

20th August, 2016

National Stock Exchange of India Ltd.

Listing Department.

Exchange Plaza, C-1, Block- G,

Bandra Kurla Complex,

Bandra (East) Mumbai-400 051.

Fax No. 26598235/8237/8347.

Symbol: DELTAMAGNT

Dear Sir/Madam,

Sub: Clarification on Announcement pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 17.08.2016

With reference to your mail dated 17.08.2016 asking for clarification on announcement as referred above, we submit our clarification as follows:

1. Name of the target entity, details in brief such as size, turnover etc:-

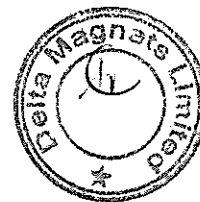
- a. Name:- Pilamec Ltd.
- b. Size/Turnover:- £560,000

2. Whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length":-

It is not a related party transaction.

3. Industry to which the entity being acquired belongs:-

Manufacturing a range of specialist lubricants, provide consultancy services for chemical, metal and ceramic users and providers and contract processing operations to mill and blend powders to customer specifications, or any part of it.



4. Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity):-

The Company is profitable company with net return year on year of 20%. It operates in niche market high margins and potential to grow.

5. Brief details of any governmental or regulatory approvals required for the acquisition:-

Target Company is a foreign company and is acquired by foreign subsidiary of Delta Magnets Limited, therefore no governmental or regulatory approvals are required.

6. Indicative time period for completion of the acquisition:-

Approximately November, 2016.

7. Cost of acquisition or the price at which the shares are acquired:-

£ 6,55,000

8. Nature of consideration - whether cash consideration or share swap and details of the same:-

Cash

9. Percentage of shareholding / control acquired and / or number of shares acquired:-

1200 ordinary shares of £ 1.00 each aggregating to 100% of total share capital of the Company.

10. Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief):-

- a. Products/line of business acquired:- The business carried on by the Company, namely manufacturing a range of specialist lubricants, provide

consultancy services for chemical, metal and ceramic users and providers and contract processing operations to mill and blend powders to customer specifications, or any part of it.

b. Date of Incorporation: 13th July 1976

c. History of last 3 years turnover: Company year end is the 31st March

Particulars	Financial Year End		
	2016	2015	2014
Turnover	£582,000	£563,022	£488,230

d. Country in which the acquired entity has presence: England and Wales

You are requested to take the same on record and oblige.

Thanking You.

Yours Sincerely,
For Delta Magnets Limited



Snehal Oak
Company Secretary
ACS: 23112