

# IGARASHI MOTORS INDIA LIMITED

CIN: L29142TN1992PLC021997; Regd. Office: Plots No. B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram, Chennai - 600045

## UNDER REGULATIONS 3, 4 AND 5(1) READ WITH REGULATIONS 13(4), 14 AND 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Open offer ("Offer"/"Open Offer") for acquisition of up to 7,960,538 (Seven Million Nine Hundred and Sixty Thousand Five Hundred Thirty Eight only) fully paid-up equity shares of face value ₹ 10 (Indian Rupees Ten only) each ("Equity Shares"), representing 26.01% (Twenty Six point Zero One per cent) of the voting share capital of Igarashi Motors India Limited ("Target Company") as of the tenth working day from the closure of the tendering period of the Offer, from the shareholders of the Target Company (excluding the parties to the SPA as defined below and PACs) at a price of ₹ 324.60 (Indian Rupees Three Hundred Twenty Four and Sixty Paise only) per Equity Share ("Offer Price") by Igarashi Electric Works Limited, a company incorporated in Japan ("IEWL"/"Acquirer"), together with MAPE Securities Private Limited ("MSPL"/"PAC 1"), Alpha FDI Holdings PTE. LTD ("Alpha"/"PAC 2"), Tata Capital Growth Fund I ("TCGF"/"PAC 3"), Igarashi Electric Works (H.K.) Limited ("IEWLHK"/"PAC 4") and Agile Electric Sub Assembly Private Limited ("Agile"/"PAC 5") (PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 collectively referred to as the "PACs"), in their capacity as persons acting in concert with the Acquirer.

This detailed public statement ("DPS") is being issued by Religare Capital Markets Limited, the manager to this Offer ("Manager"), for and on behalf of the Acquirer and PACs, in compliance with Regulations 3, 4 and 5(1) read with Regulations 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the "SEBI SAST Regulations" and reference to a particular "Regulation" shall mean the particular regulation framed pursuant to the SEBI SAST Regulations), pursuant to the public announcement in relation to the Offer dated January 29, 2015 ("PA"), filed with BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") (collectively referred to as the "Stock Exchanges"), the Securities and Exchange Board of India ("SEBI") and dispatched to the Target Company at its registered office, on January 29, 2015 in terms of Regulations 14(1) and 14(2).

In accordance with the terms of share purchase agreement dated January 22, 2015 ("Original SPA") and as stated under para 1(e) of the PA, MAPE Advisory Group Private Limited ("MAGPL") has assigned all its rights and obligations under the Original SPA to PAC 1, PAC 2 and PAC 3 in separate parts vide a deed of accession dated July 09, 2015 ("Deed of Accession") (the Original SPA and the Deed of Accession collectively referred to as the "SPA"), pursuant to which PAC 1, PAC 2 and PAC 3 have acquired 4,591,587, 15,630,934 and 2,442,333 equity shares representing 8.65%, 29.44% and 4.60% of issued and paid-up share capital of PAC 5 respectively and consequently, PAC 1, PAC 2 and PAC 3 will now be persons acting in concert with the Acquirer and other PACs for the purpose of the Offer and MAGPL has ceased to be a person acting in concert with the Acquirer and PACs for purpose of the Offer. Further, the PA at paragraph 3, stated that PAC 4 is not acting in concert with the Acquirer or MAGPL for the purpose of the Offer, but subsequently, PAC 4 has become a person acting in concert with the Acquirer and other PACs for purpose of the Offer.

The primary acquisition of 51,972,854 (Fifty One Million Nine Hundred and Seventy Two Thousand Eight Hundred Fifty Four only) equity shares of PAC 5 constituting 97.90% (Ninety Seven point Nine Zero per cent) of the issued and paid-up share capital of PAC 5 by the Acquirer, PAC 1, PAC 2 and PAC 3 ("Underlying Transaction") was completed on July 30, 2015. Accordingly, this DPS is now being issued and published in compliance with the proviso to Regulation 13(4) within 5 (five) working days of the completion of the Underlying Transaction.

As stated under Para 1(e) of the PA, in view of the completion of the Underlying Transaction under the SPA, PAC 5 has now joined as a person acting in concert with the Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 for the Offer. Pursuant to completion of the Underlying Transaction, the Acquirer and PAC 1 vide their letter dated July 30, 2015 to the Target Company, indicated that following completion of the Underlying Transaction, only the Acquirer and PAC 1 are the new promoters of the Target Company and only PAC 4 and PAC 5 form part of the promoter group of the Target Company. Further, as disclosed in the PA, PAC 5 will acquire all the Equity Shares of the Target Company that may be tendered under the Offer.

Apart from PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5, no other persons are acting in concert with the Acquirer and PACs for the purpose of this Offer.

### I. ACQUIRER, PACS, TARGET COMPANY AND OFFER

#### A. Information about Igarashi Electric Works Limited - Acquirer

- Igarashi Electric Works Limited is a company incorporated under the laws of Japan on January 19, 1952 vide company corporate no. 0200-01-070574. There has been no change in the name of the Acquirer since incorporation and its head office is located at 1-2, Tode Hon-cho, Saiwai-Ku, Kawasaki, 212-0023, Japan.
- The Acquirer belongs to and is the parent entity of the Igarashi group. The Acquirer is in the business of manufacturing and sale of electric motors, electric devices and handling intermediate parts.
- The Acquirer holds 29,308,000 equity shares representing 55.21% of the paid up capital of PAC 5. PAC 4 is a wholly owned subsidiary of the Acquirer. Acquirer is not related in any manner to PAC 1, PAC 2 and PAC 3.
- Mr. Keiichi Igarashi is the majority shareholder and person in control of the Acquirer holding 70.29% (Seventy point Two Nine per cent) shares of the Acquirer.
- None of the securities issued by the Acquirer are listed on any stock exchanges in India or abroad.
- Pursuant to the completion of the Underlying Transaction and as on date of this DPS, the Acquirer is the promoter of the Target Company. The Acquirer's direct and indirect shareholding in the Target Company is as follows:

Particulars	No. of Equity Shares of the Target Company		% of issued, subscribed and paid up capital of Target Company
<b>Pre-Underlying Transaction</b>			
Acquirer's direct shareholding	967,648		3.16
Acquirer's indirect shareholding through PAC 4	2,499,993		8.17
<b>Pursuant to Underlying Transaction</b>			
Acquirer's indirect shareholding through PAC 5, which is a subsidiary of the Acquirer	12,830,059		41.92
<b>TOTAL</b>	<b>16,297,700</b>		<b>53.25</b>

- Apart from Mr. Keiichi Igarashi, President and CEO of the Acquirer who is also on the Board of Directors of the Target Company, no other directors or key employees of the Acquirer have any interest in the Target Company.
- The Acquirer has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any regulations made under the SEBI Act.
- The key financial information of the Acquirer, as derived from the limited review report for the four months period ending April 30, 2015 and the audited standalone financial statements as at and for the financial years ended December 31, 2014, December 31, 2013 and December 31, 2012 and are as follows:

Particulars	Limited Review for the four months period ended April 30, 2015		For the financial year ended December 31					
			2014		2013		2012	
	₹	JPY	₹	JPY	₹	JPY	₹	JPY
Total Revenue	532.31	1,017.61	1,670.26	2,891.69	1,607.63	2,675.07	2,044.51	3,045.66
Net Income (Net Profit after Tax)	252.38 <sup>(3)</sup>	482.48 <sup>(3)</sup>	(302.53)	(523.76)	684.11	1,138.35	195.03	290.54
Earnings Per Share (Basic and Diluted)	6,309.56 <sup>(3)</sup>	12,061.95 <sup>(3)</sup>	(7,563.22)	(13,094.09)	17,102.70	28,458.66	4,875.84	7,263.44
Net worth/Shareholders Funds	1,376.07	2,570.65	1,105.27	2,088.17	1,540.26	2,611.93	938.08	1,473.59

(1) All JPY and Indian Rupees amounts other than per share data are in millions.

(2) The convenience translation rates used for converting JPY to Indian Rupees are 0.54, 0.64, 0.59 and 0.53 for calculation of Net worth as at April 30, 2015 and December 31, 2012, 2013 and 2014 respectively, and 0.52, 0.67, 0.60 and 0.58 for calculation of total revenue, net income and earnings per share for the four months period ending April 30, 2015 and the twelve months period ending December 31 2012, 2013 and 2014 respectively.

(3) The financial information for the four months period ending April 30, 2015 has been extracted from the limited review standalone financial statements of the Acquirer which have been reviewed by Mr. Kenkichi Sasai, the statutory auditor of the Acquirer.

(4) The financial information for the financial years ending December 31, 2012, 2013 and 2014 have been extracted from the audited standalone financial statements of the Acquirer which have been audited by Mr. Kenkichi Sasai, the statutory auditor of the Acquirer.

(5) Figures represent Profit Before Tax as the Acquirer has not made any provisions for taxation for the four months period ending April 30, 2015, on account of accumulated losses.

(6) Not annualized.

#### B. Information about MAPE Securities Private Limited - PAC 1

- PAC 1 is a private limited company incorporated on June 22, 2006 with the Registrar of Companies, Maharashtra under the name and style of "MAPE ADMISI Securities Private Limited". The name of PAC 1 was changed to "MAPE Securities Private Limited" on November 25, 2008 and a fresh certificate of incorporation was issued. The corporate identity number of PAC 1 is U74992MH2006PTC162787 and the registered office is situated at 13R 14, 1<sup>st</sup> Floor, Nirilon House, 254 B Dr Annie Besant Road, Worli, Mumbai, Maharashtra - 400030.
- MAPE provides financial advisory services and is a SEBI registered stock broking entity.
- Pursuant to the completion of the Underlying Transaction, PAC 1 holds 4,591,587 equity shares of PAC 5, representing 8.65% of the paid up capital of PAC 5. PAC 1 is not related in any manner with the Acquirer, PAC 2, PAC 3 and PAC 4.
- PAC 1 belongs to the MAPE group of companies and is a wholly owned subsidiary and controlled by MAGPL, a boutique investment bank.
- None of the securities issued by PAC 1 are listed on any stock exchanges in India or abroad.
- As of the date of this DPS, PAC 1 is the promoter of the Target Company pursuant to the completion of the Underlying Transaction. None of the directors and key employees of PAC 1 have any interest in the Target Company.
- PAC 1 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.

- The key financial information of PAC 1, as derived from its audited standalone financial statements as at and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013 is as follows:

Particulars	Audited for the financial year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Total Revenue	39.96	35.51	105.80
Net Income (Net Profit after Tax)	2.31	14.90	5.04
Earnings Per Share (EPS)- Basic and Diluted	0.38	2.48	0.84
Net worth/Shareholders Funds	213.87	211.56	196.66

(1) All amounts other than per share data are in Indian Rupees and in millions.

(2) The financial information for the financial years ending March 31, 2013 and 2014 have been extracted from the audited standalone financial statements of PAC 1 which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Price Waterhouse & Co., Chartered Accountants, Firm Regn No. 050032S, the statutory auditor of PAC 1.

(3) The financial information for the financial year ending March 31, 2015 has been extracted from the audited standalone financial statements of PAC 1 which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Price Waterhouse Chartered Accountants LLP, Firm Regn No. 012754N/NS00016, the statutory auditor of PAC 1.

#### C. Information about Alpha FDI Holdings PTE. LTD - PAC 2

- PAC 2 is a private limited company incorporated under the laws of Singapore on May 20, 2015, under the name and style of "Alpha FDI Holdings PTE LTD". The company registration number of PAC 2 is 201523657N and the registered corporate office of PAC 2 is located at 8 Shenton Way, #19-01 AXA Tower, Singapore 068811.
- PAC 2 is an indirect wholly owned subsidiary of Tata Capital Growth Fund LP, which in turn is entirely owned by global institutional investors. Thus, PAC 2 does not belong to any particular group. The principal activity of PAC 2 is that of an investment holding company.
- PAC 2 holds 15,630,934 equity shares representing 29.44% of the paid up capital of PAC 5. PAC 2 is not related to the Acquirer, PAC 1 or PAC 4. The investment manager of PAC 3 i.e., Tata Capital Limited, is the investment advisor to the investment manager of PAC 2.
- PAC 2 is a wholly owned subsidiary of and is controlled by Alpha TC Holdings PTE Ltd.
- None of the securities issued by PAC 2 are listed on any stock exchanges in India or abroad.
- As of the date of this DPS, PAC 2, its directors and key employees do not have any interest in the Target Company except pursuant to the Underlying Transaction, which have triggered this Offer.
- PAC 2 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- As PAC 2 has been incorporated on May 20, 2015, the first financial statements have not been drawn up to the date of DPS. The issued, subscribed and paid up capital of PAC 2 as on the date of this DPS is US\$ 35,030,001 (US Dollars Thirty Five Million Thirty Thousand One only) divided into 1 (One) equity share of US\$1 each and 35,030,000 (Thirty Five Million Thirty Thousand only) redeemable preference shares of US\$1 each.

#### D. Information about Tata Capital Growth Fund I - PAC 3

- PAC 3 is a domestic venture capital fund, established as an irrevocable trust under the Indian Trusts Act, 1882, through the indenture dated June 03, 2009 between Mr. Shailesh H Rajadhyaksha as settlor and Tata Trustee Company Limited ("Trustee"/"TTCL"), as trustee. The indenture was modified through deed of amendment dated February 17, 2010 and through a supplementary trust deed to the indenture of trust dated March 06, 2012 and an investment management agreement was entered amongst TTCL and Tata Capital Limited ("TCL") as investment manager to PAC 3 on March 11, 2010.
- PAC 3 is registered under SEBI (Venture Capital Funds) Regulations, 1996 having registration no. INVCF/09-10/148. The principal office of PAC 3 is at C/o Tata Capital Limited, One Forbes, Dr. VB Gandhi Marg, Fort, Mumbai 400 001.
- PAC 3 is primarily engaged in making portfolio investments in companies. The Trustee is in control of PAC 3 as per the indenture of trust and subsequent amendments thereto.
- PAC 3 holds 2,442,333 equity shares representing 4.60% of the paid up capital of PAC 5. PAC 3 is not related to the Acquirer, PAC 1 or PAC 4. The investment manager of PAC 3, i.e., TCL is the investment advisor to the investment manager of PAC 2.
- The beneficiaries of PAC 3 are as follows:

Name/Nature of Investor	Investment Percentage
TCL	73.75
Institutions/Others	25.66
Individuals	0.59
<b>Total</b>	<b>100.00</b>

- PAC 3 being a trust does not have any share capital and its units are not listed on any of the stock exchanges in India or abroad.
- As of the date of this DPS, PAC 3, TTCL and its directors and key employees do not have any interest in the Target Company except pursuant to the Underlying Transaction, which have triggered this Offer.
- PAC 3 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act, or under any regulations made under the SEBI Act.
- The key financial information of PAC 3, as derived from the standalone audited financial statements as at and for the financial years ended March 31, 2015, 2014 and 2013, is as follows:

Particulars	Audited for the financial year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Total Revenue	64.89	54.26	29.54
Net Income (Net Profit/(Loss) after Tax)	(12.32)	(142.52)	(411.37)
Net worth (Unit holders Funds)	1,426.14	949.78	1,017.96

(1) All amounts are in Indian Rupees and in millions.

(2) The financial information for the financial year ending March 31, 2013 has been extracted from the audited standalone financial statements of PAC 3, which have been prepared in accordance with Indian GAAP. The financial statements have been audited by Deloitte Haskins & Sells Chartered Accountants, Firm Regn No. 117366W, the statutory auditor of PAC 3.

(3) The financial information for the financial years ending March 31, 2014 and 2015 have been extracted from the audited standalone financial statements of PAC 3, which have been prepared in accordance with Indian GAAP. The financial statements have been audited by Deloitte Haskins & Sells LLP, Chartered Accountants, Firm Regn No. 117366W/100018, the statutory auditor of PAC 3.

#### E. Information about Igarashi Electric Works (H.K.) Limited - PAC 4

- Igarashi Electric Works (H.K.) Limited is a company incorporated under the laws of Hong Kong on September 14, 1973 vide certificate of incorporation no. 35416. There has been no change in the name of PAC 4 since incorporation and its head office is located at Block "A", 3<sup>rd</sup> Floor, Shui Ki Ind. Building, 18 Wong Chuk Hang Road, Aberdeen, Hong Kong.
- PAC 4 belongs to the Igarashi group of companies and is in the business of manufacturing and sale of electric motors, electric devices, etc.
- PAC 4 is a wholly owned subsidiary of the Acquirer and is not related in any manner to PAC 1, PAC 2 and PAC 3. PAC 4 holds 866,400 equity shares representing 1.63% of the paid up capital of PAC 5. PAC 4 and PAC 5 are the subsidiaries of the Acquirer.
- None of the securities issued by PAC 4 are listed on any stock exchanges in India or abroad.
- As on date of this DPS, PAC 4 is part of the promoter group of the Target Company and holds 2,499,993 Equity Shares representing 8.17% of the issued, subscribed and paid-up capital of the Target Company.
- Apart from Mr. Keiichi Igarashi, Chairman of PAC 4 who is also on the Board of Directors of the Target Company, no other directors or key employees of PAC 4 have any interest in the Target Company. Mr. Kazuharu Igarashi, Director of PAC 4 was a director on the Board of Directors of the Target Company up to March 31, 2015 and has ceased to be a director of the Target Company since April 1, 2015.
- PAC 4 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- The key financial information of PAC 4, as derived from the standalone limited review report for the four months period ending April 30, 2015 and the audited standalone financial statements as at and for the financial years ended December 31, 2014, December 31, 2013 and December 31, 2012 are as follows:

Particulars	Limited Review for the 4 months period ended April 30, 2015		For the financial year ended December 31					
			2014		2013		2012	
	₹	HKD	₹	HKD	₹	HKD	₹	HKD
Total Revenue	1,983.57	246.59	7,372.53	936.57	5,726.14	758.57	4,406.28	639.54
Net Income (Net Profit after Tax)	392.86	48.84	1,297.55	164.83	564.26	74.75	38.08	5.53
Earnings Per Share (Basic and Diluted)	1,061.79 <sup>(3)</sup>	132.00 <sup>(3)</sup>	3,506.89	445.50	1,525.02	202.03	102.93	14.94
Net worth/Shareholders Funds	3,177.21	387.75	3,426.33	420.92	2,042.83	256.09	1,793.40	253.70

(1) All HKD and Indian Rupees amounts other than per share data are in millions.

(2) The convenience translation rates used for converting from HKD to Indian Rupees are 8.19, 7.07, 7.98 and 8.14 for calculation of Net worth as at April 30, 2015 and December 31, 2012, 2013 and 2014 respectively, and

8.04, 6.89, 7.55 and 7.87 for calculation of total revenue, net income and earnings per share for the four months period ending April 30, 2015 and the twelve months period ending December 31, 2012, 2013 and 2014 respectively.

(3) The financial information for the four months period ending April 30, 2015 have been extracted from the standalone limited review financial statements of PAC 4, which have been reviewed by Ng & Wong, Certified Public Accountants, the statutory auditor of PAC 4.

(4) The financial information for financial years ending December 31, 2012, 2013 and 2014 have been extracted from the audited standalone financial statements of PAC 4. These financial statements have been audited by Ng & Wong, Certified Public Accountants, the statutory auditor of PAC 4.

(5) Not annualized.

#### F. Information about Agile Electric Sub Assembly Private Limited - PAC 5

- PAC 5 is a private limited company by shares and was incorporated on August 10, 2005 with the Registrar of Companies, Tamil Nadu under the name of 'Igarashi Brush Cards Private Limited'. The name of PAC 5 was changed to 'Agile Electric Sub Assembly Private Limited' on January 24, 2008 and a fresh certificate of incorporation was issued. The corporate identity number of PAC 5 is U34300TN2005PTC057151.
- The registered office of PAC 5 is located at Plot Numbers A 33 and 36, Phase I, MEPZ-SEZ, Tambaram, Chennai - 600 045.
- The principal activity of PAC 5 is that of manufacture, fabrication, repair, maintenance, purchase, sale, lease or otherwise dealing in all types of electric generators, alternators, sub-assemblies, parts for sub-assemblies, production of AC motors and assembly lines for electric motors.
- Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 hold 29,308,000, 4,591,587, 15,630,934, 2,442,333 and 866,400 equity shares representing 55.21%, 8.65%, 29.44%, 4.60% and 1.63% of the paid up capital of PAC 5 respectively. PAC 4 and PAC 5 are the subsidiaries of the Acquirer.
- The Acquirer is the majority shareholder and promoter of PAC 5 pursuant to the completion of Underlying Transaction.
- None of the securities issued by PAC 5 are listed on any stock exchanges in India or abroad.
- PAC 5 is part of the promoter group of the Target Company and owns 12,830,059 (Twelve Million Eight Hundred Thirty Thousand Fifty Nine only) Equity Shares representing 41.92% (Forty One point Nine Two per cent) of the issued, subscribed and paid up capital of the Target Company. Apart from Mr. R Chandrasekaran, Director of PAC 5, who is also the chief financial officer of the Target Company, no other directors or key employees of PAC 5 have any interest in the Target Company.
- PAC 5 has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
- The key financial information of PAC 5, as derived from its audited standalone financial statements as at and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013 is as follows:

Particulars	Audited for the financial year ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Total Revenue	2,965.86	2,532.23	2,644.38
Net Income (Net Profit after Tax)	148.54	43.01	61.19
Earnings Per Share (EPS)- Basic and Diluted	2.80	0.85	1.30
Net worth/Shareholders Funds	1,698.32	1,550.18	1,186.79

(1) All amounts other than the per share data are in Indian Rupees and in millions.

(2) The financial information for the financial years ending March 31, 2013, 2014 and 2015 have been extracted from the audited standalone financial statements of PAC 5, which have been prepared in accordance with Indian GAAP. These financial statements have been audited by Sharp & Tannan Chartered Accountants, Firm Regn. No. 003792S, the statutory auditor of PAC 5.

#### G. Details of selling shareholders

Not Applicable. The Offer has been made on account of the Underlying Transaction, as a result of an indirect acquisition of equity shares, voting rights and control over the Target Company by the Acquirer and PACs.

The Acquirer, PAC 1, PAC 2 and PAC 3 have acquired 51,972,854 (Fifty One Million Nine Hundred Seventy Two Thousand Eight Hundred Fifty Four only) equity shares constituting 97.90% (Ninety Seven point Nine Zero per cent) of the issued and paid-up equity share capital of PAC 5 from Blackstone Capital Partners (Singapore) VI FDI Three Pte. Ltd., Singapore and BFIP (Cayman) VI-ESC FDI Three Limited, Cayman Islands.

#### H. Details of Igarashi Motors India Limited - Target Company

- The Target Company was incorporated on January 10, 1992 with the Registrar of Companies, Tamil Nadu at Chennai as a public limited company under the name and style of 'CG Igarashi Motors Limited'. The name of the Target Company was changed to 'Igarashi Motors India Limited' on July 30, 2003 and a fresh certificate of incorporation was issued by the assistant registrar of companies. The corporate identity number of the Target Company is L29142TN1992PLC021997.
- The Registered Office of the Target Company is situated at Plot Nos. B 12-15, Phase II, MEPZ-SEZ, Tambaram, Chennai 600 045.
- The Target Company is currently engaged in the business of assembling DC motors and actuation systems for various automotive and non-automotive applications, the manufacture of sub-assemblies that go into a DC motor and the production of certain parts of electric motors.
- The Equity Shares of the Target Company are listed on BSE (Scrip Code: 517380; Scrip ID: IGARASHI) and NSE (Symbol: IGARASHI) under the ISIN - INE188B01013 and are frequently traded in terms of Regulation 2(1)(j).
- The paid-up voting equity share capital of the Target Company as on the date of this DPS is 30,608,444 (Thirty Million Six Hundred Eight Thousand Four Hundred Forty Four only). As on the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.
- The shareholding pattern of the Target Company pre and post Underlying Transaction is as follows:

Particulars	Number of Equity Shares held	% Equity Shares of Target Company
<b>Pre-Underlying Transaction<sup>(1)</sup></b>		
<b>Promoters</b>		
PAC 5	12,830,059	41.92
P Mukund	9,978,384	32.60
<b>Total</b>	<b>22,808,443</b>	<b>74.52</b>
Public	7,800,001	25.48
<b>Total</b>	<b>30,608,444</b>	<b>100.00</b>
<b>Post-Underlying Transaction<sup>(2)</sup></b>		
<b>Promoters</b>		
Acquirer	967,648	3.16
PAC 1	Nil	Nil
<b>Total</b>	<b>967,648</b>	<b>3.16</b>
<b>Promoter Group</b>		
PAC 4	2,499,993	8.17
PAC 5	12,830,059	41.92
<b>Total</b>	<b>15,330,052</b>	<b>50.08</b>
<b>Total Promoter Group (Including Promoters)</b>		



- In accordance with Regulation 7(6), this Offer is being made by the Acquirer and the PACs to all the equity shareholders of the Target Company, other than the parties to the SPA and PACs ("Eligible Shareholders") to acquire up to 7,960,538 Equity Shares of the Target Company (each an "Offer Share"), constituting 26.01% (Twenty Six point Zero one per cent) of the issued, subscribed and paid up capital of the Target Company at a price of ₹ 324.60 (Indian Rupees Three Hundred Twenty Four and Sixty Paise only) per Equity Share, aggregating to ₹ 2,583,990,635 (Indian Rupees Two Billion Five Hundred Eighty Three Million Nine Hundred Ninety Thousand and Six Hundred Thirty Five Only) ("Offer Size").
- As on the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.
- As on the date of this DPS, there are no partly paid-up equity shares issued by the Target Company.
- The Offer Price will be paid in cash in accordance with Regulation 9(1)(a).
- If the aggregate valid responses to this Offer by the Eligible Shareholders of the Target Company are more than the Offer Size, then the offers received from the Eligible Shareholders of the Target Company will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.
- All the Equity Shares of the Target Company validly tendered by the Eligible Shareholders of the Target Company in this Offer, will be acquired by PAC 5 in accordance with the terms and conditions set forth in this DPS and as will be set out in the letter of offer that will be issued in relation to this Offer ("Letter of Offer"). The Eligible Shareholders of the Target Company who tender their Equity Shares of the Target Company in this Offer shall ensure that such Equity Shares of the Target Company are clear from all liens, charges and encumbrances. PAC 5 shall acquire such Equity Shares of the Target Company from the Eligible Shareholders who have validly tendered their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- As on the date of this DPS, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and the PACs to complete this Offer. In case of any statutory approvals being required by the Acquirer and/or the PACs at a later date before the closure of the tendering period, this Offer shall be subject to the receipt of such approvals and the Acquirer and/or the PACs shall make the necessary applications for such approvals. There are no other conditions stipulated under the SPA which are outstanding in terms of Regulation 23(1)(c). In the event of non-receipt of any of such statutory approvals which may become applicable for the purchase of the Offer Shares, the Acquirer and the PACs shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.
- The Manager to the Offer does not hold any Equity Shares of the Target Company as on the date of this DPS. The Manager to the Offer further declares and undertakes not to deal on its own account in the Equity Shares of the Target Company during the Offer period.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1).
- This Offer is not a competing offer in terms of Regulation 20.
- The Equity Shares of the Target Company are listed on BSE and NSE. Under Clause 40A of the equity listing agreement read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company falls below the minimum level required as per the equity listing agreement entered into by the Target Company with the Stock Exchanges read with Rule 19A of the SCRR, the Acquirer hereby undertakes that the public shareholding in the Target Company will be enhanced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

- Except as disclosed in this DPS, the Acquirer and PACs do not currently have any intention to alienate any material assets of the Target Company or any of its subsidiaries outside the ordinary course of business for a period of 2 years after completion of the Open Offer, other than those already disclosed and/or publicly announced by the Target Company. Other than the above, if the Acquirer and PACs intend to alienate any material asset of the Target Company or any of its subsidiaries, within a period of 2 years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per proviso to Regulation 25(2) of SEBI (SAST) Regulations, to the extent applicable.

## II. BACKGROUND TO THE OFFER

- This Offer is made in compliance with Regulation 5(1) read together with Regulation 3 and Regulation 4 of the SEBI SAST Regulations pursuant to the proposed indirect acquisition of equity shares, voting rights and control of the Target Company.
- On January 22, 2015, the Acquirer and MAGPL entered into the Original SPA with respect to the acquisition of 51,972,854 (Fifty One Million Nine Hundred and Seventy Two Thousand Eight Hundred Fifty Four only) equity shares constituting 97.90% (Ninety Seven point Nine Zero per cent) of the issued and paid-up share capital of PAC 5, which owns 12,830,059 (Twelve Million Eight Hundred Thirty Thousand Fifty Nine only) Equity Shares representing 41.92% (Forty One point Nine Two per cent) of the issued, subscribed and paid up capital of the Target Company.
- The PA with respect to the Offer was issued by the Acquirer and MAGPL on January 29, 2015.
- MAGPL assigned all its rights and obligations under the Original SPA to PAC 1, PAC 2 and PAC 3 in separate parts vide the Deed of Accession, pursuant to which PAC 1, PAC 2 and PAC 3 have acquired 4,591,587, 15,630,934 and 2,442,333 equity shares representing 8.65%, 29.44% and 4.60% of issued and paid-up share capital of PAC 5 respectively and consequently, PAC 1, PAC 2 and PAC 3 are persons acting in concert and MAGPL has ceased to be a person acting in concert with the Acquirer and other PACs for the purpose of the Offer.
- The Underlying Transaction was completed on July 30, 2015 and as stated in Para 1(e) of the PA, pursuant to which PAC 5 has also joined as a person acting in concert for the purpose of this Offer.
- The Acquirer, MAGPL, PAC 2 and PAC 3 entered into a shareholders agreement dated May 26, 2015, wherein it was stated that the agreement shall be effective from the date on which the Underlying Transaction is completed i.e., July 30, 2015, which was amended vide shareholders' first amendment agreement dated July 29, 2015 for assignments of all the rights and obligations of MAGPL thereunder to PAC 1 and other matters. Further, a deed of accession for inclusion of PAC 5 as a party to the shareholders agreement was entered on July 30, 2015 (the shareholders agreement, shareholders' first amendment agreement and deed of accession thereto are collectively referred to as the "Shareholders Agreement"). The inter-se rights and obligations as shareholders of PAC 5 and other matters in connection therewith (including certain matters relating to the affairs and management of the Target Company) have been set out in the Shareholders Agreement. The key matters involving the Target Company as mentioned in the Shareholders Agreement are as follows:
  - Acquirer and PAC 1 shall be the sole promoters of the Target and PAC 4 and PAC 5 shall be classified as promoter group of the Target Company.
  - PAC 5 shall not, and the parties to the Shareholders Agreement shall procure that PAC 5 does not, exercise its voting rights in any general meeting of shareholders of the Target Company to vote in favor of any resolution pertaining to issuance of Securities by the Target Company (other than a resolution pertaining to a contemplated merger of PAC 5 with the Target Company), unless the terms thereof have been agreed in writing by PAC 2 and PAC 3.
  - Acquirer, PAC 1 and PAC 4 shall recommend merger of PAC 5 with the Target Company to the board of directors of PAC 5 and the Target Company; and the Acquirer, PAC 1, PAC 2, PAC 3 and PAC 4 shall exercise their votes in favor of such a merger, provided that in case of PAC 2 and PAC 3, the merger should satisfy certain criteria specified in the Shareholders Agreement ("Qualified Merger").
  - In the event that the Qualified Merger is not approved by the boards of directors of PAC 5 and Target on or prior to April 1, 2017 or the Qualified Merger is approved by the respective boards of directors of PAC 5 and Target on or prior to April 1, 2017, but is not completed prior to March 31, 2018 solely due to the Acquirer not having complied its obligations under the Shareholders Agreement, PAC 2 and PAC 3 shall have certain default put and default drag along rights as detailed in the Shareholders Agreement.
  - PAC 2 and PAC 3 shall have, at all times, the right to nominate one (1) of the directors on the board of directors of the Target Company.
  - Chairman of the board of directors of Target Company after the merger shall be an independent director.
  - PAC 5 shall not vote in favour of any resolution proposed to the shareholders of the Target Company in respect of the following matters, without a prior written consent of PAC 2 and PAC 3:
    - Amendment to memorandum of association and articles of association of the Target Company, to the extent prejudicial to any rights of PAC 2 and PAC 3, other than with respect to any alteration or amendment to the articles of association of the Target Company incorporated to give effect to a consolidation of Acquirers control over the Target Company, including in connection with the appointment of any directors by the Acquirer and PAC 4 to the board of directors of the Target Company, or the appointment of any key management personnel of the Target Company by the Acquirer and PAC 4, to the extent that such actions do not directly conflict with the rights of PAC 2 and PAC 3 under the Shareholders Agreement.
    - Any Transfer of any intellectual property right having a value in excess of Rupees Twenty Five Million (₹ 25,000,000).
    - Any related party transaction, including investments/loans/advances to related parties, outsourcing arrangements with related parties etc., and any termination, amendment, variation, renewal of any existing arrangements with related parties. The Target Company can continue to undertake related party transactions, which are consistent with its past practices, without requiring the affirmative vote of PAC 2 and PAC 3.
    - Entering into any agreement or arrangement to give effect to any of the foregoing matters.
  - The above described board seat and reserved matter rights of PAC 2 and PAC 3 in the Target Company shall fall away automatically if they cease to hold, at any time, at least twelve point five per cent (12.5%) of the issued and paid up share capital of PAC 5 on a fully diluted basis prior to the merger of PAC 5 with the Target Company in accordance with applicable law, or following the merger having become effective in accordance with applicable law, at least seven per cent (7%) of the issued and paid up share capital of the Target Company on a fully diluted basis; provided that in each case, such dilution of PAC 2 and PAC 3's shareholding in PAC 5 or the Target Company as the case may be, has not resulted from the exercise by PAC 2 or PAC 3 of any tag along rights following sale of equity securities or securities held by Acquirer or PAC 4 in PAC 5 or the Target Company.

- The Shareholders Agreement also contains provisions in relation to PAC 5, for certain reserved matter rights to PAC 2 and PAC 3, pre-emptive rights, manner in which PAC 5 shall be managed, transfer of shares restrictions which include tag along, drag along, put option rights, representation and warranties, non-solicitation obligations, information rights, confidentiality and events of default among other matters. The Shareholders Agreement also enumerates certain actions such as amendment to charter documents of PAC 5 and/or its subsidiaries, any merger, de-merger, acquisition, restructuring, consolidation, voluntary winding up or dissolution of PAC 5, any capital raise, any decision relating to creation of any new employee stock option scheme etc., by PAC 5, which will require the consent of PAC 2 and PAC 3.
- Since the Underlying Transaction has been completed on July 30, 2015, this DPS is being issued in terms of the proviso to Regulation 13(4) of the SEBI (SAST) Regulations.
- The consideration for the Underlying Transaction has been paid in cash. The consideration payable pursuant to the Offer will be paid in cash in accordance with Regulation 9(1)(a).
- The Acquirer, PAC 1, PAC 2, and PAC 3 currently intend to merge PAC 5 with the Target Company, which they believe would result in operational efficiencies. The Acquirer also reserve the right to streamline/restructure the operations, assets, liabilities and/or businesses of the Target Company through arrangement/reconstruction, restructuring, demerger and/or sale of assets or undertakings, at a later date, as may be allowed under the then prevailing/applicable act, rules, regulation, guidelines etc. The Acquirer and/or the PACs may also dispose-off or otherwise encumber any assets or investments of the Target Company or any of its subsidiaries, through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalizing the assets, investments or liabilities of the Target Company and/or its subsidiaries, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and subject to the prevailing applicable laws.

## III. SHAREHOLDING AND ACQUISITION DETAILS

The shareholding of the Acquirer and the PACs in the Target Company at various periods and the details of acquisitions are as follows:

Details	Acquirer		PAC 1*		PAC 2*		PAC 3*		PAC 4*		PAC 5*	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Shareholding as on the PA date	967,648	3.16	Nil	Nil	Nil	Nil	Nil	Nil	2,499,993	8.17	12,830,059	41.90'
Shares acquired between the PA date and the DPS date	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding as on the date of this DPS	967,648	3.16	Nil	Nil	Nil	Nil	Nil	Nil	2,499,993	8.17	12,830,059	41.92
Post Offer shareholding <sup>(1)</sup>	967,648	3.16	Nil	Nil	Nil	Nil	Nil	Nil	2,499,993	8.17	20,790,597	67.92

<sup>(1)</sup> On a fully diluted basis as on the 10<sup>th</sup> working day after the closing of tendering period assuming that 7,960,538 Equity Shares of the Target Company are validly tendered in the Offer.

\*PAC 1, PAC 2 and PAC 3 have been added as persons acting in concert with the Acquirer pursuant to the assignment of rights by IMAGPL under the SPA and PAC 4 and PAC 5 after the issuance of PA, upon completion of the Underlying Transaction.

<sup>(2)</sup> The paid-up voting equity share capital of the Target Company on a fully diluted basis as on the date of PA was 30,617,444 (Thirty Million Six Hundred Seventeen Thousand Four Hundred Forty Four only) Equity Shares of the Target Company, calculated as the sum of (a) total fully paid-up Equity Shares of the Target Company outstanding as of the date of the PA (30,608,444 equity shares) and (b) Equity Shares of the Target Company proposed to be issued upon conversion of the employee stock options (9,000 Equity Shares) as on the date of the PA. Subsequent to the date of the PA, 9,000 employee stock options which were granted to the employees of the Target Company had lapsed/withdrawn and as on the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.

- Assuming full acceptance under the Offer, the combined direct and indirect shareholding of the Acquirer along with PAC 4 and PAC 5 shall be 24,258,238 (Twenty Four Million Two Hundred Fifty Eight Thousand Two Hundred Thirty Eight only) Equity Shares representing 79.25% (Seventy Nine point Two Five per cent) of the issued, subscribed and paid-up capital of the Target Company.
- As of the date of this DPS, save as set out above, neither the Acquirer, nor the PACs and their respective directors, Trustee and its directors, directly hold any equity shares of the Target Company.

## IV. OFFER PRICE

- The Equity Shares of the Target Company are listed on BSE (Scrip Code: 517380; Scrip ID: IGARASHI) and NSE (Symbol: IGARASHI) under the ISIN -INE188B01013.
- The trading turnover of the Equity Shares of the Target Company on BSE and NSE from January 01, 2014 to December 31, 2014 (Twelve calendar months preceding the calendar month in which the PA was made) is set forth below:

Stock Exchange	Number of Equity Shares traded	Weighted average number of Equity Shares outstanding	Trading turnover (as a percentage of total listed Equity Shares)
BSE	15,826,495	30,164,278	52.47%
NSE	37,927,514	30,164,278	125.74%

(Source for BSE and NSE trading information: www.bseindia.com and www.nseindia.com).

- Based on the above information, since the Equity Shares of the Target Company have an annual trading turnover of more than 10% (Ten per cent) of the weighted average number of Equity Shares outstanding of the Target Company, in terms of Regulation 2(1)(j), the Equity Shares of the Target Company are frequently traded.
- The offer price of ₹ 307.92 (Indian Rupees Three Hundred Seven and Paise Ninety Two only) per Equity Share of the Target Company is justified in terms of Regulation 8(3) and 8(5), in view of the following:

Particulars	Price per Equity Share (₹)
(a) the highest negotiated price per share of the Target Company for any acquisition under the SPA.	292.79 <sup>(1)</sup>
(b) the volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by PACs, during the fifty-two weeks immediately preceding the earlier of, <ol style="list-style-type: none"> <li>the date on which the Original SPA was contracted and</li> <li>the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015</li> </ol>	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period
(c) the highest price paid or payable for any acquisition, by the Acquirer or by PACs, during the twenty-six weeks immediately preceding the earlier of, <ol style="list-style-type: none"> <li>the date on which the primary acquisition is contracted and</li> <li>the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015</li> </ol>	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period
(d) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, <ol style="list-style-type: none"> <li>the date on which the Original SPA is contracted, being January 22, 2015 and</li> <li>the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, being January 22, 2015 and</li> </ol>	Neither the acquirer nor PACs have acquired any shares of the Target Company during the period
(e) the volume-weighted average market price of the Equity Shares for a period of sixty trading days immediately preceding the earlier of, <ol style="list-style-type: none"> <li>the date on which the Original SPA is contracted and</li> <li>the date on which the intention or the decision to acquire Equity Shares under the Original SPA is announced in the public domain, both being January 22, 2015, as traded on NSE, where the maximum volume of trading in the Equity Shares of the target company was recorded during such period.</li> </ol>	307.92
(f) the per share value computed under sub-regulation (5) of Regulation 8	292.79 <sup>(1)</sup>
<b>Highest of the above</b>	<b>307.92</b>

- In accordance with the terms of SPA, US\$ 106,400,000 ("initial consideration") was payable to the sellers for acquisition of 51,972,854 equity shares of PAC 5, of which, an amount of US\$ 59,734,000 was payable by the Acquirer to Blackstone Capital Partners (Singapore) VI FDI Trust Pte. Ltd., towards acquisition of 29,178,068 equity shares of PAC 5. The SPA also assigned a price of ₹ 278.8 (Indian Rupees Two Hundred and Seventy Eight and paise Eighty only) per Equity Share of the Target Company as of the date of the SPA (the volume weighted average traded price of the Target Company's Equity Shares during the previous six (6) months i.e., for the period July 17, 2014 to January 16, 2015 on the NSE). In accordance with the terms of the SPA, a total of US\$ 2,996,400 was payable as interest and the same was borne entirely by the Acquirer. Such interest amounted to 5.02% of US\$ 59,734,000 payable by the Acquirer for acquisition of 29,178,068 equity shares. Accordingly the price parameters mentioned at points (a) and (f) above have been revised from ₹ 278.8 to ₹ 292.79 by considering the interest amount of ₹ 13.99 calculated at the rate of 5.02% on ₹ 278.8, which was ascribed to the price per equity share of the Target Company under the SPA.
- M/s. Ramesh Babu & Associates, Chartered Accountants with Registration No. 067895 having their office at 19, New No. 45, Third Main Road, Gandhi Nagar, Adyar, Chennai - 600020; Telephone Number: 0442269 5101; vide its certificate dated January 29, 2015, has certified the workings of offer price under Regulation 8(3), other than the upward revision made pursuant to note 1 above.

- Further, in accordance with Regulation 8(12), the above offer price has been enhanced by an amount equal to ₹ 16.68 (Indian Rupees Sixteen and Paise Sixty Eight only), which is higher than the sum to be determined in accordance with Regulation 8(12) at the rate of 10% (Ten per cent) per annum on ₹ 307.92 (Indian Rupees Three Hundred Seven and Ninety Two Paise only) for a period of 197 days, from the date on which the Underlying Transaction was contracted and announced in the public domain i.e., January 22, 2015, up to the date of publication of this DPS, both days inclusive. In view of the parameters considered and presented above, in the opinion of the Acquirer, PACs and Manager to the Offer, the Offer Price of ₹ 324.60 (Indian Rupees Three Hundred Twenty Four and Paise Sixty only) being the highest of the prices mentioned above as enhanced pursuant to Regulation 8(12), is justified in terms of Regulations 8(3).
- There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9), other than a dividend of ₹ 4.44 per equity share paid for fiscal year 2015 by the Target Company with ex-dividend date being July 14, 2015. The Acquirer and PACs have not considered any downward revision in the Offer Price on account of the above corporate action.

- As on date of this DPS, and except as set out in point 5 above, there has been no revision in the Offer Price or Offer Size. In the event of an acquisition of the Equity Shares of the Target Company by the Acquirer and/or the PACs during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8). However, the Acquirer and/or the PACs shall not acquire any Equity Shares of the Target Company after the 3rd working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be done at any time prior to the commencement of the last 3 working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4). Such revision would be done in compliance with other formalities prescribed under the SEBI SAST Regulations. In the event of such revision, the Acquirer and the PACs shall:
  - make further deposits into the Escrow Account and increase the Bank Guarantee (as defined in Part V paragraph 2 and 3 below);
  - issue a supplement to the DPS in the same newspapers in which this DPS has been published; and
  - simultaneously with the issue of such supplement, inform the Stock Exchanges, SEBI and the Target Company at its registered office of such revision.

## V. FINANCIAL ARRANGEMENTS

- The Offer Size is ₹ 2,583,990,635 (Indian Rupees Two Billion Five Hundred Eighty Three Million Nine Hundred Ninety Thousand and Six Hundred Thirty Five Only) assuming full acceptance of the Equity Shares tendered in this Offer ("Maximum Consideration").
- PAC 5 has furnished an unconditional, irrevocable and on demand bank guarantee dated August 01, 2015 in favour of the Manager to the Offer from Axis Bank Limited acting through its Corporate Banking Branch Office located at Ground Floor, Karumthi Nilayam, No. 192, Anna Salai, Chennai 600 002, having Bank Guarantee No: 11650100008081 for an amount of ₹ 650,000,000 (Indian Rupees Six Hundred Fifty Million only) ("Bank Guarantee"). The Bank Guarantee is valid up to December 31, 2015. The Manager to the Offer has been duly authorised to realize the value of the Bank Guarantee in terms of Regulation 17(6).
- In addition, in accordance with Regulation 17(4), PAC 5, the Manager to the Offer and Axis Bank Limited, having its registered office at Trishul, 3<sup>rd</sup> Floor, Opposite Samaratheswar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006 ("Escrow Bank") have entered into an escrow agreement on July 30, 2015 ("Escrow Agreement"). Pursuant to the Escrow Agreement, PAC 5 has established an escrow account under the name and title of "MIL - Open Offer Escrow Account" bearing no. 915020024359259 ("Escrow Account") with the Escrow Bank and has made a cash deposit of ₹ 26,000,000 (Indian Rupees Twenty Six Million only) in the Escrow Account in accordance with Regulation 17(3)(a) read with Regulation 17(4), which is in excess of 1% (One per cent) of the Maximum Consideration. The cash deposit has been confirmed pursuant to a confirmation letter dated August 01, 2015, issued by the Escrow Bank. The Manager to the Offer has been solely authorised by PAC 5 to operate and realise the monies lying to the credit of the Escrow Account in terms of Regulation 17(5).
- The amount deposited in the Escrow Account, along with the Bank Guarantee amount are in excess of 25% (Twenty Five per cent) of the Maximum Consideration in accordance with Regulation 17(1). The Acquirer along with PACs have adequate resources to fulfill their financial obligations under the Offer.

- In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account and Bank Guarantee shall be increased by the Acquirer, PAC 4 and PAC 5 in terms of Regulation 17(2), prior to effecting such revision.

- The Acquirer, PAC 4 and PAC 5 propose to fund the Offer out of their cash balances outstanding and other liquid assets. M/s. Ashwin Patel & Associates, Chartered Accountants with Firm Registration No. 133722W having its office at B-105, Akshar Apt. No.2, Near Dattani Gram, Anand Nagar, Mathuradas Extn Road, Kandivali - West, Mumbai - 400 067, vide their certificate dated August 03, 2015, have certified that the Acquirer and PACs has made firm financial arrangements to meet their payment obligations under the Offer.
- Based on the above, the Manager to the Offer is satisfied that firm financial arrangements have been put in place by the Acquirer and PACs for funds and money for payment through verifiable means are in place to fulfill their obligations under this Offer.

## VI. STATUTORY AND OTHER APPROVALS

- As on the date of this DPS, to the best knowledge of the Acquirer and the PACs, no statutory approvals are required by the Acquirer and/or the PACs to complete this Offer.
- In case of other statutory approvals being required by the Acquirer and/or the PACs at a later date, this Offer shall be subject to such approvals and the Acquirer and/or the PACs shall make the necessary applications for such approvals.
- In case of delay in receipt of any statutory approvals which may be required by the Acquirer and/or the PACs at a later date, as per Regulation 18(1), SEBI may, if satisfied, that non-receipt of approvals was not attributable to a willful default, failure or neglect on the part of the Acquirer and/or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the shareholders of the Target Company for delay beyond 10 working days at such rate as may be specified by SEBI from time to time, provided where the statutory approvals extend to some but not all holders of the Equity Shares of the Target Company, the Acquirer and PACs have the option to make payment to such holders of the Equity Shares of the Target Company in respect of whom no statutory approvals are required in order to complete this Offer.
- If the holders of the Equity Shares of the Target Company who are not persons resident in India (including non-resident Indians ("NRI"), overseas corporate bodies ("OCB") and foreign institutional investors ("FIIs") had required any approvals (including from the Reserve Bank of India ("RBI"), the Foreign Investment Promotion Board ("FIPB") or any other regulatory body) in respect of the Equity Shares of the Target Company held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares of the Target Company, to tender the equity shares of the Target Company held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such equity shares of the Target Company tendered in this Offer.
- There are no other conditions stipulated under the SPA which are outstanding in terms of Regulation 23(1)(c). In the event of withdrawal of this Offer, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

## VII. TENTATIVE SCHEDULE OF ACTIVITY

Nature of Activity	Tentative Date
Issue of PA	Thursday, January 29, 2015
Completion of Underlying Transaction	Thursday, July 30, 2015
Publication of this DPS in newspapers	Thursday, August 06, 2015
Filing of the draft Letter of Offer with SEBI	Wednesday, August 12, 2015
Last date for public announcement for competing offer(s)	Thursday, August 27, 2015
Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Thursday, September 03, 2015
Identified Date*	Monday, September 07, 2015
Last date for dispatch of the Letter of Offer to the public shareholders of the Target Company	Monday, September 14, 2015
Last date for upward revision of the Offer Price and/or the Offer Size	Tuesday, September 15, 2015
Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the public shareholders of the Target Company for this Offer	Thursday, September 17, 2015
Publication of advertisement containing announcement of the schedule of activities of this Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances	Monday, September 21, 2015
Commencement of tendering period	Tuesday, September 22, 2015
Closure of tendering period	Wednesday, October 07, 2015
Last date for issue of post-offer advertisement	Thursday, October 29, 2015
Last date of payment of consideration to the public shareholders of the Target Company whose equity shares have been accepted in this Offer	Wednesday, October 21, 2015
Last date for submission of the final report with SEBI	Thursday, October 29, 2015

\*The date falling on the 10<sup>th</sup> working day prior to the commencement of the tendering period, for the purposes of determining the public shareholders of the Target Company to whom the Letter of Offer shall be sent.

This schedule is tentative and is subject to change for any reason, including, but not limited to, delays in receipt of approvals or comments from regulatory authorities.

## VIII. PROCEDURE OF TENDERING THE EQUITY SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

- All Eligible Shareholders holding Equity Shares of the Target Company, whether in dematerialised or physical form, registered or unregistered, are entitled to participate in this Offer, any time during the tendering period of this Offer.
- The shareholders shall ensure that the Equity Shares of the Target Company tendered by them in this Open Offer shall be fully paid up, free from all liens, charges and encumbrances. PAC 5 shall acquire the Equity Shares of the shareholders of the Target Company, who validly tender their Equity Shares, together with the rights attached thereto, including but not limited to the right to dividend, bonus and rights offer declared thereof.
- Persons who have acquired the Equity Shares of the Target Company but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. In the alternate, such holders of the equity shares of the Target Company may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in>) and from Cameo Corporate Services Limited ("Registrar to the Offer"). The application is to be sent to the Registrar to the Offer at any of the collection centers that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 5:00 p.m. on the date of closure of the tendering period of this Offer, together with:
  - In the case of Equity Shares of the Target Company held in physical form, the name, address, number of the Equity Shares of the Target Company held, number of the equity shares of the Target Company offered, distinctive numbers and folio number together with the original equity share certificate(s) and valid transfer deed(s) and/or such other documents, as may be specified in the Letter of Offer; or
  - In the case of Equity Shares of the Target Company held in dematerialised form, the depository participant ("DP") name, DP ID, client/beneficiary id together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the equity shares of the Target Company to the special depository account ("Escrow Demat Account"), as per the details given below:

Name of the Depository Participant	Stock Holding Corporation of India Ltd.
DP ID	IN301080
Client ID	22852259
Account Name	CAMEO CORPORATE SERVICES LIMITED ESCROW A/C MIL OPEN OFFER
Depository	National Securities Depository Limited

Note: Shareholders having their beneficiary account with Central Depository Services Limited (CDSL) must use the inter-depository delivery instruction slip for the purpose of crediting their equity shares of the Target Company in favour of the Escrow Demat Account.

- SEBI vide Notification No. LAD-NRO/GN/2014-15/28/542 dated March 24, 2015, have amended the SEBI SAST Regulations for facilitating the tendering of Equity Shares by the shareholders and settlement of same, through the stock exchange mechanism and have notified the procedure vide circular dated April 13, 2015, wherein it has been stated that the mechanism shall be applicable to offers for which public announcement is made on or after July 01, 2015. The same is not applicable to the present Offer and the Acquirer and PACs have not voluntarily opted for the same.
- The shareholders may also (a) download the Letter of Offer from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or (b) obtain a copy of Letter of Offer by writing to the Registrar to the Offer or Manager to the Offer with (1) suitable documentary evidence of ownership of the equity shares of the Target Company and (2) their folio number, DP ID - client id, current address and contact details.

## IX. THE DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES OF THE TARGET COMPANY IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER

## X. OTHER INFORMATION

- The Acquirer and PACs and their respective directors and trustee in case of PAC 3, accept full responsibility for the obligations of the Acquirer and the PACs as laid down in terms of the SEBI SAST Regulations and for the information contained about them and the Offer in this DPS. All information pertaining to the Target Company has been obtained from publicly available sources.
- Pursuant to Regulation 12 of the SEBI SAST Regulations, the Acquirer has appointed Religare Capital Markets Limited as the Manager to the Offer.
- Cameo Corporate Services Limited has been appointed as the Registrar to the Offer, whose details are set out below:

**Name:** Cameo Corporate Services Limited  
**Contact Person:** Ms. Sreepriya. K  
**Address:** Subramaniam Building, No. 1, Club House Road, Chennai - 600 002  
**Tel.:** +91 44 2846 0390; **Fax:** +91 44 2846 0129; **Email:** investor@cameoindia.com  
**SEBI Regn. No.:** INR 000003753
- This DPS will be made available and the PA is already available on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).
- In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or