

Public Announcement to the equity shareholders of Igarashi Motors India Limited by Igarashi Electric Works Limited and MAPE Advisory Group Private Limited

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 of ₹ 10 (Rupees Ten) each ("Equity Shares"), representing 26.00% (Twenty Six per cent) of the fully diluted voting share capital ("Shares") of Igarashi Motors India Limited ("Target Company") from the shareholders of the Target Company by Igarashi Electric Works Limited, a company incorporated in Japan ("IEWL" "Acquirer"), together with MAPE Advisory Group Private Limited ("PAC") in its capacity as a person acting in concert with the Acquirer ("Offer"/"Open Offer").

This public announcement ("Public Announcement" or "PA") is being issued by Religare Capital Markets Limited (the "Manager") for and on behalf of the Acquirer and PAC to the equity shareholders of the Target Company excluding (i) the parties to the SPA (as defined below) and (ii) the PAC and (iii) persons deemed to be acting in concert with such parties, pursuant to and in compliance with Regulations 3, 4 and 5(1) read with Regulations 13(2)(e) and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "SEBI SAST Regulations" and reference to a particular "Regulation" shall mean the particular regulation framed pursuant to the SEBI SAST Regulations).

1. Offer details

- a) **Size:** Up to 7,960,538 (Seven Million Nine Hundred and Sixty Thousand Five Hundred Thirty Eight only) Equity Shares of the Target Company (each an "Offer Share"), constituting 26.00% (twenty six per cent) of the total Shares of the Target Company, at a price of ₹ 307.92 per Offer Share aggregating to ₹ 2,451.21 million ("Offer Size"), subject to the terms and conditions mentioned in this Public Announcement, the detailed public statement ("Detailed Public Statement") and the letter of offer that is proposed to be issued in accordance with the SEBI SAST Regulations.
- b) **Price/consideration:** The Equity Shares are frequently traded as per Regulation 2(1)(g). The Offer Price (as defined below) of Rs. 307.92 per Offer Share has been determined in accordance with the provisions of Regulation 8(3) and 8(5) and will be enhanced in accordance with Regulation 8(12) by an amount equal to a sum determined at the rate of 10% per annum on Rs. 307.92 for the period between the date on which the Underlying Transaction (as defined below) was contracted and announced in the public domain i.e., January 22, 2015, and the date of the Detailed Public Statement (such combined price, the "Offer Price").
- c) **Mode of payment:** The Offer Price is payable in cash, in accordance with Regulation 9(1)(a).
- d) **Type of offer:** The Offer is a mandatory offer in compliance with Regulations 3, 4 and 5(1) as detailed herein below. The thresholds specified under Regulation 5(2) of the SEBI SAST Regulations are not applicable. On January 22, 2015, the Acquirer and PAC entered into a share purchase agreement ("SPA") to acquire 51,972,854 equity shares of Agile Electric Sub Assembly Private Limited ("Agile") aggregating to 97.90% of the issued and paid-up share capital of Agile, completion of which is subject to the satisfaction of certain conditions precedent as specified in the SPA. Agile is one of the promoters of the Target Company and holds 12,830,059 Equity Shares or 41.90% of the Shares of Target. The execution of the SPA on January 22, 2015 has triggered Regulation 3 and Regulation 4 read with Regulation 5(1).

e) **Other:**

Post-acquisition of control of Agile by the Acquirer and PAC, the Acquirer and PAC along with Agile shall together be the new promoters of the Target Company and the erstwhile promoter other than Agile, i.e. Mr. P Mukund shall cease to be promoter of the Target Company. Further, upon completion of the Underlying Transaction under the SPA and acquisition of control over Agile, Agile will join as a person acting in concert for the current Offer and will acquire Equity Shares of the Target that may be tendered in the Offer.

The PAC may assign its respective rights and obligations under the SPA, fully/partially, to another entity/investor, prior to completion of the Underlying Transaction, in accordance with the terms and conditions of the SPA.

2. **Transaction which has triggered the open offer obligations ("Underlying Transaction")**

Type of Transaction (Direct/Indirect)	Mode of Transaction (Agreement/Allotment/Market purchase)	Shares/Voting rights acquired/proposed to be acquired		Total Consideration for shares/VRS acquired (Rs.)	Mode of payment (Cash/secured)	Regulation which has been triggered
		Number	% vis a vis total equity/voting capital			
Indirect acquisition	SPA executed on January 22, 2015 whereby the Acquirer and PAC have together agreed to acquire majority equity shares and control of Agile from the selling shareholders.	Legal and beneficial interest of 51,972,854 equity shares of Agile.	97.90% of the issued and paid-up share capital of Agile.	Not Applicable	Not Applicable	Regulations 3 and 4 read with 5(1).

3. **Acquirer/ PAC**

Details		Acquirer	PAC	Total
Name		Igarashi Electric Works Limited Company Corporate Number: 0200-01-070574	MAPE Advisory Group Private Limited CIN:U74140KA2001PTC029904	N/A
Address		1-2, Tode Honcho, Saiwai-Ku, Kawasaki, 212-0023, Japan	#211, Prestige Center Point Cunningham Road Bangalore - 560 052	N/A
Name of persons in control/promoters of acquirers/PACs where acquirers/PAC are companies		Mr. Keiichi Igarashi	Mr. M Ramprasad and Mr. Jacob Mathew	N/A
Name of the Group, if any, to which the Acquirer/PAC belongs to		Igarashi Group	N/A	N/A
Pre-transaction shareholding		967,648 Equity Shares, or 3.16% of the Shares of Target Company	Nil	3,467,641 Equity Shares, or 11.33% of the Shares of Target Company [#]

Proposed shareholding after the acquisition of equity shares which triggered the Open Offer (on a fully diluted basis assuming conversion of all convertible instruments which are eligible for conversion within the Offer Period)	Same as Pre-transaction shareholding ^{##}	Same as Pre-transaction shareholding ^{##}	16,297,700 Equity Shares, or 53.23% of the Shares of Target Company [@]
Any other interest in the Target Company	N/A	N/A	N/A
# Includes 2,499,993 Equity Shares, or 8.17% of the Shares of Target Company which are held by Igarashi Electric Works H K Ltd ("IEWHKL"), a company incorporated in Hong Kong, which is a wholly owned subsidiary of the Acquirer. Igarashi Electric Works H K Ltd is not acting in concert with the Acquirer or PAC for the purpose of this Offer. ## The Acquirer and PAC together shall indirectly own 12,830,059 Equity Shares, or 41.90% of the Shares of Target through their control of Agile. @ Includes the holding of Acquirer, IEWHKL and Agile.			

4. Details of selling shareholders, if applicable

Not Applicable. The Offer is being made as a result of an indirect acquisition of Shares of the Target Company by the Acquirer and PAC.

The Acquirer and PAC are purchasing 97.90% of the outstanding equity shares of Agile from Blackstone Capital Partners (Singapore) VI FDI Three Pte. Ltd., Singapore and BFIP (Cayman) VI-ESC FDI Three Limited, Cayman Islands.

5. Target Company

- Name:** Igarashi Motors India Limited (CIN:L29142TN1992PLC021997), having its registered office at Plots No.B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram, Chennai - 600045.
- Exchanges where listed:** BSE Limited (Scrip Code: 517380; Scrip ID: IGARASHI) and National Stock Exchange of India Limited (Symbol: IGARASHI)

6. Other details

- As per Regulation 13(2)(e), this public announcement is being made within 4 working days of the execution of the SPA which triggered the Offer.
- As per proviso to Regulation 13(4), the Detailed Public Statement shall be made within 5 working days from the completion of the acquisition of the shares and control of Agile by the Acquirer and PAC under the SPA, as per the SEBI SAST Regulations. **In case the Acquirer and PAC are unable to complete the acquisition of equity shares of Agile, as per the explanation to the proviso of Regulation 13(4), the Acquirer and the PAC shall not be required to publish the Detailed Public Statement for the Offer or acquire any shares from the public pursuant to the Offer, and accordingly the Acquirer and PAC shall not proceed with this Offer.** Further, upon successful acquisition of equity shares of Agile and control over Agile, Agile will join as a person acting in concert for the current Offer and will acquire Equity Shares of the Target tendered in the Offer.
- The Acquirer and the PAC undertake that they are aware of and will comply with their obligations under the SEBI SAST Regulations, and have adequate financial resources to meet the obligations under the SEBI SAST Regulations for the purposes of the Offer.
- The Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19(1).

- e) This public announcement is not being issued pursuant to a competing offer in terms of Regulation 20.
- f) The Acquirer currently intends to merge Agile with the Target Company, which it believes 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.

Issued by the Manager to the Offer:



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For and on behalf of:

Igarashi Electric Works Limited, together with MAPE Advisory Group Private Limited in its capacity as a person acting in concert with the Acquirer.

Place: Chennai

Date: January 29, 2015