LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as a shareholder(s) of **Marvel Capital & Finance (India) Limited**. If you require any clarification(s) about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Offer or Registrar to the Offer. In case you have sold your equity shares in **Marvel Capital & Finance (India) Limited**, please hand over this Letter of Offer, 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 effected.

CASH OFFER
BY
MAHAGAURI INVESTMENTS LIMITED
Registered Office: 12, ASIM, Kastur Park, Shimpoli Road, Borivali (W),
Mumbai- 400 092
(Tel: +91 22 3341 9576, Fax: +91 22 2876 5291)

TO ACQUIRE
Up to 10,00,000 fully paid up equity shares of ₹10/- each representing 20.00% of the outstanding & voting equity share capital
OF
MARVEL CAPITAL & FINANCE (INDIA) LIMITED
Registered Office: 20, Podar Chambers, S.A. Brelvi Road, Fort, Mumbai- 400 001
(Tel: +91 22 2266 5315 Fax: +91 22 2266 5482)

AT ₹ 27.60 (RUPEES TWENTY SEVEN AND PAISE SIXTY ONLY) PER FULLY PAID UP EQUITY SHARE OF ₹10/- (RUPEES TEN ONLY)

Pursuant to and in compliance with Regulation 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendment thereto (the "SEBI (SAST) Regulations")

Notes:

1) This Offer is being made by Acquirer pursuant to Regulation 10 & 12 of the SEBI (SAST) Regulations for the purpose of substantial acquisition of shares and voting rights of the Target Company accompanied with change in control and management of the Target Company consequent to Share Purchase Agreement executed on April 25, 2011 between Acquirer and Promoters of the Target Company.
2) This Offer is not subject to a minimum level of acceptance by the shareholders of Marvel Capital & Finance (India) Limited.
3) If there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e Wednesday, July 20, 2011, or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement (PA) had appeared on April 29, 2011. Such revised Offer Price would be payable for all the equity shares of Marvel Capital & Finance (India) Limited, tendered anytime by the eligible shareholders during the Offer and accepted under the Offer.
4) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer (LOO), can withdraw the same up to three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach to the designated collection centres before the close of business hours on Wednesday, i.e. July 27, 2011.
5) This is not a competitive bid.
6) **If there is a competitive bid:**
   - **The public offers under all the subsisting bids shall close on the same date.**
   - **As the Offer Price cannot be revised during the 7 working days prior to the closing date of the Offer / 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.**
7) **There has been no competitive bids.**
8) There has been no revision in the Offer Price till the date of this Letter of Offer.
9) The Offer is subject to the approval of the Reserve Bank of India (RBI) and the Foreign Exchange Management Act, 2000 (FEMA) for acquiring the shares tendered under the Offer from non-resident persons.
10) As on the date of this Letter of Offer, no statutory approvals required for the purpose of this Offer. However, If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would be subject to such other statutory approvals.
11) The procedure for acceptance is set out in Part 9 of this LOO, Form of Acceptance cum Acknowledgement (FOA) and Form of Withdrawl (FOW) is enclosed with this Letter of Offer.
12) The PA, LOO, FOA and FOW would also be available on the website of SEBI i.e. www.sebi.gov.in and Manager to the Offer i.e. www.icfs.in

All future correspondence, if any, should be addressed to the Manager to the Offer or Registrar to the Offer at address mentioned below:

	Manager to the Offer Imperial Corporate Finance & Services Pvt. Ltd. 102, Mittal Chambers, Nariman Point, Mumbai 400 021 Tel.: +91 22 4090 5656; Fax: +91 22 2287 5825; Email: imperial1@icfs.in Contact Person: Mr. Ramesh Satagopan / Mr. Swapnilsagar Vithalani		**Registrar to the Offer** Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Rd., Safed pool, Andheri(E), Mumbai 400072 Contact Person: Mr. B.S. Baliga Tel. No.: +91 22 2851 5606 Fax No.: +91 22 2851 2885 Email: sd_India@rediffmail.com
OFFER OPENS ON: MONDAY, JULY 11, 2011		**OFFER CLOSES ON:** SATURDAY, JULY 30, 2011	

- **SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER:**

ACTIVITY	ORIGINAL DATE		REVISED DATE	
	DAY	DATE	DAY	DATE
Public Announcement	Thursday	April 28, 2011	Thursday	April 28, 2011
Specified date	Friday	May 06, 2011	Friday	May 06, 2011
Last date for competitive bid	Friday	May 20, 2011	Friday	May 20, 2011
Date by which Letter of Offer to be dispatched to shareholders	Saturday	June 11, 2011	Tuesday	July 05, 2011
Date of opening of the Offer	Wednesday	June 22, 2011	Monday	July 11, 2011
Last date for revision of Offer price / number of equity shares	Wednesday	June 29, 2011	Wednesday	July 20, 2011
Last date for shareholders to withdraw their acceptance of the Offer	Tuesday	July 05, 2011	Wednesday	July 27, 2011
Date of closure of the Offer	Monday	July 11, 2011	Saturday	July 30, 2011
Date of communicating acceptance /rejection and payment of consideration for the applications accepted.	Tuesday	July 26, 2011	Friday	Aug 12, 2011

- **RISK FACTORS**

  ✓ **Relating to the Transaction:**

  - The transfer of equity shares received from the Non – Resident Indian (NRI) shareholder(s) under the Offer is subject to receipt of RBI approval for the same.

  - In the case of non compliance of any provision of the Regulations pertaining to the Open Offer being triggered by this Share Purchase Agreement, the agreement shall not be acted upon by either party to the Agreement (Seller or Acquirer)

  ✓ **Relating to the Proposed Offer:**

  - In the event that either (a) a statutory / regulatory approval, if any, is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this LOO. Consequently, the payment of consideration to the shareholders of Marvel Capital & Finance (India) Limited whose equity shares have been accepted in the Offer as well as the return of the equity shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.

  - If the number of shares tendered by the shareholders are more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) of SEBI (SAST) Regulations on a proportional 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.

  - Further, shareholders should note that after the last date of withdrawal i.e. Wednesday, July 27, 2011 shareholders who have lodged their acceptances would not be able to withdraw them 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, till such time as the process of acceptance of tenders and the payment of consideration is completed.

  - The shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities and the shareholders will not be able to trade such shares. During such period there may be fluctuations in the market price of the shares. The Acquirer makes no assurance with respect to the market price of the shares both during the Offer period and upon completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

  ✓ **Relating to the Acquirer:**

  - Attrition of key personnel of the target company as a consequence of this acquisition could have impact on operations of Marvel Capital & Finance (India) Limited.

- The Acquirer make no assurance with respect to the future financial performance of Marvel Capital & Finance (India) Limited.

- The risk factors set forth above pertain to Mahagauri Investments Limited and the Offer and not in relation to the present or future business or operations of Marvel Capital & Finance (India) Limited 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 Marvel Capital & Finance (India) Limited are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

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1. DEFINITIONS / ABBREVIATIONS

The following definitions / abbreviations apply throughout this document, unless context requires otherwise.

TERM	DESCRIPTION
Acquirer / MIL	Mahagauri Investments Limited
BSE	Bombay Stock Exchange Limited, Mumbai
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
DP	Depository Participant
Draft Letter of Offer / DLOO	This Draft Letter of Offer dated May 6, 2011
ECS	Electronic Clearing Service
Eligible Person(s) for the Offer	All owners (registered or unregistered) of equity shares of Marvel (other than Promoters of Marvel and the parties to SPA) anytime before the closure of the Offer
EPS	Earnings Per Share
Escrow Agent	Dhanlaxmi Bank Limited
FEMA	Foreign Exchange Management Act, 2000 and subsequent amendments thereto
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
FOW	Form of Withdrawal
FY	Financial Year
ICAI	Institute of Chartered Accountants of India
Letter of Offer / LOO	Letter of Offer dated July 4, 2011
Ltd.	Limited
Imperial / ICFS / Manager to the Offer	Imperial Corporate Finance & Services Pvt. Ltd.
NRI(s)	Non–Resident Indian(s) and Person of Indian Origin residing abroad
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirer to the sharehodlers of the Target Company for acquisition of 10,00,000 fully paid-up equity shares of face value ₹10/- each, representing 20% of the paid up Equity and Voting Share Capital of Marvel at a price of ₹27.60/- per fully paid-up equity share
Offer Price	₹27.60/- (Rupees Twenty Seven and Paise Sixty only) per fully paid-up equity share of ₹10 each
Offer Size	10,00,000 Equity Shares representing 20% of the paid up Equity and Voting Share Capital.
PACs	Person Acting in Concert(s)
Promoters / Promoter Group	The Promoters of the Target Company consisting of Laxmi Saboo, Niharika Trading & Investment Ltd, Modele FurniturePvt Ltd, Vikram Saboo, Modele Dyechem Pvt Ltd, Laxmi Kumar Saboo, Shalini Saboo,
Public Announcement / PA	Announcement of the Offer made on behalf of the Acquirer to the shareholders of the Target Company published on April 29, 2011 in all editions of Financial Express, Jansatta and Mumbai Lakshadeep
RBI	Reserve Bank of India
Marvel / the Target Company	Marvel Capital & Finance (India) Limited
Sharex / Registrar to Offer	Sharex Dynamic (India) Pvt. Ltd.
SEBI	Securities and Exchange Board of India
SEBI Act	SEBI Act, 1992 and subsequent amendments thereto
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto
SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Sellers	The exiting promoters of the Target Company viz., (1) Laxmi Saboo, (2) Niharika Trading & Investment Ltd, (3) Modele Dyechem Pvt Ltd
Share(s) / Equity Shares	Fully paid-up equity shares of ₹10/- each of Marvel
SPA / Share Purchase Agreement	The Share Purchase Agreement dated April 25, 2011 entered into between Mahagauri Investments Limited and the Sellers
SPA Shares	7,86,100 Equity Shares agreed to be sold by the Sellers to Mahagauri Investments Limited under the SPA
Specified Date	Friday May 6, 2011

TERM	DESCRIPTION
Stakeholder	Imperial Corporate Finance & Services Pvt. Ltd. a person nominated by the Parties with whom all conditions precedent documents and purchase price relating to Shares of Sellers shall be delivered and who shall be authorized to distribute and/or to assist the parties to achieve completion of formalities

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 MARVEL CAPITAL & FINANCE (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE 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 THE ACQUIRER 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 DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, CATEGORY – I MERCHANT BANKER, M/S IMPERIAL CORPORATE FINANCE & SERVICES PVT. LTD, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 6, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE LETTER OF OFFER DOES NOT HOWEVER ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1. This Open Offer (the "**Open Offer**" or "**Offer**") is being made by the Acquirer to the equity shareholders of Marvel Capital & Finance (India) Limited ("**Marvel**" or "**Target Company**") in compliance with Regulation 10 and 12 of the SEBI (SAST) Regulations. On April 25, 2011, the Acquirer has entered into a Share Purchase Agreement ("SPA") with (1) Laxmi Saboo (2) Modele Dyechem Pvt. Ltd (3) Niharika Trading & Investment Ltd who are all part of Promoter Group of the Target Company (collectively referred to as "**Sellers**") to acquire in aggregate 7,86,100 fully paid up equity shares ("**SPA shares**") having a face value of ₹10/- per equity share representing 15.72 % of the total issued, subscribed and fully paid up equity & voting share capital of the Target Company at a price of ₹12.50/- (Rupees Twelve & Paise Fifty Only) per equity share ("**Negotiated Price**") aggregating to consideration of ₹98,26,250/- (Rupees Ninety Eight Lac Twenty Six Thousand Two Hundred and Fifty Only) payable in cash ("**Purchase Consideration**") as detailed below:

Sr. No.	Name of the Shareholder & Permanent Account No. (PAN)	Address; Phone No. & Fax No.	No. of Shares	% of Paid up Capital	Consideration (In ₹)
1	Laxmi Saboo **PAN : ABFPS0025F**	Basant, 11th Floor, flat no. 11, Cuffe Parade, Colaba, Mumbai- 400 005 Tel : +91 22 2266 5315 Fax: +91 22 2266 5482	2,91,100	5.82	36,38,750
2	Modele Dyechem Pvt. Ltd **PAN : AACM3629A**	20, Podar Chambers, S. A. Brelvi Road, Fort, Mumbai – 400 001 Tel : +91 22 2266 5315 Fax: +91 22 2266 5482	4,00,000	8.00	50,00,000

Sr. No.	Name of the Shareholder & Permanent Account No. (PAN)	Address; Phone No. & Fax No.	No. of Shares	% of Paid up Capital	Consideration (In ₹)
3	Niharika Trading & Investments Ltd. **PAN : AAACN2717N**	Mahalaxmi Industrial Estate, First Floor, Unit No 2, Gandhi Nagar, Lower Parel (W), Mumbai 400 013 Tel : +91 22 2497 0748 Fax: +91 22 2497 0756	95,000	1.90	11,87,500
	TOTAL		**7,86,100**	**15.72**	98,26,250

3.1.2.Other salient features of SPA are as follows:

- The Acquirer will be termed as Promoters after the successful completion of the Open Offer and the existing promoters shall cease to be the Promoters of the Target Company.
- Upon successful completion of Open Offer, the Board of Directors will be reconstituted and members of the Acquirer will be appointed on the Board of Directors of the Target Company.
- The total consideration for the purchase of SPA shares from the Sellers mentioned hereinabove, and SPA Shares to be credited/ transferred to the Acquirers shall be deposited with Stake Holder. The same shall be released to them simultaneously upon transfer of purchased shares to the Acquirer on successful completion of the Open Offer.
- The SPA also provides that in the case of non compliance of any provision of the SEBI (SAST) Regulations pertaining to the Open Offer being triggered by this SPA, this agreement shall not be acted upon either by Sellers or Acquirer.

3.1.3.MIL is the sole Acquirer in this Open Offer and there are no other Persons Acting in Concert(s) (PACs) with the Acquirer for the purpose of this Offer.

3.1.4.The Acquirer and/or its Directors, the Sellers and/or Promoters, Directors of 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 or under any other regulation made under the SEBI Act.

3.1.5.In terms of second proviso to Regulation 22(7) of SEBI (SAST) Regulations, the Acquirer shall have the right to deposit 100% of the consideration payable in cash to be entitled to nominate a person to the Board of Directors of Marvel, who shall be entitled to hold office as such forthwith from expiry of 21 days from the date of the PA at any time.

3.1.6.The Promoter / Promoter Group (including those who are party to the SPA) of Marvel shall not be participating in the Open Offer.

3.2. Details of the Proposed Offer

3.2.1.The Public Announcement dated April 28, 2011 was made in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations:

Publication	Language	Editions	Date of Publication
Financial Express	English	All	April 29, 2011
Janasatta	Hindi	All	April 29, 2011
Mumbai Lakshadeep	Marathi	Regional	April 29, 2011

(The Public Announcement would be available on the SEBI website i.e. www.sebi.gov.in and on Website of Manager to Offer i.e. www.icfs.in)

3.2.2.Pursuant to the signing of SPA the Acquirer is making an Open Offer in terms of Regulation 10 & 12, among other regulations of SEBI (SAST) Regulations, to acquire the equity shares of Target Company from the public shareholders except promoters of Marvel and the parties to the SPA. The Open Offer is for acquisition of 10,00,000 fully paid up equity shares of ₹10/- each representing 20.00% of fully paid equity and voting share capital of the Target Company, at a price of ₹27.60/- (Rupees Twenty Seven and Paise Sixty Only) per fully paid up equity share payable in cash, subject to the terms and conditions mentioned hereinafter in this PA and the Letter of Offer alongwith Form of Acceptance cum Acknowledgement to be sent to the Shareholders of the Target

Company as on Friday, May 6, 2011. The equity shares tendered in the valid form in terms of this Offer will be transfered to the Acquirer upon completion of Open Offer formalities. The Offer is, in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations, consequent to the acquisition of equity shares by the Acquirer referred to in Clause 3.1.1 above.

3.2.3. The present issued, subscribed and paid up share capital of the Target Company, as on the date of the PA is ₹560.00 Lacs consisting of 50,00,000 fully paid-up equity shares of ₹10/- each and 6,00,000 10% Cumulative Preference Shares of ₹10/- each.

3.2.4. There are no partly paid shares of Marvel as on the date of this Letter of Offer.

3.2.5. This is not a Competitive Bid.

3.2.6. The Offer is not conditional on any minimum level of acceptance and the Acquirer will acquire all the equity shares of the Target Company that are tendered in terms of the Offer up to 10,00,000 fully paid up equity shares representing in the aggregate 20.00% of the paid up equity and voting share capital, subject to the terms and conditions set out herein in the PA, LOO and Form of Acceptance cum Acknowledgement that would be sent to the shareholders of the Target Company on the Specified Date and receipt of approvals.

3.2.7. The Manager to the Offer does not hold any equity shares of the Target Company as on date of the PA. The Manager to the Offer declare and undertake that they shall not deal in the shares of the target company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the closure of the Offer.

3.2.8. Upon completion of the Offer, assuming full acceptance and taking into account the shares purchased under SPA, the Acquirer will hold 35.72% of the fully paid up equity share capital of the Target Company.

3.2.9. This Offer is subject to receipt of the statutory and other approvals mentioned in Clause 8 of this LOO. In terms of Regulation 27 of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

3.2.10. As on the date of this Letter of Offer, the Acquirer does not hold any equity shares other than SPA shares of Marvel and they have not acquired any equity shares of Marvel during the 12 months preceding the date of the PA. Neither the Promoter / Director of the Acquirer nor Acquirer has made any acquisition of equity shares of Marvel in the open market or through negotiation or otherwise from the date of PA till the date of this LOO.

3.2.11. This Offer is not a result of Global Acquisition resulting in indirect acquisition of shares of the Target Company.

3.2.12. The Acquirer does not have any representation on the Board of the Target Company as on the date of this LOO. However, the Acquirer proposes to reconstitute the Board of Directors of the Target Company as per Regulation 22(7) of SEBI (SAST) Regulations, 1997 and /or upon completion of the Open Offer formalities.

3.2.13. This Offer is made to equity shareholders of the Target Company other than Promoters of Marvel and parties to the SPA.

3.2.14. This LOO is being sent to those equity shareholders of the Target Company (except promoters of Marvel and the parties to the SPA) whose names appeared in the Register of Members of the Target Company at the close of business hours on Friday, May 6, 2011 being the **Specified Date**, as required under the SEBI (SAST) Regulations.

3.3. Object of the Offer and Future Plan about the Target Company

3.3.1. The Offer to the shareholders is being made following the transaction referred in Clause 3.1.1 above, which upon conclusion will result in substantial acquisition of equity shares & voting rights accompanied with change in control and management of the Target Company, enabling the Acquirer to exercise control over the Target Company. In accordance with Regulations 10 and 12 read with Regulation 14 (1) of the SEBI (SAST) Regulations, the Acquirer is making this Offer to the public shareholders of the Target Company.

3.3.2. The Acquirer would like to pursue and grow the business of the Target Company. However, for operational purposes and commercial reasons the Acquirer may reorganise the business of the Target Company.

3.3.3. To the extent required and to optimise the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalising and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. The Board of Directors of the Target Company will take appropriate decisions in these matters.

3.3.4. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of the Target Company. However, the Acquirer undertakes that it shall 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 and in accordance with and subject to the applicable laws, permissions and consents, if any.

3.3.5. Upon completion of the Transaction, the Acquirer will reconstitute the Board of Directors of the Target Company, in accordance with the relevant provisions contained in the SEBI (SAST) Regulations and the Companies Act, 1956.

4. BACKGROUND OF THE ACQUIRER

4.1. Mahagauri Investments Limited (MIL) was originally promoted by Mr. Jagdish Chandra Patel and Mr. Ramanlal Patel in the name & style Mahagauri Investments Private Limited. Mr. Jay Shah along with associates (Family members), acquired MIL in November, 2010. Currently registered office of the Company is situated at 12, ASIM, Kastur Park, Shimpoli Road, Borivali (W), Mumbai- 400 092. The Company was incorporated on December 15, 1983. The name of Mahagauri Investments Private Limited was changed to its present name on April 24, 1994 & CIN is U67120MH1996PLC102141. The main object of the Company was to carry on business of acquiring and investing in shares & securities and carry on the activities of Investment Company.

4.2. As on the date of the PA, Mr. Jay Shah, Mr. Hemant Gopaldas Shah, and Mr.Saurabh Rathi are the promoters of the MIL. The Acquirer does not belong to any group.

4.3. The Main objects of the company at the time of incorporation to carry on business of acquiring and investing in shares & securities and carry on the activities of Investment Company.

Presently MIL is engaged in the business of trading and investment in shares and securities. The current activities of the Acquirer are permitted under the Main Objects Clause of the Memorandum of Association and Articles of Association.

4.4. The authorised share capital of MIL as on date of this PA is ₹500 Lacs divided into 5,00,000 equity shares of ₹100/- each. The present issued, subscribed and paid up equity share capital of MIL, as on the date of the PA is ₹500 Lacs consisting of 5,00,000 fully paid-up equity shares of ₹100/- each. There are no partly paid up equity shares as on date of the PA.

4.5. The entire paid up equity share capital fo MIL is held in the following manner:

Particulars	No. of Shares	% holding
Promoter & PACs	5,00,000	100.00
Body Corporates	Nil	Nil
Total	**5,00,000**	**100.00**

4.6. As on the date of the PA, the Board of Directors of MIL comprises of the following persons:

Sr. No	Name & Residential Address	Age	Original Date of Appointment	Director Identification Number	Designation	Qualification	Experience
1.	Jay Shah 43, ASIM, 4th Floor Kasturpark, Simpoli Road, Borivali (W), Mumbai - 400 092	28 Years	02/12/2010	03273367	Executive Director	B.COM	10 years of experince in handling insurance advisory, stock broking, portfolio & investment management

Sr. No	Name & Residential Address	Age	Original Date of Appointment	Director Identification Number	Designation	Qualification	Experience
2.	Hemant G Shah 43, ASIM, 4th Floor Kasturpark, Simpoli Road, Borivali (W), Mumbai - 400 092	56 Years	02/12/2010	03304635	Executive Director	B.COM	30 years of experience in accounts, operations and project development
3.	Saurbah Rathi 1306/a Heena Guarav jewels Kanya Pada filmcity Road Goregaon(E), Mumabi- 400 063	23 Years	02/12/2010	03272539	Executive Director	B.COM	2 years of experience in operations & management of an enterprise

4.7. None of the above directors are on the board of directors of the Target Company. None of the above directors has acquired any equity shares of the Target Company.

4.8. As on date of this LOO, MIL does not hold any shares of the Target Company. Hence the requirements of the provisions of Chapter II of SEBI (SAST) Regulations would not be applicable. Further, MIL undertake to comply with all the applicable provisions of SEBI (SAST) Regulations upon the same falling due.

4.9. The shares of MIL are not listed on any stock exchange.

4.10. Key financials highlights of MIL are as under:

				(₹ in Lacs)
Particulars	**Unaudited****	**Audited**	**Audited**	**Audited**
	Dec, 2010 (9 Months)	**2009-10 (9 Months)**	**2008-09 (12 Months)**	**2007-08 (12 Months)**
Income From Operations	-	-	-	-
Other Income	-	-	-	-
Total Income	**-**	**-**	**-**	**-**
Total Expenditure	**0.03**	**0.03**	**0.03**	**0.03**
Profit Before Depreciation Interest and Tax	(0.03)	(0.03)	(0.03)	(0.03)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	(0.03)	(0.03)	(0.03)	(0.03)
Provision for Tax	-	-	-	-
Profit After Tax	(0.03)	(0.03)	(0.03)	(0.03)
Source: Annual Report for 2007 – 08; 2008 – 09; 2009–10 and **Provisional Financial Statements Certified by Management of the Company				

				(₹ in Lacs)
Particulars	**Unaudited** Dec, 2010 (9 Months)**	**Audited 2009-10 (9 Months)**	**Audited 2008-09 (12 Months)**	**Audited 2007-08 (12 Months)**
SOURCES OF FUNDS				
Equity Share Capital	500.00	500.00	500.00	500.00
Free Reserves & Surplus	46.45	46.45	46.45	46.45
Less: Miscellaneous Expenditure	(2.84)	(2.81)	(2.79)	(2.76)
Net Worth	**543.61**	**543.64**	**543.66**	**543.69**
Unsecured Loans	-	-	-	-
Deferred Tax Laibilities	-	-	-	-
Total	**543.61**	**543.64**	**543.66**	**543.69**
APPLICATION OF FUNDS				
Net Fixed Assets	-	-	-	-
Investments	65.12	545.62	545.62	545.62
Net Current Assets	481.40	0.90	0.93	0.95
Deferred Tax Assets	-	-	-	-
Total	**546.52**	**546.52**	**546.55**	**546.57**

The acquirer company M/s. Mahagauri Investments Ltd, (MIL) was acquired by Mr. Jay Shah along with associates (Family Members) in November, 2010 with a view to pursue and develop the business of investment and dealing in securities.The erstwhile promoters of MIL were not carrying on any business activity in the said company and hence the company had become non operational.The acquirer company (MIL), under new management had deployed its surplus cash by way of short term loans and advances, repayable at short notice. Hence, the current assets have gone up drastically in the year 2010.

Particulars	**Unaudited** Dec, 2010 (9 Months)**	**Audited 2009-10 (9 Months)**	**Audited 2008-09 (12 Months)**	**Audited 2007-08 (12 Months)**
Return on Net Worth (%)	-0.005%	-0.005%	-0.005%	-0.005%
Earnings per share (EPS)	(0.005)	(0.005)	(0.005)	(0.005)
Book Value per Share	108.72	108.73	108.73	108.74
Source: Annual Report for 2007 – 08; 2008 – 09; 2009–10 and **Provisional Financial Statements Certified by Management of the Company				

Notes:
1) EPS = Profit After Tax / No. of equity shares outstanding
2) Net worth = Equity Share Capital+ Reserves & Surplus (including Share Premium) – Misc. Exp.
3) Return on Net Worth = Profit after Tax / Net Worth at year-end
4) Book Value per equity share = Net Worth / No. of equity shares outstanding
5) The financials for the period ended December 31, 2010 are certified by the Managment of the Company

4.11. The summarized significant accounting policies of MIL, as per the audited financial statements for the year ended March 31, 2010, are as follows:

Significant Accounting Policies			
1.	Valuation of Investments	:	Long term Investments are carried at cost.
2.	Revenue Recognition	:	Revenue in respect of interest is recognized only when it is reasonably certain that the ultimate collection will be made.
3.	Deferred Tax	:	Deferred Tax is recognized subject to the consideration of prudent in respect of deferred tax assets, on timing, differences, being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

Notes to Accounts	
1.	During the year the financial year of the company has been changed to 31st March, consequently the balance sheet and profit & loss account is prepared for the nine months ending on 31.3.2010.
2.	In absence of virtual certainty of sufficient future taxable income Deferred Tax Asset has not been recognized as a matter of prudence in acceptance with the accounting standards (AS) 22 “Accounting for Taxes on income issued by the ICAI”.
3.	Previous year figures have been regrouped and rearranged, wherever found necessary.

4.12. MIL is is not listed with any stock exchanges. The provisions of the Corporate Governance will be adhered to as and when the same becomes mandatory.

4.13. Comparison of results for the year ended March 31, 2010, June 30, 2009 and June 30, 2008:

The Mahagauri Investments Limited is not carrying any significant business activity. Therefore, there was no income in any of captioned period

4.14. There are no contingent liabilities as on date.

4.15. There are no mergers / demergers / spin offs involving MIL during last 3 years.

4.16. As on date, there are no litigations pending in any Court of Law or Competent Authority against / by the Company.

4.17. The Acquirer has neither promoted nor controlled any companies / firms / venture / partnerships.

Disclosures in terms of Regulation 16(ix) of the SEBI (SAST) Regulations and Acquirers’ Future Plans for Marvel:

The Acquirer would like to pursue and grow the business of the Target Company. However, for operational purposes and commercial reasons the Acquirer may reorganise the business of the Target Company.

For rest, please refer to paragraph 3.3 of this Letter of Offer.

5. DISCLOSURE IN TERMS OF REGULATION 21 (2) of SEBI (SAST) REGULATIONS

5.1. Assuming full acceptance, the Offer will not result in public shareholding being reduced to a level below the minimum limit prescribed in the Listing Agreement with the Stock Exchange for the purpose of listing on continuous basis. In the event, Acquirer acquires additional shares from the Target Company and Offer results in the public shareholding of the Target Company being reduced to less than the minimum public shareholding threshold, the Acquirer undertakes to comply with the continuous listing guidelines laid out in the Listing Agreement of the Target Company with stock exchanges and as required by Regulation 21(2) of the SEBI (SAST) Regulations.

6. BACKGROUND OF THE TARGET COMPANY

6.1. Marvel Capital & Finance (India) Limited having CIN L65990MH1994PLC078791 & its registered office at 20, Podar Chambers, S. A. Brelvi Road, Fort, Mumbai – 400 001, was incorporated as a public limited company on June 6, 1994 with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956 and obtained certificate of commencement of business on August 19, 1994.

Marvel was originally promoted by Mr. Laxmi Kumar Saboo & their family to act as merchant bankers, managers, co-managers, underwriters, brokers, sub-brokers, portfolio managers, custodians, transfer agents subject to rules & regulations of Securities and Exchange Board of India (SEBI) as amended from time to time, but not to carry on all or any part of banking business as contemplated by Reserve Bank of India Act, Banking Regulation Act, 1949, and to provide other consultancy services.

6.2. Presently Marvel is engaged in trading and investment in shares & securities. The current activities are permitted under the Clause no. 2 & 3 of Main Objects Clause of the Memorandum of Association and Articles of Association.

6.3. The authorised share capital of Marvel is ₹ 1500.00 Lacs divided into 1,00,00,000 equity shares of ₹10/- each and 50,00,000 10% cumulative prefrence shares of ₹10/- each.

6.4. Marvel made its Initial Public Offer (IPO) in the year 1995 and the equity shares are listed on Bombay Stock Exchange Limited (BSE).

6.5. The present issued, subscribed and paid up share capital of Marvel, as on the date of the PA is ₹ 560.00 lacs consisting of 50,00,000 fully paid-up equity shares of ₹10/- each and 6,00,000 10% cumulative preference shares of ₹10/- each.

6.6. There are no partly paid up equity shares as on date of the PA.

6.7. The shareholding of Marvel as on March 31, 2011 is as follows:

Categories	Nos of Shares	% to Total Capital
Promoter/ Promoter Group	7,86,100	15.72
Public	42,13,900	84.28
Total	**50,00,000**	**100.00**

6.8. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc., which are convertible into equity at any later date. There are no shares under lock-in period.

6.9. Details of the changes in share capital of the Target Company since incorporation and status of compliance with applicable SEBI regulations / other statutory requirements, are as follows:

Date of Allotment	No. of Equity Shares issued	% of Shares Issued	Face Value (₹)	Cumulative Paid up Capital (₹)	Mode of Allotment	Identity of Allottees (Promoters / ex-promoters / others)	Status of compliance
20/06/1994	700	100	10	7000	Subscription to MOA	Subscribers to MOA	Complied
17/10/1994	4,34,400	99.84	10	43,51,000	Issued to Promoters	Promoters	Complied
09/05/1995	29,14,900	87.01	10	3,35,00,000	Public Issue	Promoters & Public	Complied
07/04/2000	16,50,000	33.00	10	5,00,00,000	Allotted to M/s Meadows Finvest Pvt.Ltd as consideration for transfer of Medical Trascription Business by way of Preferential Allotment	Others (M/s.Meadows Finvest Pvt. Ltd)	See note below

Note: The preferential allotment made to M/s Meadows Finvest Pvt.Ltd. on 7.4.2000 was pursuant to the approval of shareholders at the EGM held on March 30, 2000. Under Regulation 3 (1) (c) of SEBI (SAST) Regulations, 2000 (i.e. prior to SEBI (SAST) (Second Amendment) Regulations, 2002, dated September 9, 2002) the said allotment was exempt and would not trigger the Chapter III of SEBI (SAST) Regulations.

As per the information received from the SEBI, M/s Meadows Finvest Pvt.Ltd. have not submitted the report of the said allotment as the same was required under the SEBI (SAST) Regulations. Therefore, the matter of whether the allotment is exempt is under examination. Hence, there is a possibility that at the time of the said allotment Chapter III of SEBI (SAST) Regulations may have been triggered.

6.10. In the following instances the Promoters (including Sellers) and PACs, and/or Marvel have not complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations;

Table – I: Filings by the Promoters Promoter Group (Seller and/or PACs and/or other Major Shareholders)

Sl. No.	Regulation / Sub Regulation	Due Date for compliance	Actual date of compliance	Delay, if any (in days)	Remarks
	1	2	3	4 = 3 - 2	5
1	6(1)	20-Apr-1997	10-Aug-2005	3,034	
2	6(3)	20-Apr-1997	10-Aug-2005	3,034	
3	7(1) & (2)	For year 1997 to 2000			NOT APPLICABLE Since during the period from 1997 to 2000, the change in shareholding of the promoter was less than 2%.
4	7(1A)&(2)	Year 1997 to 2000			NOT APPLICABLE Since during the period from 1997 to 2000, the change in shareholding of the promoter was less than 2%.
5	7(1A)&(2)	2000 - 01			NOT COMPLIED The change in shareholding of Promoters were more than 2% and the Promoters have not filed declaration under Regulation 7(1A) & 7(2) of SEBI (SAST) Regulations.
6	7(1) & (2)	Year 2002 to October 31, 2010			NOT APPLICABLE Since during the period from 2001 to October 31, 2010, the change in shareholding of the promoter was less than 2%.
7	7(1A)&(2)	Year 2002 to October 31, 2010			NOT APPLICABLE Since during the period from 2002 to October 31, 2010, the change in shareholding of the promoter was less than 2%.
8	7(1A)&(2)	November 1, 2010 to till date			Refer Note – 1 of Table II
9	8(1)	21-Apr-1997	10-Aug-2005	3,033	
10	8(2)	21-Apr-1997	10-Aug-2005	3,033	
11	8(1)	21-Apr-1998	10-Aug-2005	2,668	
12	8(2)	21-Apr-1998	10-Aug-2005	2,668	
13	8(1)	21-Apr-1999	10-Aug-2005	2,303	
14	8(2)	21-Apr-1999	10-Aug-2005	2,303	
15	8(1)	21-Apr-2000	10-Aug-2005	1,937	
16	8(2)	21-Apr-2000	10-Aug-2005	1,937	
17	8(1)	21-Apr-2001	10-Aug-2005	1,572	
18	8(2)	21-Apr-2001	10-Aug-2005	1,572	
19	8(1)	21-Apr-2002	10-Aug-2005	1,207	
20	8(2)	21-Apr-2002	10-Aug-2005	1,207	
21	8(1)	21-Apr-2003	10-Aug-2005	842	
22	8(2)	21-Apr-2003	10-Aug-2005	842	
23	8(1)	21-Apr-2004	10-Aug-2005	476	
24	8(2)	21-Apr-2004	10-Aug-2005	476	

Sl. No.	Regulation / Sub Regulation	Due Date for compliance	Actual date of compliance	Delay, if any (in days)	Remarks
	1	2	3	4 = 3 - 2	5
25	8(1)	21-Apr-2005	10-Aug-2005	111	
26	8(2)	21-Apr-2005	10-Aug-2005	111	
27	8(1)	21-Apr-2006	05-Oct-2008	898	
28	8(2)	21-Apr-2006	05-Oct-2008	898	
29	8(1)	21-Apr-2007	05-Oct-2008	533	
30	8(2)	21-Apr-2007	05-Oct-2008	533	
31	8(1)	21-Apr-2008	09-Apr-2008	-	
32	8(2)	21-Apr-2008	09-Apr-2008	-	
33	8(1)	21-Apr-2009	13-Apr-2009	-	
34	8(2)	21-Apr-2009	13-Apr-2009	-	
35	8(1)	21-Apr-2010	07-May-2010	16	
36	8(2)	21-Apr-2010	07-May-2010	16	
37	8(1)	21-Apr-2011	13-Apr-2011	-	
38	8(2)	21-Apr-2011	13-Apr-2011	-	

Table – II: Details of shares acquired / sold by promoter group

Financial Year	Mode of Acquisition: Open Market / Off Market	No. & % of shares acquired		No. & % of shares sold		Cumulative Nos of Shares	Compliance with SEBI (SAST) Regulations /other applicable regulations under SEBI Act, 1997 & other applicable Statutory requirements
		Number	%	Number	%		
2010-11	Open Market	Nil	N.A	6,65,200	13.30	6,65,200	Refer Note – 1
	Off Market	Nil	N.A	2, 00,000	4.00	2, 00,000	

Details of shares acquired / sold by Major Shareholders other than promoters and status of compliance

Name of Shareholders	Date of Sale	Date of Intimation to Company U/r 7(1A) & 7(2)	Date of Info To Exchange U/r 7(3)	Mode of Acquisition: Open Market / Off Market	No of Shares Sold	% of Shares Sold	Status of Compliance by Promoter / TC
Meadows Finvest Pvt Ltd	25-Nov-10	26-Nov-10	26-Nov-10	Off Market	500,000	10.00%	Complied / Complied
Meadows Finvest Pvt Ltd	26-Nov-10	29-Nov-10	29-Nov-10	Off Market	200,000	4.00%	Delay by 1 Day / Complied
Meadows Finvest Pvt Ltd	18-Dec-10	20-Dec-10	21-Dec-10	Off Market	400,000	8.00%	Complied / Complied
Rahi Fintrade & Investment Pvt Ltd	21-Dec-10	22-Dec-10	23-Dec-10	Off Market	300,000	6.00%	Complied / Complied
Meadows Finvest Pvt Ltd	4-Jan-11	6-Jan-11	10-Jan-11	Off Market	400,000	8.00%	Complied / Complied
Meadows Finvest Pvt Ltd	13-Jan-11	25-Jan-11	31-Jan-11	Off Market	164,000	3.28%	Delay by 10 Day / Complied
Total					**1,964,000**	**39.28%**	

Note 1: Details of Compliance / Non Compliance of Promoters

Name of Shareholders	Date of Sale	Date of Intimation to Company U/r 7(1A) & 7(2)	Date of Info To Exchange U/r 7(3)	Mode of Acquisition: Open Market / Off Market	No of Shares Sold	% of Shares Sold	Status of Compliance by Promoter / TC
Vikaram Saboo	8-Nov-10	10-Nov-10	12-Nov-10	Open Market	45,000	0.90%	Complied / Complied
Shalini Saboo	8-Nov-10	10-Nov-10	12-Nov-10	Open Market	46,000	0.92%	Complied / Complied
Laxmikumar Saboo	8-Nov-10	10-Nov-10	12-Nov-10	Open Market	44,000	0.88%	Complied / Complied
Vikaram Saboo	9-Nov-10	10-Nov-10	12-Nov-10	Open Market	91,000	1.82%	Complied / Complied
Shalini Saboo	9-Nov-10	10-Nov-10	12-Nov-10	Open Market	45,000	0.90%	Complied / Complied
Laxmidevi Saboo	9-Nov-10	10-Nov-10	12-Nov-10	Open Market	44,000	0.88%	Complied / Complied
Shalini Saboo	11-Nov-10	12-Nov-10	15-Nov-10	Open Market	3,500	0.07%	Complied / Complied
Laxmikumar Saboo	11-Nov-10	12-Nov-10	15-Nov-10	Open Market	132,100	2.64%	Complied / Complied
Vikaram Saboo	12-Nov-10	15-Nov-10	15-Nov-10	Open Market	100,000	2.00%	Delay by 1 Day / Complied
Vikaram Saboo	15-Nov-10	16-Nov-10	16-Nov-10	Open Market	114,600	2.29%	Complied / Complied
Modele Furniture Pvt Ltd	4-Mar-11	5-Mar-11	7-Mar-11	Off Market	200,000	4.00%	Complied / Complied
Total					**8,65,200**	**17.30%**	

Table – III : Filings by the Target Company

Sl. No	Regulation (Sub Regulation)	Due date for Compliance	Actual date of Compliance	Delay (No of Days)
1	6(2)	20-May-1997	12-Aug-2005	3,006
2	6(4)	20-May-1997	12-Aug-2005	3,006
3	7(3)	For year 1997 to 2000 & from 2001 to October 31, 2010		NOT APPLICABLE Since during the period from 1997 to 2000 and from 2001 to October 31, 2010, the change in shareholding of the promoter was less than 2%.
4	7(3)	2000 - 01		NOT COMPLIED The change in shareholding of Promoters were more than 2% and the Promoters have not filed declaration under Regulation 7(1A) & 7(2) of SEBI (SAST) Regulations.
5	7 (3)	November 1, 2010 to till date		Refer Note – 1of Table II
6	8(3)	30-Apr-1998	12-Aug-05	2,661
7	8(3)	30-Apr-1999	12-Aug-05	2,296
8	8(3)	30-Apr-2000	12-Aug-05	1,930
9	8(3)	30-Apr-2001	12-Aug-05	1,565
10	8(3)	30-Apr-2002	12-Aug-05	1,200
11	8(3)	30-Apr-2003	12-Aug-05	835

Sl. No	Regulation (Sub Regulation)	Due date for Compliance	Actual date of Compliance	Delay (No of Days)
12	8(3)	30-Apr-2004	12-Aug-05	469
13	8(3)	30-Apr-2005	12-Aug-05	104
14	8(3)	30-Apr-2006	9-Oct-2008	893
15	8(3)	30-Apr-2007	9-Oct-2008	528
16	8(3)	30-Apr-2008	11-Apr-2008	-
17	8(3)	30-Apr-2009	15-Apr-2009	-
18	8(3)	30-Apr-2010	10-May-2010	10
19	8(3)	30-Apr-2011	15-Apr-2011	-

The promoters have not pledged any shares. Therefore the provisions of Regulation 8A of the SEBI (SAST) Regulation is not applicable.

SEBI may initiate action against the Target Company and the Promoters at a later stage in terms of the Regulations and provisions of the the SEBI Act for non compliance of Chapter II of the SEBI (SAST) Regulations by the Target Company and the Promoters.

6.11. The Sellers and/or promoters and/or direcotrs of Marvel have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act.

6.12. The board of directors of Marvel as on the date of the Public Announcement was as under:

Sr. No	Name & Residential Address	Age	Original Date of Appointment	Director Identification Number	Designation	Qualification	Experience
1	Laxmi Kumar Baijnath Saboo Basant, 11th Floor, flat no. 11, Cuffe Parade, Colaba, Mumbai- 400 005	74	12/8/2006	02032919	Non Executive Director	B.Com	He has 41 years of experience in Industry and finance.
2	Shalini Vikram Saboo Basant, 11th Floor, flat No. 11, Cuffe Parade, Colaba, Mumbai- 400 005	43	10/6/1994	02295120	Managing Director	B.Com	She has 21Years Experience in Research on Primary & Secondary market investment.
3	Sanjiv Rajendra Mehrotra 401, Shivsagar,36-D, Pali Hill, Bandra (W), Mumbai- 400 050	48	25/03/2003	01271906	Non Executive Director	B. Sc	He has 26 Years of experience in trading activities and finance.
4	Praveen Motiram Jhangiani 113, Basant Apartment, 101, Cuffe Parade, Colaba, Mumbai- 400 005	45	30/04/2005	00596732	Non Executive Director	B.Com	He has 24 years of experience in trading activities and finance.

Note: There are no directors representing the Acquirer on the board of Marvel.

6.13. There have not been any merger / acquisition /de-merger/spin-off in the last 3 years involving Marvel.

6.14. Key financials highlights of Marvel are as under:

				(₹ in Lacs)
Particulars	Unaudited*	Audited	Audited	Audited
	Dec. 2010 (9 Months)	2009-10 (12 Months)	2008-09 (12 Months)	2007-08 (12 Months)
Income From Operations	199.48	130.47	40.50	205.53
Other Income	-	-	-	-
Total Income	199.48	130.47	40.50	205.53
Total Expenditure	253.96	105.79	24.80	202.02
Profit Before Interest Depreciation and Tax	(54.48)	24.68	15.70	3.51
Less: Depreciation	-	0.05	0.05	0.03
Less: Interest	-	-	-	-
Profit Before Tax	(54.48)	24.64	15.65	3.47
Less: Provision for Tax	-	0.91	(0.54)	0.46
Profit After Tax	(54.48)	23.72	16.19	3.01
Source: Annual Reports for 2009-10; 2008-09; 2007-08 and *Unaudited Results for 9 month period ended December 2010 that have been subjected to Limited Review. N.A. = Not Available				

Our total expenditure comprises of Purchase of investments and Other Administrative expeneses, The variation in the total expenditure was due to variation in the purchase of investments, since the purchase of investments depends on stock market sentiments.

				(₹ in Lacs)
Particulars	Unaudited*	Audited	Audited	Audited
	Dec. 2010 (9 Months)	2009-10 (12 Months)	2008-09 (12 Months)	2007-08 (12 Months)
SOURCES OF FUNDS				
Equity Share Capital	500.00	500.00	500.00	500.00
Preference Share Capital**	60.00	60.00	60.00	60.00
Reserves & Surplus	N.A.	-	-	-
Less: Miscellaneous Exp.	N.A.	116.68	140.40	156.59
Net Worth***	N.A.	443.32	419.60	403.41
Unsecured Loans	N.A.	-	60.00	-
Deferred Tax Laibilities	N.A.	0.11	-	-
Total	-	443.43	479.60	403.41
APPLICATION OF FUNDS				
Net Fixed Assets	N.A.	0.34	0.39	0.43
Investments	N.A.	2.08	2.08	2.08
Net Current Assets	N.A.	441.01	476.33	400.90
Deferred Tax Assets	N.A.	-	0.81	-
Total	-	443.43	479.60	403.41
Source: Annual Reports for 2009-10; 2008-09; 2007-08 and N.A. = Not Available *Unaudited Results for 9 month period ended December 2010 that have been subjected to Limited Review. **The Company has arrived settlement with Preference Shareholders for redemption at par on 22.11.2010 ***Preference Share Capital has been included in Net Worth				

Particulars	Unaudited* Dec. 2010 (9 Months)	Audited 2009-10 (12 Months)	Audited 2008-09 (12 Months)	Audited 2007-08 (12 Months)
Return on Net Worth (%)	NA	5.35%	3.86%	0.75%
Earnings per share (EPS)	(1.09)	0.47	0.32	0.06
Book Value per Share	NA	8.87	8.39	8.07

Source: Annual Reports for 2009-10; 2008-09; 2007-08 and *Unaudited Results for 9 month period ended December 2010that have been subjected to Limited Review.
N.A. = Not Available

Note:
1) EPS = Profit After Tax / No. of equity shares outstanding
2) Net worth = Equity Share Capital + Preference Share Capital + Free Reserves & Surplus – Misc. Exp.
3) Return on Net Worth = Profit after Tax / Net Worth at year-end
4) Book Value per equity share = Net Worth / No. of equity shares outstanding
5) The financials for 9 month period ended December 31, 2010 are Unaudited Results that have been subjected to Limited Review.

6.15. Comparison of Results

6.15.1. Results for financial year ended March 31, 2010 compared to financial year ended March 31, 2009:

The total income of the Target Company during the financial year 2009-10 was Rs. 130.47 Lakhs as compared to Rs. 40.50 lakhs during the financial year 2008-09.There was an increase of about 222.15% in the total income of the company due to sharp recovery of Indian Capital Market from the global recession.The profit after tax for the financial year 2009-10 was Rs. 23.72 lakhs as compared to Rs.16.19 lakhs for the financial year 2008-09. There was an increase of about 46.51% in profit after tax for the financial year 2009-10, due to all around improved performance of the company during the financial year.

6.15.2. Results for financial year ended March 31, 2009 compared to financial year ended March 31, 2008:

The total income of the Target Company during the financial year 2008-09 was Rs. 40.50 Lakhs as compared to Rs. 205.53 lakhs during the financial year 2007-08. There was decrease in the total income of about 80.30% due to adverse situation prevailing in Financial Markets globally, which has also affected Indian Capital Market. The profit after tax for the financial year 2008-09 was Rs.16.19 lakhs as compared to Rs.3.01 lakhs for the financial year 2007-08. There was an increase of about 437.87% in profit after tax for the financial year 2008-09 due to reduction in operating expenditure.

6.15.3. Results for financial year ended March 31, 2008 compared to financial year ended March 31, 2007:

The total income of the Target Company during the financial year 2007-08 was Rs.205.53 Lakhs as compared to Rs.84.04 lakhs during the financial year 2006-07. There was an increase of about 144.56% in the total income of the company due to Improved perfomance of the company. The profit after tax for the financial year 2007-08 was Rs.3.01 lakhs as compared to Rs.20.32 lakhs for the financial year 2006-07. There was decrease of about 85.19% in profit after tax for the financial year 2008-09 due to high operating expenditure incurred by the company.

The Company is engaged in activities of trading & investment in shares and securities.The total income generated by the Company through sale of various investments is dependent on market sentiments. Hence the total income cannot be commpared on a year on year basis.

6.16. The shareholding and voting pattern of Marvel prior to and following the proposed acquisition under the SPA and the Offer, is as under: (Based on shareholding pattern as on March 31, 2011)

hareholders' category	Shareholding & voting rights prior to the agreement / acquisition and Offer dated Apr. 25, 2011		Shares / Voting rights agreed to be acquired / acquired which triggered off SEBI (SAST) Regulations		Shares / Voting rights to be acquired in the Open Offer (Assuming full acceptance)		Shareholding / Voting rights after the Share Purchase agreement / acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)= (D)	
	No.	%	No.	%	No.	%	No.	%
1) Promoter								
(a)Parties to SPA	786,100	15.72	(786,100)	(15.72)	Nil	Nil	Nil	Nil
(b)Promoters other than (a) above	-	-	Nil	Nil	Nil	Nil	Nil	Nil
Total 1 [(a)+(b)]	**786,100**	**15.72**	**(786,100)**	**(15.72)**	**Nil**	**Nil**	**Nil**	**Nil**
2) Acquirer								
(a)Mahagauri Investments Ltd.	Nil	Nil	Shares Under SPA 7,86,100	15.72	1,000,000	20.00	1,786,100	35.72
Total 2	**Nil**	**Nil**	**786100**	**15.72**	**1,000,000**	**20.00**	**1,786,100**	**35.72**
3) Parties to the agreement other than 1(a) and 2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 3	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
4) Public* (other than parties to agreement & the Acquirer)								
(a)Mutual Funds and UTI, Banks, Financial Institutions, Insurance Companies (Central/ State Institutions/ Non-Govt. Institutions)/ FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)Private Corporate Bodies	882,934	17.66	Nil	Nil	(1,000,000)	(20.00)	3,213,900	64.28
(c) Indian Public (including NRIs/ OCBs)	3,330,966	66.62	Nil	Nil	Nil	Nil	Nil	Nil
Total 4 (a)+(b)+(c)	**4,213,900**	**84.28**	**Nil**	**Nil**	**(1,000,000)**	**(20.00)**	**3,213,900**	**64.28**
Grand Total 1+2+3+4	**5,000,000**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**5,000,000**	**100.00**

Source: www.bseindia.com and Share Purchase Agreement dated April 25, 2011
*after the completion of Open Offer formalities, the existing promoter ceased to be the Promoter & therefore they have been considered as a part of Public Shareholding.

The Acquirer confirms that all the promoters are parties to SPA.

6.17. The details of the corporate governance compliances as per listing agreement for Marvel, as per the Annual Report for the year ended March 31, 2010, are as follows:

Composition and Meetings of the Board:
The Board of Directors comprises of Non Exicutive Chairman, Executive Director and Two Non Executive. During the Financial Year under review Five Board Meetings were held on 30th April, 2009, 30th June, 2009, 31st July, 2009, 31st October, 2009, 30th January, 2010

Audit Committee
Mr. Sanjive Mehrotra was the Chairman of the Audit Committee and committee compreises of Ms.Shailini Saboo and Mr. Praveen Jhangiani. All the members of the audit committee are Non-Exicutive Directors except Ms. Shailini Saboo.

Remuneration Committee
The Company does not have a formal Remuneration Committee. These functions are looked after by the Board of Directors directly. However, all the decisions regarding the remuneration of the Executive directors are subject to the approval from shareholders at Annual General Meeting and Central Government wherver required as per the provisions of the Companies Act, 1956.

Investors Grievance Committee

Investors Grievance Committee compreises of Mr. Praveen Jhangania, Mr. Sanjiv Mehrotra and Mr. Laxmi Kumar Saboo was the chairman of the committee. The Committee meet four times in the year to resolve Investor/Shareholder grievance.

Compliance Certificate of the Statutory Auditors
The Statutory Auditors of the company has certified vide their certificate dated July 31, 2010 that the company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

6.18. The Equity Shares of the Target are listed on the BSE. The trading in shares of the Target had been suspended by the BSE from October 1, 2002 due to non-compliance of the requirements of Listing Agreement. Upon filing an application by the Marvel dated March 17, 2010, BSE had vide its letter dated June 15, 2010 prescribed compliance with certain requirements within one month of the letter by Marvel in order for the suspension to be revoked. The requirements included, inter alia, a payment of re-instatement penalty of ₹ 3,20,000 and placing entire promoter holding of the Target under a lock-in for a period of 3 (three) month from the date of revocation. The suspension has subsequently been revoked vide a notice from BSE dated July 22, 2010 informing revocation of suspension of trading in Marvel's shares with effect from July 28, 2010.

The Target has complied with all the provisions of the Listing Agreements with BSE, where its equity shares are listed and traded, save as described above.

As per the revocation letter from BSE dated June 15, 2010, Marvel was required to pay a re-instatement penalty of ₹ 3,20,000 and entire promoter holding of Marvel was required to be placed under a lock-in for a period of 3 (three) month from the date of revocation.

6.19. There are no pending litigation by / against the company and/or promoters

6.20. SEBI may initiate action against the Target Company and/or the Promoters (including Sellers) at a later stage in terms of the Regulations & Provisions of the SEBI Act for non compliance and / or delay in compliance with SEBI (SAST) Regulations.

6.21. The Compliance Officer of Marvel Capital & Finance Limited is:
Mr. Akhilesh Kothari
20, Podar Chambers,
S.A. Brelvi Road,
Fort, Mumbai- 400 001
Tel: +91 22 2266 5315
Fax: +91 22 2266 5482
Email Id: marvel@bom3.vsnl.net.in

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. Offer Price:

7.1.1. The equity shares of Marvel are listed on the Bombay Stock Exchange, having Scrip Code - 530497.

7.1.2. Based on the data/information available on the website of BSE, the equity shares of Marvel are frequently traded within the meaning of Explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations. The ISIN allotted to the Equity Shares of the Target Company is INE571D01016. The details of trading is as under:

Name of the Stock Exchange	Total Number of Equity Shares Traded during the preceding six calendar months ended March 31, 2011	Total Number of Listed Equity Shares	Annualised Trading Turnover (In terms of % of Total Listed Equity Shares)
Bombay Stock Exchange	36,50,843	50,00,000	146.03%

Source: www.bseindia.com

7.1.3. The Offer Price of ₹ 27.60/- (Rupees Twenty Seven and Paise Sixty only) per equity share is justified in terms of Regulation 20 (4) of the SEBI (SAST) Regulations as it is higher of the following:

Sr. No.	Particulars	Amount in ₹
1	Negotiated price under SPA	12.50
2	Highest Price paid by Acquirer or PACs for any acquisition (including by way of allotment in a public or rights or preferential issue) during the 26 weeks prior to the date of this PA.	Not Applicable
3	The average of the weekly high and low of the closing prices of shares of Target Company on BSE, where it is most frequently traded, during the 26 weeks period preceding the date of this PA.	26.55
4	The average of the daily high and low of the shares of the Target Company on BSE, where it is most frequently traded, during the 2 weeks period preceding the date of this PA.	27.52
Source: www.bseindia.com		

Sr. No	Week Start Date	Week end date	High Price	Low Price	Average	Volume
1	28-Oct-10	03-Nov-10	34.25	28.00	31.13	132,611
2	04-Nov-10	10-Nov-10	29.05	25.95	27.50	12,185,796
3	11-Nov-10	17-Nov-10	32.60	30.50	31.55	18,857,675
4	18-Nov-10	24-Nov-10	29.50	26.85	28.18	3,745,448
5	25-Nov-10	01-Dec-10	26.60	24.30	25.45	2,748,154
6	02-Dec-10	08-Dec-10	26.75	25.20	25.98	2,732,580
7	09-Dec-10	15-Dec-10	25.35	24.00	24.68	1,906,796
8	16-Dec-10	22-Dec-10	26.80	25.55	26.18	988,513
9	23-Dec-10	29-Dec-10	27.50	25.60	26.55	2,867,182
10	30-Dec-10	05-Jan-11	31.90	28.00	29.95	6,584,586
11	06-Jan-11	12-Jan-11	30.90	29.90	30.40	7,376,890
12	13-Jan-11	19-Jan-11	30.00	27.70	28.85	2,564,734
13	20-Jan-11	26-Jan-11	28.45	28.00	28.23	6,638,767
14	27-Jan-11	02-Feb-11	27.60	24.00	25.80	7,485,544
15	03-Feb-11	09-Feb-11	23.95	21.70	22.83	4,669,751
16	10-Feb-11	16-Feb-11	26.85	22.95	24.90	10,276,224
17	17-Feb-11	23-Feb-11	32.85	28.15	30.50	13,399,805
18	24-Feb-11	02-Mar-11	31.75	31.00	31.38	17,258,338
19	03-Mar-11	09-Mar-11	31.35	25.65	28.50	7,866,929
20	10-Mar-11	16-Mar-11	24.40	19.95	22.18	10,307,221
21	17-Mar-11	23-Mar-11	19.00	17.90	18.45	13,596,901
22	24-Mar-11	30-Mar-11	19.65	17.05	18.35	1,914,931
23	31-Mar-11	06-Apr-11	24.90	20.60	22.75	2,567,338
24	07-Apr-11	13-Apr-11	25.85	23.50	24.68	2,105,842
25	14-Apr-11	20-Apr-11	28.85	27.10	27.98	1,923,716
26	21-Apr-11	27-Apr-11	27.95	27.00	27.48	7,399,755
Average of 26 weeks High/Low Closing price					**26.55**	

	Date	Day	High	Low	Average	Volume
Week I	April 15, 2011	Friday	27.1	26	26.55	302,953
	April 18, 2011	Monday	28.45	25.75	27.10	1,330,911
	April 19, 2011	Tuesday	27.95	25.9	26.93	136,128

	Date	Day	High	Low	Average	Volume
	April 20, 2011	Wednesday	28.9	28	28.45	153,724
Week II	April 21, 2011	Thursday	30.25	27.45	28.85	201,193
	April 25, 2011	Monday	28.5	26.45	27.48	50,361
	April 26, 2011	Tuesday	27.8	26.9	27.35	5,156,414
	April 27, 2011	Wednesday	28.35	26.6	27.48	1,991,787
	Average of Daily High/ Low				**27.52**	

Based on the above, the Offer Price is justified in terms of Regulation 20(11) of the Regulations.

7.1.4. The Acquirer has not paid any other consideration and / or compensation either directly or indirectly to the Sellers (i.e. those selling shares under the SPA) apart from share consideration (i.e. Negotiated Price) mentioned on under the clause no 3.1.1, whether by way of any non-compete fee or otherwise or pursuant to any non compete agreement, for acquiring of shares of the Target Company.

7.1.5. In the event the Acquirer acquires any equity shares of the Target Company after the date of the PA and up to 7 working days prior to the close of the Offer at the price higher than the Offer Price, then such highest price paid for such acquisition shall be payable for all valid applications received under the Open Offer. Further acquirer shall disclose within 24 hours of any such purchases made at a price equal to or less or more than the Offer Price, to the stock exchanges where the equity shares of the Target Company are listed and to the Manager to the Offer in accordance with Regulation 22(17) of the SEBI (SAST) Regulations. However, the Acquirer shall not be acquiring any equity shares of the Target Company during the period of 7 working days, prior to the date of closure of the Offer.

7.1.6. To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered, pursuant to the Offer will be accepted by the Acquirer.

7.1.7. The equity shares will be acquired by the Acquirer, free from all lien, charges and encumbrances and together with all rights attached thereto, including all the rights to dividend, bonus and rights offer declared thereof.

7.1.8. The Acquirer is permitted to revise the Offer upwards up to 7 working days prior to the closure of the Offer. In the event of such revision, an Public Announcement will be made in the same new papers where the PA has appeared and revised Offer Price would be paid for all the equity shares validly tendered any time during the Offer.

7.2. Financial Arrangements:

7.2.1. The total fund requirement for the acquisition of 10,00,000 equity shares (assuming full acceptance of the Offer), being 20% of the paid up equity and voting share capital of the Target Company at ₹ 27.60/- (Rupees Twenty Seven and Paise Sixty only) per share is ₹2,76,00,000/- (Rupees Two Crore Seventy Six Lacs and Twenty Thousand Only) ("**Maximum Consideration**"). The Acquirer has adequate financial resources and has made firm financial arrangement for the implementation of the Offer in full out of its own resources / networth and has confirmed the same vide their letter dated April 25, 2011.

7.2.2. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and title of Mahagauri Investments Ltd-Open Offer Escrow A/C ("**Escrow Account**") with Dhanlaxmi Bank Limited ("**Escrow Bank**") and made a Cash deposit of ₹70,00,000/- (Rupees Seventy Lacs Only) in the account being more than 25% of the total consideration payable in accordance with the SEBI (SAST) Regulations. Imperial, in terms of an agreement dated April 25, 2011 amongst the Acquirer, Manager to the Offer and the Escrow Bank ("**Escrow Agreement**") has been solely authorized to operate and realize the value lying in the Escrow Account in terms of the SEBI (SAST) Regulations.

7.2.3. M/s Bharat J. Rughani & Co., Chartered Accountants, (Membership No. 040543), have certified vide their letter dated April 25, 2011, that the Acquirer has adequate resources to meet the financial objects/requirements of the Open Offer pursuant to SEBI (SAST) Regulations.

7.2.4. Imperial, has satisfied itself about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as to firm arrangements for funds for payment through verifiable means are in place to fulfill the financial obligations/requirements of the said Offer. Further, the acquirer will be able to meet its obligations by realisation of short term loans and advances.

7.2.5. In case of a revision in the Offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with Regulation 28 of the SEBI (SAST) Regulations.

8. TERMS AND CONDITIONS OF OFFER

8.1. This Offer, along with any obligation in terms of SEBI (SAST) Regulations to make payment for, or purchase the shares tendered and accepted from NRIs, is subject to the receipt of approval from Reserve Bank of India ("**RBI**"), under the Foreign Exchange Management Act, 2000 ("**FEMA**").

8.2. There is no other Statutory or Regulatory approvals, which is required for the completion of the transaction and the Offer. If any other statutory approval becomes applicable either for the transaction or for the Offer, the Acquirer will not have a right to proceed with the Offer unless he gets any other statutory approval.

8.3. The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer.

8.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.

8.5. The Acquirer does not require any approval from the banks or financial institutions for the Offer.

9. PROCEDURE FOR ACCEPTANCE / WITHDRAWAL AND SETTLEMENT:

9.1. The Offer made to the shareholders of Target Company, LOO together with the FOA, the Form of Withdrawal ("**FOW**") and Transfer Deed ("**TD**") (for shareholders holding shares in physical form) ("**Forms**"), will be mailed to those shareholders of Target Company (except promoters of Marvel and the parties to the SPA) whose names appear on the register of members of Target Company and the beneficial owners of the shares whose names appear on the beneficial records of the respective share depositories, at the close of business hours on May 6, 2011 (the "**Specified Date**").

9.2. Accidental omission to dispatch LOO to any member entitled to this Open Offer or non-receipt of the LOO by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to terms and conditions set out herein and in the LOO that would be sent to the shareholders of Target Company as on the Specified Date.

9.3. All the shareholders, (except promoters of Marvel and the parties to the SPA) who own the equity shares of Target Company before the closure of the Offer, are eligible to participate in the Offer.

9.4. The Acquirer has appointed Sharex Dynamic (India) Pvt. Ltd. ("**Sharex**") as Registrar to the Offer. Sharex has set up the following centres to collect the acceptances being tendered in this Offer. The documents can be tendered at the below mentioned centres between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday. The centres will be closed on Sundays and bank holidays.

Name & Address of Collection Centres	Contact Person & Contact Number	Mode of Delivery
Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Rd., Safed pool, Andheri(E), Mumbai 400072	Mr.B.S.Baliga Tel No.: 022-2851 5606 Fax No.: 022-2851 2885 e-mail: sd_india@rediffmail.com	Hand Delivery/ Registered Post
Sharex Dynamic (India) Pvt. Ltd. 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai- 400 001	Mr. Ajith Kumar Tel No.: 022-2270 2485 Fax No.: 022-2264 1349 e-mail: sharexindia@vsnl.com	Hand Delivery/ Registered Post

The equity shareholders who cannot hand deliver their documents at the collection centres referred to above may send the **same by registered post, at their own risk,** to the Registrar to the Offer at their office at Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises,1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Rd., Safed Pool, Andheri (E), Mumbai 400072 and not to any other collection centre so as to reach their office before the close of the Offer i.e. 4 pm on Saturday, July 30, 2011.

Neither the Share Certificate(s) nor the Transfer Deed(s) nor the Form of Acceptance/ Withdrawal should be sent to the Sellers or Promoters or the Acquirer or Target Company or Manager to the Offer.

9.5. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):

- Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

- Duly attested power of attorney, if any person apart from the shareholder has signed acceptance form or transfer deed(s).

- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

- In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned above. **These should not be sent to the Manager to the Offer or the Acquirer or the Target Company or Sellers or Promoters.**

9.6. The minimum marketable lot for the purposes of acceptance, for both physical and demat shares would be one Share.

9.7. All owners of equity shares, demat/physical, registered/unregistered (except promoters of Marvel and the parties to the SPA) are eligible to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the LOO and FOA, to the Registrar to the Offer, at the collection centres mentioned in Clause 9.4 either by hand delivery or post (as per respective mode of delivery specified above) before the Closure of the Offer i.e. Saturday, July 30, 2011. No indemnity shall be required from the unregistered shareholders.

9.8. Sharex has opened a special depository account with following details:

Name of A/c:	MCFL Open Offer
Depositary Name:	Nirmal Bang Securities Pvt. Ltd.
DP Id Number:	IN301604
Client Id Number	10788413
Beneficiary Name :	MCFL Open Offer Operated by Sharex Dynamic (India) Pvt. Ltd.

9.9. Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

9.9.1.For equity shares held in physical form:

- <u>Registered Shareholders should enclose:</u>
  - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
  - Original share certificate(s).
  - Valid share transfer deed / 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 Marvel and duly witnessed at the appropriate place.
  - In case of non-receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

- <u>Unregistered owners should enclose:</u>
  - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.

- Original share certificate(s).
- Original broker contract note.
- Valid share transfer deed(s) as received from market. The details of buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.
- All other requirements for valid transfer will be precondition for acceptance.

9.9.2. For Equity shares held in demat form:

- <u>Beneficial owners should enclose:</u>
  - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
  - Photocopy of the delivery instruction in "**Off-market**" mode or counterfoil of the delivery instruction in "**Off-market**" mode, duly acknowledged by DP in favor of the special depository account (please see clause 9.8 above) before the close of business hours on Saturday, July 30, 2011.
  - In case of non-receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

9.10. The shareholders tendering shares in demat form should ensure the credit of shares in favour of the special depository account mentioned above, before the close of business on Saturday, July 30, 2011. FOA in respect of dematerialised equity shares not credited to the above special depository account before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least 2 working days prior to the date of closure of the Offer. Shareholders having their beneficiary account in Central Depository Services (India) Ltd ("**CDSL**") have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the above mentioned special depository account.

9.11. The shareholders tendering equity shares of Target Company in the dematerialised form, will be required to send the FOA along with counterfoil / photocopy of the delivery instructions (in "**Off–Market**" mode) in favour of special depository account mentioned above, duly acknowledged by the Depository Participant ("DP"), to the Registrar either by hand delivery or by registered post on or before the closure of the Offer. For shareholders of Target Company holding physical certificates and who wish to accept the Offer and tender their shares will be required to send the FOA together with the share certificate (s) and transfer deed(s) to the Registrar.

9.12. In case of non-receipt of the LOO/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to Sharex Dynamic (India) Pvt. Ltd at any of the collection centres mentioned above clearly marking the envelope "**Marvel - Open Offer**" or make an application on a plain paper duly signed and stating Name/Address/No. of shares offered/DP Name/DP ID/ together with the counterfoil/photocopy of the delivery instructions in "**Off–Market**" in favour of special depository account mentioned above, duly acknowledged by the DP. Unregistered owners holding shares in physical form can send their application in writing on plain paper, duly signed and stating Name/Address/No. of shares offered/Share Certificate No(s) /Distinctive No (s) /Folio No (s) together with the original share certificate(s), valid transfer deeds as received from the broker (**Columns meant for transferee / buyer should be kept blank**) to the Registrar to the Offer.

9.13. In case any person has lodged shares of Target Company for transfer and the transfer has not yet been affected, the concerned person may apply on plain paper giving details as stated above along with a transfer deed duly signed (**Columns meant for transferee / buyer should be kept blank**) and the acknowledgement of the lodgement of shares of transfer. Such person should also instruct Target Company and its Registrar and Transfer Agent to send the transferred share certificate(s) directly to the collection centres as mentioned in Clause 9.4 above. The applicant should ensure that the certificate(s) reach the designated collection centre before the closure of the Offer. In case any person has lodged shares of Target Company for dematerialization and the dematerialisation has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialisation request form acknowledged by shareholder's DP. The shareholder should ensure the credit of shares in favour of the special depository account mentioned above, before the closure of the Offer. A copy of the delivery instructions acknowledged by the DP should also be forwarded along with the FOA and other documents to Registrar.

9.14. If the number of shares tendered by the shareholders are more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) of SEBI (SAST) Regulations on a proportional 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.

9.15. The Registrar will hold in trust the share certificates, transfer deeds, shares lying in credit of the special depository account and FOA on behalf of the shareholders of the Target Company who have accepted the Offer, till the Acquirer completes the obligations under the Offer in accordance with the SEBI (SAST) Regulations.

9.16. Equity shares tendered by the shareholders of the Target Company in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever. Equity 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 equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered under the Offer prior to the date of closure of the Offer.

9.17. The consideration received by shareholders for shares accepted in the Offer will be subject to the capital gains tax applicable as per the Income-tax Act, 1961. Further, the securities transaction tax will not be applicable on shares accepted in this Offer.

9.18. While tendering the shares under the Offer, NRIs/ Overseas Corporate Bodies (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. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such Shares tendered.

9.19. TAX TO BE DEDUCTED AT SOURCE:

As per the provisions of section 195(1) of the Income Tax Act,1961(**IT Act**) any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under applicable section of the IT Act or as business profits as the case may be, Acquirer may need to deduct tax at source (including surcharge and education cess) at the applicable rate on the gross consideration payable to the following categories of shareholders, as given below:

- Non resident Indians
- OCBs / Non-domestic companies
- Other persons who are not resident in India

9.20. Accordingly, while tendering shares under the Offer, NRI/OCBs/foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

9.21. In respect of **Foreign Institutional Investors ("FII"):** The Acquirer will not deduct tax at source if the shares are held by the FII on investment/capital account. FIIs will have to certify in the FOA that the said shares are held on investment/capital account and enclose the certificate of registration by SEBI as FII.

9.22. The Acquirer will purchase the shares from the shareholders of Target Company who have validly tendered the shares in the Offer (i.e. equity shares and/or other documents are in order in terms of the Offer) and remit the consideration in respect thereof within 15 days from Offer closure by crossed account payee cheques / demand drafts or through DC / NEFT / RTGS / NECS. Consideration in excess of ₹ 1500/-, unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. All dispatches involving payment of a value up to ₹ 1500/- will be made under First Class Mail at the shareholders' sole risk. Equity 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 in the FOA.

9.23. In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Wednesday, July 27, 2011.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the LOO.
- In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:

In case of Physical Shares: Name, Address, Distinctive numbers, Folio number, number of shares tendered; and

In case of Dematerialized Shares: Name, Address, 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 "**Off-market**" mode, duly acknowledged by the DP, in favour of the special depository account.

9.24. Payment of consideration will be made by ECS / DC / NEFT / RTGS / Crossed Account Payee Cheques / Demand Drafts / Pay Order and sent by Registered Post as applicable, to those shareholders/unregistered owners and at their risk, whose shares/ share certificates and other documents are found in order and accepted by Acquirer in part or in full. In case of joint holders ECS / DC / NEFT / RTGS / Crossed Account Payee Cheque / Demand Draft / Pay Order will be drawn in the name of the first holder / unregistered owner.

It is advised that shareholders provide bank details in the FOA, so that the same can be incorporated for ECS / DC / NEFT / RTGS / Crossed Account Payee Cheque / Demand Draft / Pay Order. In respect of shareholders holding shares in demat form the banking acount number registered with their respective depositories will be taken as the designated account for payment of consideration.

9.25. Unaccepted share certificates, transfer forms and other documents, if any, **will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder**. Shares held in demat 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 FOA. It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective DP when transferred by the Registrar to the Offer. Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.

10. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Marvel at the office of the Manager to the Offer, Imperial Corporate Finance & Services Pvt. Ltd., 102, Mittal Chambers, Nariman Point, Mumbai 400 021, from 10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer closes:

- Confirmations from the Acquirer:
  - ✓ Confirming the availability of liquidity with the company for meeting the obligation under the Offer through realisation of funds from investments
  - ✓ Confirmation that Acquirer is not registered with SEBI in any capacity;
  - ✓ Confirmation that the promoters who are not a party to SPA shall not be bestowed with any privileges, typically accorded to the promoters of a company, post the Open Offer.
  - ✓ Confirmation that no ventures / firms / partnerships are promoted or controlled by the Acquirer.
- Copy of SPA dated April 25, 2011 between MIL and the Sellers;
- Certified copy of the Certificate(s) of Incorporation and the Memorandum and Articles of Association of the MIL;
- Certified copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Marvel;
- Copy of published Public Announcement dated April 28, 2011;
- Copy of published Corrigendum to Public Announcement dated July 2, 2011;
- Certified True Copy of annual reports of MIL for the financial years ended March 31, 2010, 2009 and 2008 and Provisional Financial Statements Certified by Management of the Company for the period ended December 31, 2010;

- Certified True Copy of annual reports of Marvel for the financial year ended March 31, 2010, 2009 and 2008 and Unaudited Results for 9 month period ended December 31, 2010 that have been subjected to Limited Review

- Copy of the certificate dated April 25, 2011 issued by M/s Bharat J. Rughani & Co., Chartered Accountants confirming that the Acquirer have adequate financial resources to finance the acquisition.

- Copy of Escrow agreement dated April 25, 2011 amongst the Acquirer, Manager to the Offer and the Escrow Bank.

- A copy of the agreement dated April 25, 2011 amongst the Acquirer and the Registrar to the Offer for opening a special depository account for the purposes of the Offer.

- SEBI observation letter no CFD/DCR1/OW/20332/11 dated June 27, 2011

11. DECLARATION BY THE ACQUIRER

11.1. The Acquirer represented by its Board of Directors severally and jointly accepts full responsibility for the information contained in this Letter of Offer (except that which pertains to the Target Company and has been compiled from publicly available sources) and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations.

For and on behalf of **Mahagauri Investments Limited**.

Sd/-
Jay Shah
Director

Place: Mumbai
Date: July 4, 2011

Encl:

1. Form of Acceptance-cum-Acknowledgement

2. Form of Withdrawal

FORM OF ACCEPTANCE -- CUM -- ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*[Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Sharex Dynamic (India) Pvt. Ltd. at any of the collection centres as mentioned in the Letter of Offer **("LOO")**]*

(All terms and expression used herein shall have the same meaning as described thereto in LOO and please read the instructions mentioned below before filling in this form of acceptance.)

From: Folio No./DP I No./Client ID No.: _______________

Name: ____

Address: ____

____

____

OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF MARVEL CAPITAL & FINANCE (INDIA) LIMITED	
Opens on:	**MONDAY, JULY 11, 2011**
Closes on:	**SATURDAY, JULY 30, 2011**

Tel No: (_____) _____________ Fax No.: (_____) ____________ E-mail: ___________________________________

To,
Mahagauri Investments Limited,
C/o. Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
1st Floor, 44-E, M Vasanti Marg,
Andheri-Kurla Road., Safed pool,
Andheri(E), Mumbai – 400 072.

Dear Sir/Madam,

SUB: OPEN OFFER TO ACQUIRE UP TO 10,00,000 EQUITY SHARES REPRESENTING 20% OF THE PAID UP EQUITY & VOTING CAPITAL (AS DEFINED IN LETTER OF OFFER) OF MARVEL CAPITAL & FINANCE (INDIA) LIMITED ("TARGET COMPANY" OR "MARVEL") BY MAHAGAURI INVESTMENTS LIMITED ("ACQUIRER" OR "MIL") AT A PRICE OF ₹ 27.60/- (RUPEES TWENTY SEVEN AND PAISE SIXTY ONLY) PER FULLY PAID UP EQUITY SHARES IN TERMS OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THERETO ("SEBI (SAST) REGULATIONS")

I/We refer to the LOO dated July 4, 2011 constituting an offer for acquiring the equity shares held by me/us in **MARVEL CAPITAL & FINANCE (INDIA) LIMITED.**

I/We, the undersigned have read the LOO and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We 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:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s) From	Distinctive No.(s) To	No. of Shares
Total Number of shares					

(In case of insufficient space, please use additional sheet and authenticate the same)

SHARES HELD IN DEMAT FORM

I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the delivery instructions by my/our DP in respect of my/our equity shares as detailed below:

DP Name	DP ID	Client ID	Depository	Name of Beneficiary	No. of Shares

I/We have done an off-market transaction for crediting the Shares to the depository account with "MCFL Open Offer Operated by Sharex Dynamic (India) Pvt. Ltd." whose particulars are:

DP Name: NIRMAL BANG SECURITIES PVT. LTD.	**DP ID: IN301604**	**Client ID: 10788413**	**Depository: National Securities Depository Ltd**

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Shares in favor of the Special Depository Account with NSDL.
Enclosures (Please tick as appropriate, if applicable)

☐ Power of Attorney

☐ Corporate authorization in Case of companies along With Board Resolution and specimen signatures of authorized signatories

☐ Death Certificate / Succession Certificate

☐ Others (Please specify) ____________________

☐ No objection Certificate & Tax Clearance Certificate under Income-Tax Act, 1961, for NRIs /OCBs /Foreign Shareholders as applicable

- I/We confirm that the equity shares of Marvel Capital & Finance (India) 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 Acquirer makes payment of the purchase consideration as mentioned in the LOO.
- I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.
- I/We authorize the Acquirer to send by registered post/ speed post/ UCP the draft/ cheque/DC / NEFT / RTGS / NECS, in settlement of the amount to the sole/first holder at the address mentioned above.
- I/We note and understand that the shares would lie in the Special Depository Account until the Acquirer make payment of the purchase consideration as mentioned in the Letter of Offer.
- I/We authorize the Acquirer to accept the Shares so offered or such lesser number of equity shares which it may decide to accept in consultation with the Manager to the Offer and in terms of the LOO and I/We further authorize the Acquirer to return to me/us, equity share certificate(s) which is not found valid.
- My/Our execution of this Form of Acceptance shall constitute my/our warranty that the equity shares comprised in this application are owned by me/us and are transferred by me/us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I/We will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I/We agree that the Acquirer may pay the offer price only after due verification of the documents and signatures and on obtaining the necessary approvals as mentioned in the said LOO.
- I/We undertake to execute such further documents and give further assurance as may be required or expedient to give effect to my/our agreeing to sell the said equity shares.

So as to avoid fraudulent encashment in transit, Shareholder(s) should provide details of bank account of the first/sole shareholder and the cheque or demand draft will be drawn accordingly.

Name of Bank	Branch	City	Type of Account	Account Number

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

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN/GIR No.			

Yours faithfully,
Signed and delivered

	FULL NAME (S) OF THE HOLDER	SIGNATURE (S)
First / Sole Holder		
1st Shareholder		
2nd Shareholder		
3rd Shareholder		

Note: In case of joint holdings, all shareholders must sign. In case of body corporate, the company seal should be affixed

Place: ___________________ Date __________________

--- Tear along this line---

Acknowledgment Slip: Marvel Capital & Finance (India) Limited – Open Offer (to be filled in by the shareholders)

Sr. No.

Received from Mr./Ms./M/s ____

Form of Acceptance cum Acknowledgement for Marvel Capital & Finance (India) Limited Open Offer as per details below: -

Physical Shares: Folio No. _______________________

No. of Certificates Enclosed ______ Certificate No.______________________________ Total No. of Shares Enclosed __________

Demat Shares: Client ID _______________________

DP ID: _______________________

Copy of Delivery Instruction to DP ______________________________

Total No. of Shares Enclosed _________________________________ (Delete whichever is not applicable)

Date of Receipt : ______________

Stamp of collection centre: Signature of Official:

I/We irrevocably authorize the Acquirer or the Manager to the Offer to send by registered post the draft / cheque, in settlement of purchase at my own risk and any excess share certificate, if any, to the Sole/first holder at the address mentioned below:

NAME AND COMPLETE ADDRESS OF THE SOLE/FIRST HOLDER (IN CASE OF MEMBER (S), ADDRESS AS REGISTERED WITH THE COMPANY.

Name: ______________________________

Address: ____________________________

Place: ______________________________

Date: ______________________________

Tele No: ____________________________

Note: All future correspondence, if any, should be addressed to Registrar to the Offer at the following address quoting your reference Folio No./DP ID/ Client ID:

Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road., Safed pool, Andheri(E), Mumbai – 400 072.
Tel: +91 22 2851 5606, Fax: +91 22 2851 2885, Email: sd_india@rediffmail.com, Contact Person: Mr. B.S. Baliga

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account, before the Date of Closure of the Offer i.e. July 30, 2011 (Saturday). The Form of Acceptance-cum-Acknowledgment of such demat shares not credited in favour of the Special Depository Account, before the Date of Closure of the offer will be rejected.

2. Share holders should enclose the following:

I. For shares held in demat form:-

Beneficial owners should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).

ii) **Photocopy of the delivery instruction in "Off-market"** mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of offer.

II. For Shares held in physical form:-

Registered Shareholders should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein, by all Shareholders whose names appear on the share certificates.

ii) Original share certificate(s).

iii) **Valid transfer deed(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 Marvel Capital & Finance (India) Limited and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.

The details of buyer should be left blank failing which the same will be invalid under the offer. The details of the Acquirer as buyer will be filled by Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

Unregistered owners should enclose

i) **Form of Acceptance-cum-Acknowledgment duly** completed and signed in accordance with the instructions contained therein.

ii) Original Share certificate(s).

iii) Valid Share transfer deed(s) as received from the market leaving details of buyer blank. If the same is filled in then the share(s) are liable to be rejected**.**

3. The Share certificate(s), share transfer form(s) and the Form of Acceptance-cum-Acknowledgment should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirer or Marvel Capital & Finance (India) Limited.

4. The Form of Acceptance-cum-Acknowledgment and other related documents should be submitted at any of the collection centers of Sharex Dynamic (India) Pvt. Ltd. as stated in the LOO.

5. Shareholders having their beneficiary account in CDSL have to use **"INTER DEPOSITORY DELIVERY INSTRUCTION SLIP"** for the purpose of crediting their Shares in favour of the Special Depository Account with NSDL.

6. It is mandatory for Shareholders to indicate the bank account details at the appropriate place in the Form of Acceptance-cum-Acknowledgment and the consideration would be made to the bank account of the sole/first shareholder. The payment would be made at par to all the shareholders.

7. Rejection of Shares
If the shares are rejected for any of the following reasons, the shares will be returned to the holder(s) along with all the documents received from them at the time of submission. **Please note that the following list is not exhaustive**.

a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of Marvel Capital & Finance (India) Limited,
b. The Transfer deed is not complete or that the signatures do not match with the specimen recorded with Marvel Capital & Finance (India) Limited,
c. The number of Shares mentioned in the Form of Acceptance-cum-Acknowledgment does not tally with the actual physical share certificate(s) submitted or in case of dematerialized shares; the shares in the Form of acceptance-cum-Acknowledgment do not tally with the instruction to the Depository Participant.

8. All documents/ remittances sent by or to shareholders will be **at their own risk**. Shareholders of Marvel Capital & Finance (India) Limited are advised to adequately safeguard their interests in this regard. Shares held in demat 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-Acknowledgment.
9. Neither The Acquirer, the Manager to the Offer, the Registrar to the Offer or Marvel Capital & Finance (India) Limited will be liable for any delay/loss in transit resulting in delayed receipt/non-receipt by the Registrar of your Form of Acceptance-cum-Acknowledgment or for the failure to deposit your shares to the Special Depository Account or submission of original physical Share certificate(s) due to inaccurate /incomplete particulars/instructions on your part, or for any other reason.
10. Applicants who cannot hand deliver their documents at the collection Centers, may send their documents only by Registered post, **at their own risk**, to the Registrar to the Offer at Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road., Safed pool, Andheri(E), Mumbai – 400 072 so as to reach the Registrars to the offer on or before the last date of acceptance i.e. July 30, 2011 (Saturday).
11. Please read the enclosed LOO before filling up the form of Acceptance.
12. The Form of Acceptance should be filled up in English only.
13. Signature(s) other than in English, Hindi and thumb impression must be attested by notary public under his official seal.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED PROCEDURE FOR ACCEPTANCE/WITHDRAWAL AND SETTLEMENT ON PAGE 22 OF THIS LETTER OF OFFER.

All queries in this regard to be addressed to the Registrar to the offer at the following address quoting your Reference Folio No./DPID/Client ID:

Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
1st Floor, 44-E, M Vasanti Marg,
Andheri-Kurla Road., Safed pool,
Andheri(E), Mumbai – 400 072
Tel: +91-22-2270 2485
Fax: +91-22-2264 1349
Email: sharexindia@vsnl.com / sd_india@rediffmail.com
Contact Person: Mr. B.S. Baliga

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form of Withdrawal with enclosures to Sharex Dynamic (India) Pvt. Ltd .at any of the collection centres as mentioned in the Letter of Offer)

OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF MARVEL CAPITAL & FINANCE (INDIA) LIMITED	
Opens on:	**MONDAY, JULY 11, 2011**
Last date of withdrawal:	**WEDNESDAY, JULY 27, 2011**
Closes on:	**SATURDAY, JULY 30, 2011**

THIS FORM SHOULD BE USED BY THE SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWL OPTION AS PROVIDED IN THE LETTER OF OFFER

From: Folio No./DP I No./Client ID No.: _____________

Name: ____

Address: ____

____

Tel. No: (____) ___________ Fax No. (_____) __________

Email: ____

To,
Mahagauri Investments Limited,
C/o. Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
1st Floor, 44-E, M Vasanti Marg,
Andheri-Kurla Road., Safed pool,
Andheri(E), Mumbai – 400 072.

Dear Sir/Madam,

SUB: OPEN OFFER TO ACQUIRE UP TO 10,00,000 EQUITY SHARES REPRESENTING 20% OF THE PAID UP EQUITY & VOTING CAPITAL (AS DEFINED IN LETTER OF OFFER) OF MARVEL CAPITAL & FINANCE (INDIA) LIMITED ("TARGET COMPANY" OR "MARVEL") BY MAHAGAURI INVESTMENTS LIMITED ("ACQUIRER" OR "MIL") AT A PRICE OF ₹ 27.60/- (RUPEES TWENTY SEVEN AND PAISE SIXTY ONLY) PER FULLY PAID UP EQUITY SHARES IN TERMS OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THERETO ("SEBI (SAST) REGULATIONS")

I/We refer to the LOO dated July 4, 2011 constituting an offer for acquiring the equity shares held by me/us in **MARVEL CAPITAL & FINANCE (INDIA) LIMITED.**

- I/We the undersigned have read the LOO understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.
- I/We have read the procedure for withdrawal of shares tendered by me/us in the Offer as mentioned in the LOO and unconditionally agree to the terms and conditions mentioned therein.
- I/We hereby consent unconditionally and irrecoverably to withdraw my/our Shares from the offer and I/we further authorize the Acquirer to return to me/us, tendered Share certificate(s)/ Share(s) at my /our sole risk.
- I/We note that upon withdrawal of my/our shares from the offer, no claim or liability shall lie against the Acquirer /Manager to the Offer /Registrar to the offer.
- I/We note that this Form of withdrawal should reach the Registrar to the offer at any of the collection centers mentioned in the LOO as per the mode of delivery indicated therein on or before the last date of withdrawal.
- I/We note that the Acquirer/Manager to the Offer shall not be liable for any postal delay / loss in transit of the shares held in physical form and also for non-receipt of shares held in the dematerialized form in the DP account due to inaccurate/incomplete particulars/instructions.
- I/We also note and understand that the Acquirer shall return original Share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively.
- The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Folio no.	Certificate No.	Distinctive Nos.		No. of Shares
		From	To	
Tendered:				

Withdrawn:				
Total No. of equity shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We hold the following shares in dematerialized form, have tendered the Shares in the offer and had done an off-market transaction for crediting the Shares to the Special Depository Account with **"MCFL Open Offer Operated by Sharex Dynamic (India) Pvt. Ltd." whose particulars are:**

DP Name: NIRMAL BANG SECURITIES PVT. LTD.	**DP ID: IN301604**	**Client ID: 10788413**	**Depository: National Securities Depository Ltd**

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant. The particulars of the account form which my/our shares have been tendered are as detailed below:

DP Name	**DP ID**	**Client ID**	**Name of Beneficiary**	**No. of Shares**

I/We note that the Shares will be credited back only to the depository account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard. I/We confirm that the particulars given above are true and correct.

In case of dematerialized Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,
Signed & Delivered

Full Name(s) of the holders	**Address**	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

<u>Note:</u> In case of joint holdings all must sign. A corporation must affix its common seal necessary Board Resolution should be attached.

Address of First/Sole Shareholder:

Place:
Date:

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Acknowledgment Slip: Marvel Capital & Finance (India) Limited – Open Offer (to be filled in by the shareholders)

Received from Mr./Ms./M/s____

Form of Withdrawal cum Acknowledgement for Marvel Capital & Finance (India) Limited Open Offer as per details below: -

Physical Shares: Folio No. _______________________

No. of Certificates Enclosed ________________ Certificate No: _____________ Total No. of Shares Enclosed _________________

Demat Shares: Client ID ___________________________

DP ID: ___________________________

Copy of Delivery Instruction to DP _____________________________

Total No. of Shares Enclosed _________________________________

(Delete whichever is not applicable)

Date of Receipt: ______________

Stamp of collection centre: Signature of Official:

INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. July 27, 2011 (Wednesday)
2. Shareholders should enclose the following:

I. **For Shares held in Demat Form:**

Beneficial owners should enclose

i) Duly signed and completed Form of Withdrawal.
ii) Acknowledgement slip in original Copy of the submitted Form of Acceptance –cum- Acknowledgement in case delivered by Registered A.D
iii) Photocopy of the delivery instruction in "**Off-market**" mode or Counterfoil of the delivery instruction in "**Off-market**" mode, duly acknowledged by the **DP.**

II. **For Shares held in Physical Form:-**

Registered Shareholders should enclose.

i) Duly signed and completed Form of Withdrawal
ii) Acknowledgement **slip in Original / Copy** of the submitted Form of acceptance- cum- Acknowledgement in case delivered by Registered A.D.
iii) In case of partial withdrawal, valid share transfer form(s) for the remaining Shares (i.e. Shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Marvel Capital & Finance (India) Limited and duly witnessed at the appropriate place.

III. Unregistered owners should enclose.

i) Duly signed and completed Form of Withdrawal.
ii) Acknowledgement slip in Original / Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer / Special Depository Account.
4. The intimation of returned Shares to the shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of 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 the Target Company. **The facility of partial withdrawal is available only to registered shareholders**.
7. Shareholders holding shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of Sharex Dynamic (India) Pvt. Ltd. as stated in the Letter of Otter.
9. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road., Safed pool, Andheri(E), Mumbai – 400 072 on or before the last date of withdrawal i.e. July 27, 2011 (Wednesday).

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED PROCEDURE FOR ACCEPTANCE/WITHDRAWAL AND SETTLEMENT ON PAGE 22 OF THIS LETTER OF OFFER.

All queries in this regard to be addressed to the Registrar to the offer at the following address quoting your Reference Folio No./DPID/Client ID:

Sharex Dynamic (India) Pvt. Ltd.,
Unit-1, Luthra Ind. Premises,
1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road.,
Safed pool, Andheri(E), Mumbai – 400 072.
Tel: +91 22 2851 5606
Fax: +91 22 2851 2885
Email: sharexindia@vsnl.com / sd_india@rediffmail.com
Contact Person: Mr. B.S. Baliga

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