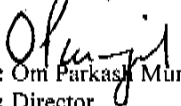


Format for disclosure of details of acquisition to target company and stock exchanges where the shares of the target company are listed, in terms of regulation 7(1A) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997

| | | |
|--|--|--|
| Name of the Target Company | Munjal Auto Industries Limited | |
| Name of acquirer/seller and PAC with the acquirer/seller | Hero Cycles Limited ("HCL") | |
| Details of the acquisition as follows | Number | % w.r.t. total paid up capital of Target Company |
| (a) Shares/Voting Rights before acquisition/sale under consideration | 49,77,312 | 49.77% |
| (b) Shares/Voting Rights acquired/sold | 49,77,312 | 49.77% |
| (c) Shares/Voting Rights after acquisition/sale | NIL | NIL |
| Mode of acquisition (e.g. open market/public issue/rights issue/preferential allotment/ <i>inter se</i> transfer etc.). Mode of sale (e.g. open market/MoU/off market etc.) | N.A. <i>Inter se</i> transfer of shares amongst Qualifying Promoters under Regulation 3(1)(e)(iii)(b) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("SEBI SAST Regulations") | |
| Date of acquisition/sale of shares/Voting Rights or date of receipt of intimation of allotment of shares, whichever is applicable | 03.08.2010 | |
| Paid up capital/total voting capital of the target company before the said acquisition/sale | Rs. 10,00,00,000 comprising of 1,00,00,000 shares of Rs.10 each | |
| Paid up capital/total voting capital of the target company after the said acquisition/sale | Rs. 10,00,00,000 comprising of 1,00,00,000 shares of Rs. 10 each | |

Signature of the Seller/Authorized Signatory

For and on behalf of **Hero Cycles Limited**


Name : Om Parkash Munjal
Designation : Director
Place : Ludhiana
Date : 03.08.2010

NOTE:

1. Prior to the transaction disclosed under this notice, the Promoter Group of the Target Company comprised of the following:

| S. NO | NAME OF SHAREHOLDER | NUMBER OF SHARES | % SHAREHOLDING |
|-------|---|------------------|----------------|
| 1. | Hero Cycles Limited | 49,77,312 | 49.77% |
| 2. | Rockman Industries Limited | 8,27,546 | 8.28% |
| 3. | Highway Industries Limited | 3,65,087 | 3.65% |
| 4. | Bhagyoday Investments Private Limited | 1,75,000 | 1.75% |
| 5. | Munjal Investments Private Limited | 1,75,000 | 1.75% |
| 6. | Puja Investments Private Limited | 1,75,000 | 1.75% |
| 7. | Anadi Investments Private Limited | 1,75,000 | 1.75% |
| 8. | Dayanand Munjal Investments Private Limited | 90,000 | 0.90% |
| 9. | Hero Investments Private Limited | 2,50,000 | 2.50% |
| 10. | Thakurdevi Investments Private Limited | 19,650 | 0.20% |
| 11. | Bahadur Chand Investments Private Limited | 2,50,000 | 2.50% |
| | TOTAL | 74,79,595 | 74.80% |

2. HCL and following members of the Promoter Group made the transfers of shares of the Target Company to Thakur Devi Investments Private Limited ("TDIPL") as under:

| S. No. | NAME OF SHAREHOLDER | NUMBER OF SHARES | % SHAREHOLDING |
|--------|---|------------------|----------------|
| 1. | Munjal Investments Private Limited | 175,000 | 1.75% |
| 2. | Dayanand Munjal Investments Private Limited | 90,000 | 0.90% |
| 3. | Anadi Investments Private Limited | 175,000 | 1.75% |
| 4. | Highway Industries Limited | 365,087 | 3.65% |
| 5. | Puja Investments Private Limited | 175,000 | 1.75% |
| 6. | Bahadur Chand Investments Private Limited | 250,000 | 2.50% |
| 7. | Hero Investments Private Limited | 250,000 | 2.50% |
| 8. | Rockman Industries Limited | 827,546 | 8.28% |
| 9. | Bhagyoday Investments Private Limited | 175,000 | 1.75% |

| | | | |
|-----|---------------------|-----------|--------|
| 10. | Hero Cycles limited | 49,77,312 | 49.77% |
| | TOTAL | 74,59,945 | 74.60% |

* Each of the aforesaid selling entities being the transferors and TDIPL being the transferee have held shares of the Target Company for the past three years. Accordingly, the transfer of the shares by the aforesaid selling entities to TDIPL would be exempt from the provisions of Regulation 10, 11 and 12 of the SEBI SAST Regulations under 3(1)(c)(iii)(b) of the SEBI SAST Regulations.

3. The Promoter Group of the Target Company now comprises of only TDIPL, holding 74,79,595 shares constituting 74.80% shareholding/ voting rights of the Target Company. The total shareholding of the Promoter Group in the Target Company has remained unchanged.