

Maestros Mediline Systems Limited

(formerly Moonstar Investments Limited)

Registered Office: Plot NO: EL-63, TTC Industrial Area, Electronic Zone, MIDC, Mahape, Navi Mumbai - 400 701.

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PUBLIC NOTICE

Public Notice in compliance with Regulation 5(A) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998

- The Board of Directors of Maestros Mediline Systems Limited (the "Company") at its meeting held on October 27, 2008 (the "Board Meeting") approved the proposal for buyback of its own fully paid up equity shares of Rs. 10 each (hereinafter referred to as "the Buyback") in accordance with the provisions contained in Article 6A of the Articles of Association of the Company, Section 77A, 77AA, and 77B and other applicable provisions of the Companies Act, 1956 (the "Act") and the provisions contained in the SEBI (Buy-Back of Securities) Regulations, 1998 (hereinafter referred to as Buy Back Regulations), as amended to date subject to approval/s as may be necessary, from time to time from statutory authorities including but not limited to Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India etc. as may be required and further subject to such conditions as may be prescribed while granting such approval/s which may be agreed to by the Board of Directors (which term shall include committee of Directors constituted specifically for the Buyback and which Board or committee shall herein after be referred to as "the Board").
- The buy-back proposal is being implemented keeping with the Company's desire to enhance the overall shareholder value. This buy-back would lead to (a) reduction in outstanding number of equity shares, and the consequent increase in earnings per equity share, and (b) improvement in return on net worth and other financial ratios. The utilisation of cash resources for the purpose of the proposed buy back, is not likely to impact the Company's financial position as well as any of its growth plans. The debt equity ratio of the company is expected to be within reasonable limits after the buy back, in view of the increase in the total income and the consequent General reserves / networth of the company in future years.
- The Board has proposed a maximum limit of up to Rs.32.56 million for the Buyback. This represents 9% of the aggregate of the Company's paid up equity share capital and free reserves as at March 31, 2008 eligible for use in buyback. The funds for the Buyback will be available from the surplus generated out of internal accruals of the Company. The company may continue to borrow funds in the Ordinary Course of Business, although, it does not propose to raise debt funds for completing the Buy Back.
- The maximum price at which the Buyback will be carried out is Rs. 75 per equity share. The maximum price has been arrived at after considering certain parameters such as the book value, Earning per Share, Net Asset Value, the Earnings trend of the company in the last 3 years, the future outlook for the industry/Company, and other relevant factors. The Maximum Buyback Price of Rs. 75 is at a premium of 120.59% over the closing prices on the BSE respectively prevailing on the date of the Board Meeting held on October 27, 2008 approving the Buyback.
- The actual number of equity shares to be bought back would depend upon the average price paid for the equity shares bought back and the amount deployed in the Buyback. The maximum amount to be invested for the Buyback is Rs. 32.56 million and considering that the shares would be bought back at a maximum price of Rs.75 per Equity Share, the number of equity shares that can be bought back would be 434,159 which will be around 9.54% of the pre-buyback paid up equity share capital.
- The aggregate shareholding of the promoters / persons who are in control of the Company, and Promoter Group (hereinafter collectively referred to as "the Promoters") as on date is 1,971,057 equity shares constituting 43.32% of the fully paid up equity share capital of the Company.
- The Promoters have neither purchased nor sold any shares during the period of six months preceding October 27, 2008, being the date of the meeting of the Board of Directors at which the Buyback was approved.
- As per Regulation 15 (b) of Buy Back Regulations, the buy-back of shares shall not be made from the promoters, persons in control, and promoter group of the Company. Further, the Company will not purchase any shares from the promoters or persons in control or promoter group. The promoters, persons in control, and promoter group of the Company will not participate in the Buy back and shall not deal in the equity shares of the Company in the stock exchanges during the period for which the Buy Back offer is open.
- The Company confirms that there are no defaults subsisting in repayment of deposits, debt, redemption of debentures or preference shares or repayment of term loans to any financial institution or banks.
- Except as provided under the Act and Buyback Regulations, the Company will not issue fresh shares during the period from the date of public announcement up to six months after completion of the Buy Back.
- The Board of Directors confirms -
 - that they have made the necessary and full enquiry into the affairs and prospects of the Company and have formed the opinion:
 - that immediately following the date of the Board meeting, there will be no grounds on which the Company could be found unable to pay its debts; and
 - that as regards its prospects for the year immediately following the date of the Board meeting, that having regard to its intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the view of the Board, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting; and
 - that in forming its opinion for the above purposes, the Board has taken into account the liabilities as if the Company was being wound up under the provisions of the Companies Act, 1956 (including prospective and contingent liabilities).
- The text of the report dated August 19, 2008 received from RAR & Associates, Chartered Accountants, the statutory auditors of the Company addressed to the Board is reproduced below:

"This has reference to the proposed buy-back of its Equity Shares by Maestros Mediline Systems Limited ("Maestros" or the "Company") in compliance with the provisions of Sections 77A and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended to date. We have examined the last available financial statements of the Company for the year ended March 31, 2008, audited by us, approved by the Board of Directors of the Company and approved by the shareholders of Maestros at the Annual General Meeting held on Friday, 12th September, 2008 (the "Audited Financials"). We have also examined other records relevant for the purpose of issuing this certificate and based on such examination and the information and explanations given to us by the management of Maestros, we hereby confirm as under:-

 - We have inquired into the Company's state of affairs in relation to the Audited Financials.
 - The amount of maximum permissible capital payment, being Rs.36.17 million, which is 10% of the total paid up capital and free reserves of the Company as on the date of the Audited Financials, for the shares to be bought back, is properly determined in accordance with Section 77A(2)(b) of the Companies Act, 1956 as ascertained below:

	Amount (in Rs. Million) As at March 31, 2008
Paid up Equity share capital (4,549,940 Equity Shares of Rs.10 each, fully paid up)	45,499,400
Add : Free Reserves (as defined under Section 77A read with explanation (b) to Section 372A of the Companies Act, 1956)	316,299,529
Total	361,798,929
Maximum amount permissible for buy-back under the proposed route being 10% of the total paid-up capital and free reserves	36,179,892
Amount approved by the Board for Buy-Back	32,561,925

- We are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration referred to under clause (x) to schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulation, 1998 is unreasonable in all the circumstances.
- We report that the Board of Directors at their meeting held on October 27, 2008 have formed their opinion as specified in clause (x) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulation, 1998, on reasonable ground and that the Company having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the said Board meeting on 27th October, 2008."
- The Equity shares of the Company are currently listed on the Bombay Stock Exchange Limited (BSE) and the buy-back of shares will be made through BSE electronic trading facility.
- The debt to equity ratio post the Buyback will be below the maximum allowable limit of 2:1 set by the Companies Act, 1956.
- The Buyback is proposed to be implemented by the Company through the methodology of "Open market purchases through Stock Exchanges", as provided in the Buyback Regulations. The Buyback will be implemented in the manner and following the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board and on such terms and conditions, as may be permitted by law from time to time. There will be no negotiated deals, spot transactions or any private arrangements in implementation of the Buyback.
- Article 6A of the Articles of Association of the Company permits buyback of shares.
- The Buyback of equity shares will be completed within a period of 12 months from the date of passing of the resolution by the Board of Directors.
- As per the provisions of the Act, the equity shares to be bought back by the Company will compulsorily be cancelled and will not be held for re-issuance.

The Board of Directors accepts responsibility of information contained in this Public Notice.

For MAESTROS MEDILINE SYSTEMS LIMITED

Sd/- Dr. Nitin S Paranjape Chairman	Sd/- Dr Krishnakumar Menon Managing Director	Sd/- Balkrishna Tendulkar Executive Director
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Place : Mumbai
Date : 28/10/2008

MERCHANT BANKER APPOINTED FOR THE BUY-BACK

TRANSWARRANTY CAPITAL PVT LTD.

403, Regent Chambers, Nariman Point, Mumbai 400 021.
Contact Person: G. K. Prem Kumar, Company Secretary
Board Telephone No.: 022 40010800/900
Direct No.: 022 40010876; Mobile No.: 9870240708

