora
Nature and business	Social networking and website
Paid-up Capital	Rs. 1,48,10,500/-

Sawlani Synthetics Private Limited (PAN : AADCS3870L; CIN : U17119GJ1993PTC020517)

Date of Incorporation	October 26, 1993
Registered Office	M-12 & M-13, Agrasene Point, B/s Agrasene Point, City Light, Surat 395007
Constitution	Private Limited Company
Board of Directors	1. Mr. Vasudev F. Sawlani 2. Mr. Murli F. Sawlani 3. Mr. Harish F. Sawlani 4. Mr. Fatandas D. Sawlani
Nature and business	Textiles & Exports
Paid-up Capital	Rs. 1,71,680/-

Shantai Developers (PAN : ABIFS0704J)

Date of Formation	March 14, 2007
Address	F.P. No. 35, B/h South Gujarat University Vill : Vesu, Surat – 395 007
Constitution	Partnership firm
Partners	1. Vasudev F. Sawlani 2. Mr. Murli F. Sawlani 3. Mr. Harish F. Sawlani 4. Shantai Realty (India) Limited
Nature and business	Builders and Developers
Capital	Rs.15,00,000/-

4.8 None of the Acquirers are on the Board of the Target Company.

4.9 There are no pending litigations against the Acquirers in any court of law.

4.10 There is no Person Acting in Concert (hereinafter referred to as "**PAC**") with the Acquirers for this Open Offer.

5. BACKGROUND OF THE TARGET COMPANY

5.1 Share Capital Structure of the Target Company

Paid-up Equity Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Equity Shares	5,00,000	100.00
Partly paid-up Equity Shares	Nil	-
Total paid-up Equity Shares	5,00,000	100.00
Total voting rights	5,00,000	100.00

5.2 The shares of the Target Company are not suspended for trading.

5.3 All the shares of the Target Company are listed and permitted for trading on BSE and ASE.

5.4 There are no outstanding convertible instruments / partly-paid up Equity Shares in the Target Company.

5.5 Composition of the Board of Directors

Name & DIN	DIN	Designation
Mr. Suhail P Shah	00719002	Managing Director
Ms. Shilpa P Shah	00218157	Non Independent Director
Harishchandra Balvantram Bharucha	00138430	Independent Director
Harjibhai Punabhai Dhaduk	06905458	Independent Director

None of the Directors of the Target Company represent the Acquirers.

5.6 The Target Company was incorporated as a Public Limited Company under the Companies Act, 1956 in the name of Wheel & Axle Trading & Finance Limited on April 9, 1985 with the Registrar of Companies, Maharashtra. The registered office of the Target Company was shifted from the State of Maharashtra to the State of Gujarat and a Certificate of Registration of the Order of CLB confirming the transfer of the Registered Office from one State to another was received on January 18, 1990 from the Asst. Registrar of Companies, Gujarat..

The name of the Target Company was changed to Wheel And Axle Textiles Limited and a fresh Certificate of Incorporation consequent to Change of Name was obtained on September 6, 1999 from the Registrar of Companies, Gujarat.

The Registered Office of the Target Company is Garden House, Dr. Amichand Shah's Wadi, Rampura Tunki, Surat – 395 003.

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

The Target Company is promoted by Mr. Praful A. Shah, Mrs. Shilpa P. Shah, Mr. Alok P. Shah and Mr. Suhail P. Shah with the main object of carrying on the business of textiles and textile related products. Presently, the Target Company is carrying on the business in trading in ready-made fabrics.

5.7 **Financial Highlights of the Target Company**

The brief audited financial details of the Target Company for the last 3 Financial Years are as under:

Profit & Loss Account

(Rs. in lakhs)

Particulars	31/03/2014	31/03/2013	31/03/2012
Income from operations	2.09	2.03	1.70
Other Income	0.64	1.55	1.41
Total Income	2.73	3.58	3.11
Total Expenditure	3.79	3.64	3.28
PBDIT	(1.06)	(0.06)	(0.17)
Depreciation	-	-	-
Interest	-	-	-
PBT	(1.06)	(0.06)	(0.17)
Provision for Tax	-	-	-
Deferred tax liability	-	-	-
PAT	(1.06)	(0.06)	(0.17)

Balance Sheet

(Rs. in lakhs)

Particulars	31/03/2014	31/03/2013	31/03/2012
EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share Capital	50.00	50.00	50.00
b) Reserves & Surplus	533.63	534.70	535.34
Sub-total - Shareholders' funds	**583.63**	**584.70**	**585.34**
2. Non current Liabilities			
a) Long term borrowings	-	-	-
b) Deferred tax liabilities (net)	-	-	-
c) Other long term liabilities	-	-	-
d) Long term provisions	-	-	-
Sub-total – Non-current liabilities	-	-	-
3. Current Liabilities			
a) Short-term borrowings	0.07	0.68	0.68
b) Trade payables	-	-	-
c) Other current liabilities	-	-	-
d) Short-term provisions	-	-	-
Sub-total – Current liabilities	**0.07**	**0.68**	**0.68**
TOTAL – EQUITY & LIABILITIES	**583.70**	**585.38**	**586.02**
ASSETS			
1. Non-current Assets			
a) Fixed Assets	-	-	-
b) Non-current investments	581.81	583.92	584.22
c) Long-term loans and advances	-	-	-
d) Other non-current assets	-	-	-
Sub-total – Non-current assets	**581.81**	**583.92**	**584.22**
2. Current Assets			
a) Current investments	-	-	-
b) Trade receivables	-	-	-
c) Cash and cash equivalents	1.67	1.24	1.58
d) Short term loans and advances	0.22	0.22	0.22
e) Other Current Assets	-	-	-
Sub-total – Current assets	**1.89**	**1.46**	**1.80**
TOTAL – ASSETS	**583.70**	**585.38**	**586.02**

Unaudited financial results of the Target Company, for the nine months period ended December 31, 2014 are as under (*based on financials as filed with BSE and Limited Review by the Statutory Auditors*):

Profit & Loss Account Data

Particulars	(Rs. in lakhs)
Income from operations	2.03
Other Income	0.23
Total Income	2.26
Total Expenditure	4.04
PBDIT	(1.78)
Depreciation	-
Interest/finance cost	-
PBT	(1.78)
Provision for Tax	-
PAT	(1.78)
Share Capital	50.00

Other Financial Data

Particulars	31/03/2014	31/03/2013	31/03/2012
Dividend (%)	-	-	-
EPS (Rs.)	-	-	-
Return on Networth (%)	-	-	-
Book Value per Share or Rs. 10/- (Rs.)	116.73	116.94	117.07

5.8 Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:

Share holders category	**Shareholding prior to the acquisition and offer (A)**		**Shares agreed to be acquired which triggered the Regulation (B)**		**Shares to be acquired in open offer (Assuming full Acceptance) (C)**		**Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D)**	
	No.	%	**No.**	%	**No.**	%	**No.**	%
(1) Promoter Group								
Praful A. Shah	1,90,900	38.18	(1,90,900)	(38.18)	-	-	-	-
Praful A Shah HUF	14,950	2.99	(14,950)	(2.99)	-	-	-	-
Shilpa P. Shah	56,250	11.25	(56,250)	(11.25)	-	-	-	-
Alok P. Shah	56,200	11.24	(56,200)	(11.24)	-	-	-	-
Suhail P. Shah	56,200	11.24	(56,200)	(11.24)	-	-	-	-
Total	**3,74,500**	**74.90**	**(3,74,500)**	**(74.90)**	**-**	**-**	**-**	**-**
Total 1								
(2) Acquirer								
Vasudev F. Sawlani	-	-						
Murli F. Sawlani	-	-						
Harish F. Sawlani	-	-						
Priya V. Sawlani	-	-						
Disha M. Sawlani	-	-						
Reena H. Sawlani	-	-						
Total	**-**	**-**	**3,74,500**	**74.90**	**1,25,500**	**25.10**	**5,00,000**	**100.00**
b. PACs	-	-				-	-	-
Total 2								
(3) Parties to agree-ment other than 1 & 2	-	-	-	-	-	-	-	-
Total 3	**-**	**-**	-	-	-	-	-	-
(4) Public (other than parties to agreement / Acquirer)								
a)FIs/MFs/FII/Banks								
b) Others	1,25,500	25.10	**-**	**-**	**(1,25,500)**	**(25.10)**	**-**	**-**
Total 4								
TOTAL (1+2+3+4)	**5,00,000**	**100.00**	**-**	**-**	**-**	**-**	**5,00,000**	**100.00**

Notes:

1. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders in this Open Offer.
2. As on date, there are about 167 shareholders in the Target Company.

5.8 The acquisition of Equity Shares under the Offer (assuming full acceptance) may result in public shareholding in Target Company being reduced below 25% of the Equity Share Capital, which is the minimum level required as per the Listing Agreement. Accordingly, the Acquirers undertake that they shall take necessary steps to facilitate compliance of the Target Company with regard to the minimum public shareholding norms as set out in the Listing Agreement and Securities Contracts (Regulation) Rules, 1957 in the manner and within the time stipulated therein.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 **Justification of Offer price**

6.1.1 This Open Offer is pursuant to direct acquisition.

6.1.2 The shares of the Target Company are listed on ASE and BSE.

6.1.3 As per the information available, there is no trading in the equity shares of the Target Company since April 2010 at any of the two stock exchanges i.e BSE and ASE where the shares of Target Company are listed. The Equity Shares of the Target Company are not frequently traded shares within the meaning of Regulation 2(j) of SEBI SAST Regulations during the 12 calendar months preceding the month in which Public Announcement is made at BSE and ASE. As the Equity Shares were infrequently traded, the Offer price has been determined taking into account the parameters as set out under Regulations 8(2)(e) viz. Book Value, EPS, Return on Net Worth, price paid by the Acquirers for acquisition through SPAs etc.

6.1.4 The offer price of Rs. 193.05 per equity Share of the Target Company is justified taking into account the following parameters as set out under Regulations 8(1) & 8(2) of the SEBI SAST Regulations :

PARTICULARS	Price (₹)
1. Negotiated price	193.05
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	N.A.
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	N.A.
4. Volume weighted average market price of shares for all the trading days immediately preceding the date of public announcement	N.A.
5. Fair Value determined in accordance with parameters of Regulation 8(2) (e)*	147.26
6. Highest of the above	193.05
7. Offer price	193.05

** The fair value of Equity Shares is Rs. 147.26 (Rupees One Hundred Forty Seven and Paise Twenty Six only) as certified by Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; vide their certificates dated April 20, 2015 and May 14, 2015 keeping in view the Hon'ble Supreme Court's decision in the Hindustan Lever Employee's Union vs. Hindustan Lever Limited, 1995 (83 Com Case 30)*

6.1.5 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company on their own account as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period

6.2 Financial arrangements:

6.2.1 Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 2,42,27,775/- (Rupees Two Crore Forty Two Lakhs Twenty Seven Thousand Seven Hundred Seventy Five only).

6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirers have deposited Rs. 2,42,27,775/- (Rupees Two Crore Forty Two Lakhs Twenty Seven Thousand Seven Hundred Seventy Five only) by way of cash, being 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank, Capital Market division, 1st floor, 122 Mistry Bhawan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020 – with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirers have duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations.

6.2.3 The Acquirers have adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from existing sources/Net Worth. No separate borrowings from Indian Banks / Financial Institutions or sources such as NRIs are envisaged by the Acquirer. The Acquirers hereby declare and confirm that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer.

6.2.4 Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants, having their office at 2/4599 Main Road, Near Ranchhodji Temple, Sagrampura, Surat – 395 002, (Membership No. 118517; Firm Registration No. 125874W), Tel: 0261-2334520; has certified vide their certificate dated April 15, 2015 that the net worth as on April 15, 2015 of Mr. Vasudev F Sawlani, Mr. Murli F Sawlani, Mr. Harish F Sawlani, Mrs. Priya V Sawlani, Mrs. Disha M Sawlani and Mrs. Reena H Sawlani is Rs. 10,35,19,000/- (Rupees Ten Crore Thirty Five Lakhs Nineteen Thousand only), Rs. 10,95,48,000/- (Rupees Ten Crore Ninety Five Lakhs Forty Eight Thousand only) Rs. 10,77,17,000/- (Rupees Ten Crore Seventy Seven Lakhs Seventeen Thousand only), Rs. 4,08,91,000/- (Rupees Four Crore Eight Lakhs Ninety One Thousand only) Rs. 4,04,69,000/- (Rupees Four Crore Four Lakhs Sixty Nine Thousand only) and Rs. 4,48,32,000/- (Rupees Four Crore Forty Eight Lakhs Thirty Two Thousand only), respectively and that they have sufficient liquid assets as on date to fulfill the monetary obligation under this Open Offer.

6.2.5 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements for funds for payment through verifiable means have been put in place by the Acquirers to fulfill their obligations in relation to the Offer in accordance with the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.

7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, deemed PACs and the Promoters) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on May 26, 2015 (“Identified Date”).

7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4 The LOF alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI’s website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website

7.1.5 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

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

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

7.2 **Locked in shares**: There are no locked in shares in the Target Company.

7.3 **Persons eligible to participate in the Offer**

Except the Acquirer, deemed PACs and the Promoters of the Target Company, all the registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, are eligible to participate in the Offer.

7.4 **Statutory and Other Approvals**

7.4.1 Non-resident equity shareholder(s) who wish to tender their equity shares of the Target Company in this Offer will be required to submit all the previous RBI approvals (specific or general) that they would have obtained for acquiring, the equity shares of the Target Company. In case previous RBI approvals are not submitted, the Acquirers reserve the right to reject the equity shares tendered in the Offer.

7.4.2 As on the date of Public Announcement, to the best of knowledge and belief of the Acquirers, no approvals from Bank/ Financial Institutions are required for the purpose of the Offer.

7.4.3 As on the date of this Letter of Offer, no other statutory approval is required to be obtained for the purpose of the Open 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 Acquirers will not proceed with the Offer in the event that such statutory approvals that are required are finally refused in terms of Regulation 23(1) of the SEBI SAST Regulations. The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

7.4.4 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI SAST Regulations will be adhered to, i.e. SEBI has power to grant extension of the time to the Acquirers or payment of consideration to the shareholder(s) subject to Acquirers agreeing to pay interest as directed by SEBI.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 Shareholders who are holding fully paid equity shares in physical form and wish to tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to **Sharex Dynamic (India) Private Limited** the Registrar to the Offer by Registered Post at the applicants sole risk so that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. **The relevant documents should NOT be sent to the Seller, Acquirer, the**

Target Company or the Managers to the Offer.

All eligible owners of fully paid equity shares of the Target Company registered or unregistered including those holding shares in street names who wish to avail and accept the Offer can deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents to the Registrar as per the following details

Name & Address	Contact Person & Contact Numbers	Workings Days and timings	Mode of delivery
Sharex Dynamic (India) Pvt Ltd Uni1 – 1, Luthra Indl. Premises Safed Pool Andheri Kurla Road Andheri (E) Mumbai – 400 072	Mr. B S Baliga Tel : 022-28515606 Fax : 022-28512885	Weekdays between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm. The centre will be closed on Saturday, Sunday and on public holidays	Registered Post/ Hand Delivery/ Speed Post

8.2 The Registrar to the Offer, **Sharex Dynamic (India) Private Limited** has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares under the Open Offer from eligible shareholders who hold equity shares in demat form.

8.3 Shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "WHEEL AND AXLE TEXTILES LTD OPEN OFFER ESCROW ACCOUNT OPERATED BY SHAREX" filled in as per the instructions given below:

Account Name	Wheel And Axle Textiles Ltd Open Offer Escrow Account Operated By Sharex
DP Name:	Nirmal Bang Securities Private Limited
DP ID:	IN301604
Client ID:	11543786
Depository:	National Securities Depository Limited

Note: Shareholders who wish to transfer their shares to the above mentioned escrow account from a demat account maintained with CDSL, should use "inter depository" delivery instruction slip.

8.4 **The shares and other relevant documents should not be sent to the Acquirers /Target Company / Manager to the Offer. The Acquirers and Manager to the Offer are not responsible for such shares sent to them and the same are liable to be returned to the sender at their own risk.**

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

8.5 In case of (a) shareholders who have not received the LOF, (b) unregistered shareholders, (c) owners of the shares holding in street names, (d) owner of the shares who have sent the shares to the Target Company for transfer, may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer. Such shareholders can also obtain the LOF from the Registrar to the Open Offer by giving an application in writing to that effect.

8.6 In case of shareholders who have not received the LOF and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para 8.3 above, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer. Such equity shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing.

8.7 Alternatively, such shareholders, if they so desire, may apply on the Form of Acceptance cum Acknowledgement obtained from SEBI's website (www.sebi.gov.in).

8.8 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer, else the application would be rejected.

8.9 No indemnity is needed from unregistered shareholders.

8.10 Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirers, the Acquirers will accept the offers received from the share holders on a proportionate basis, 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 non-marketable 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.

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

8.12 The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques/ demand drafts/ Electronic Clearance Service (ECS)/RTGS/NEFT where applicable within ten working days from the offer closing date. Such payments through account payee cheques/demand drafts will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

8.13 Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares held in dematerialized 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 or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

8.14 The Registrars 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, on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned.

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 1011, Solitaire Corporate Park, Building 10, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400 093, the Corporate Office of Arihant Capital Markets Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

a) Copy of certificates dated April 15, 2015 issued by Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants certifying the net worth and the adequacy of financial resources to fulfil the open offer obligations by the Acquirers.

b) Copy of Share Purchase Agreement dated April 15, 2015 executed amongst the Sellers and the Acquirers.

c) Copy of Certificates of Incorporation, Memorandum and Articles of Association of the Target Company.

d) Annual Reports of the Target Company for the financial years 2011-12, 2012-13 and 2013-14 and copy of financial statements for the period ended December 31, 2014 submitted to stock exchange by the Target Company.

e) Copy of Memorandum of Understating (MOU) dated April 15, 2015 executed between the Acquirers and the Managers to the Offer.

f) Copy of Memorandum of Understating (MOU) dated April 15, 2015 executed between the Acquirers and the Registrar to the Offer.

g) Copy of Escrow Agreement dated April 15, 2015 executed amongst the Merchant Bankers, the Acquirers and the Escrow Banker.

h) Copy of Valuation Reports issued by of Mr. Mohit Shah, Proprietor, M/s Mohit Shah & Associates, Chartered Accountants certifying the fair valuation of the Equity Shares of the Target Company.

i) Copy of Public Announcement made on April 15, 2015

j) Copy of the DPS published on April 22, 2015

k) Due Diligence Certificate dated April 29, 2015 submitted to SEBI by Arihant Capital Markets Limited, Manager to the Offer.

l) SEBI Observation Letter bearing reference number CFD/DCR2/OW/14304/2015 dated May 22, 2015.

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirers accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and are severally and jointly responsible for ensuring compliance with the SEBI SAST Regulations.

2. The Manager to the Offer hereby states that the persons signing this Letter of Offer is the Acquirer

Signed by the Acquirers

Vasudev Fatandas Sawlani	**Murli Fatandas Sawlani**
Harish Fatandas Sawlani	**Priya Vasudev Sawlani**
Disha Murlidhar Sawlani	**Reena Harish Sawlani**

Date: May 27, 2015

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Share Transfer Form

THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY

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

Offer opens on	June 9, 2015
Offer closes on	June 22, 2015

From:

Name:

Address:

Tel No.:__________________________________ ; Fax No.:____________________ e-mail: ______________________________

To

Sharex Dyunamic (India) Private Limited, Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai – 400 072. Tel : 022-28515606; Fax : 022-28512885; e-mail : sharexindia@vsnl.com; Contact Person : Mr. B.S. Baliga

Dear Sir,

Sub: Open Offer to the shareholders of Wheel And Axle Textiles Limited (the Target Company) for acquisition of 1,25,500 Equity Shares of Rs. 10/- each representing 25.10% of equity share capital of the Target Company, for cash at a price of Rs. 193.05 per share by Mr. Vasudev Fatandas Sawlani; Mr. Murli Fatandas Sawlani; Mr. Harish Fatandas Sawlani; Mrs. Priya Vasudev Sawlani; Mrs. Disha Murlidhar Sawlani; and Mrs. Reena Harish Sawlani; (Acquirers)

I/We refer to the Letter of Offer dated April 29, 2015 for acquiring the Equity Shares held by me/us in Wheel And Axle Textiles Limited

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

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	No. of Share Certificates (Quantity)	Share Certificate Nos.	Distinctive Numbers	
					From	To
TOTAL						

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of **Wheel And Axle Textiles Limited** which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

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

--Tear Here---

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s__________________________________Form of Acceptance-cum-Acknowledgement in connection with Open Offer to Shareholders of Wheel And Axle Textiles Limited

Ledger Folio No.___________& _______No. of Share Certificates /Copy of Delivery instructions to DP for _________Shares of **Wheel And Axle Textiles Limited**

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

I/We hold the following Equity Shares of Wheel And Axle Textiles Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
				TOTAL	

I/We have done an Off-Market transfer for crediting the Shares to the Special Depository Account noted below:

DP Name	Nirmal Bang Securities P. Ltd.	**DP ID**	IN301604
Client ID	11543786	**Account Name**	Wheel And Axle Textiles Ltd Open Offer Escrow Account Operated By Sharex

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after due verification of the documents.

I/We confirm that the Equity Shares of Wheel And Axle Textiles Limited which are transferred by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

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

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

	PAN
Sole / First Holder	
Joint Holder 1	
Joint Holder 2	

Yours faithfully

I understand that I / we will not be allowed to withdraw the shares tendered under this Open Offer as per the extant SEBI SAST Regulations

Signed and delivered

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

Date: _____________

Place: _____________

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

To avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the First/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank, Branch /Address	**Account No.**	**Savings /Current/ NRE/NRO /Other**

I/We want to receive the payment through ECS ☐ RTGS ☐ NEFT ☐

In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank

In the case of RTGS/NEFT, 8 digit code number issued by the Bank

Address	**Phone / Fax Nos.**	**Contact Person /E-mail ID**
All future correspondence, if any, should be addressed to Registrar to the Offer		
Sharex Dynamic (India) Pvt Ltd Uni1 – 1, Luthra Indl. Premises Safed Pool, Andheri Kurla Road Andheri (E), Mumbai – 400 072	Tel : 022-28515606 Fax : 022-28512885 e-mail : sharexindia@vsnl.com	**Mr. B.S. Baliga**