

DRAFT LETTER OF OFFER

“This Document is important and requires your immediate attention.”

This Letter of Offer (“LOF”) is sent to you as a shareholder(s) of the Nice Papers Limited (“Target Company”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

Open offer (“OFFER”)
By

Name of the Acquirer(s)#	Address of the Acquirer(s)	Telephone Number	E-mail Id
Mr. Bhimjibhai Patel	P. N. 61, A.V.G. Lay out, Satnami Nagar Chouk, Near KachChhi Oswal Bhawan, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Rajesh Patel	Plot N.61, Near Kachchi Oswal Bhavan, Janki Bhavan A.V.G. Lay Out, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Umesh Patel	61, Janki Bhavan, Near Kachchi Visa Oswal Bhavan, A.V.G. Lay Out, Lakadganj, Bagadgunj, Nagpur, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Panchan Patel	P. N. 61, Janki Bhavan Bhandara Road Near Kachchhi Oswal Bhawan, AVG Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Kantilal Patel	Plot N. 61, Janki Bhavan Kacchi Oswal Bhavan Road, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Shivkumar Patel	P. N. 61, Janki Bhavan Near Kachchhi Oswal Bhawan, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Jitendra Patel	61, Janki Bhavan, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Jayesh Patel	Plot N. 61, A.V.G. Layout, Janki Bhavan Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Kartik Patel	P. N. 61, Janki Bhavan, A.V.G. Layout, Lakadganj, Near Kachi Visa Oswal Bhawan, AVG Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Dipesh Patel	P. N. 61, Janki Bhawan, Near Kachchhi Oswal Bhawan, Satnami, Nagar, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com
Mr. Jigar Patel	61, Janki Bhavan, Near Kachchi Visa Oswal Bhawan, AVG Layout Lakadganj, Nagpur Bagadgunj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com

#hereinafter collectively referred to as “the Acquirers”. Fax facility not available with Acquirer(s) and Target Company, hence not provided

TO ACQUIRE

390,858 (three lakh ninety thousand eight hundred and fifty eight only) fully paid-up equity shares of face value Rs. 10 each of the Target Company (“Equity Shares”) representing 26.00 per cent of the paid up equity and voting capital, as of the 10th Working Day (as defined below) from the closure of the Tendering Period (as defined below) (the “Offer Size”) at a price of Rs.11.66 (eleven and sixty six paise only) per Equity Share (the “Offer Price”) payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“Takeover Regulations”) from the public shareholders of

Nice Papers Limited (Target Company)

A public limited company incorporated under the Companies Act, 1956
Registered Office:- Plot No. 21, IT Park, Gayatri Nagar, Nagpur – 440022
Telephone Number: (+ 91) 712 6644571

- Note:-
- The Offer is being made pursuant to and in compliance with the provisions of regulations 3(1), 4, 13(4), 14, 15 and 16 of the Takeover Regulations.
 - The Offer is not conditional as to the minimum level of acceptance in terms of regulation 19(1) of the Takeover Regulations.
 - The Offer is not a competing offer in terms of regulation 20 of the Takeover Regulations.
 - To the best of the knowledge of the Acquirer(s) there are no statutory approvals required to complete the acquisition of the Offer shares. If any statutory approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such statutory approval. In the event any statutory approvals (if required) are refused for any reason beyond the reasonable control of the Acquirer(s), the Acquirer(s) will have the right to withdraw the Offer in accordance with Regulation 23 of the Takeover Regulations. In the event of withdrawal of the Offer, a public announcement will be made within two (2) Working Days of such withdrawal, in the same newspapers in which the Detailed Public Statement (as defined below) has been published and such public announcement will also be sent to the Stock Exchanges, SEBI, OTC Exchange India and the Target Company at its registered office. If any statutory approvals become applicable at a later date before the closure of the Tendering Period, the Offer will be subject to such other statutory approvals. non-resident Indians (“NRIs”) or overseas corporate bodies (“OCBs”) wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India (“RBI”) approvals (specific and general) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirers from NRIs and OCBs.
 - The Offer is subject to revision, if any, pursuant to the Takeover Regulations at the discretion of the Acquirer(s) at any time prior to three (3) Working Days before the commencement of the Tendering Period, i.e. up to March 27, 2015, in accordance with regulation 18(4) of the Takeover Regulations. In the event of such revision, the Acquirer(s) shall: (a) make corresponding increases to the escrow amounts, (b) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (c) simultaneously with the issue of such announcement, inform the Stock Exchanges, SEBI, OTC Exchange India and the Target Company at its registered office of such revision. Such revised offer price will be payable for all the Equity Shares validly tendered at any time during the Tendering Period of the Offer.
 - If there are any competing offers under regulation 20 of the Takeover Regulations, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer(s) and the Target Company, no competitive offer has been announced as of the date of this Draft Letter of Offer.**
 - A copy of the Public Announcement, Detailed Public Statement and Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) will be available on the website of the Securities and Exchange Board of India: www.sebi.gov.in.

MANAGER TO THE OFFER

PANTOMATH CAPITAL ADVISORS (P) LIMITED
108, Madhava Premises Co-operative Society Limited Bandra
Kurla Complex, Bandra East, Mumbai 400051
Tel: +91 22 2659 8687 /91
Fax: +91 22 2659 8690
Email: openoffer@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person: Mr. Mahavir Lunawat
SEBI Registration. No.: INM000012110



REGISTRAR TO THE OFFER

Bigshare Services Private Limited
E/2, Ansa Industrial Estate Saki Vihar Road
Saki Naka Andheri (East), Mumbai 400 072
Tel: +91-22-40430200
Fax: +91-22-28475207
Email: openoffer@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Vipin Gupta
SEBI Registration No.: INR000001385



SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Schedule of Activities	Day and Date
Date of Public Announcement	Wednesday, February 04, 2015
Date of Detailed Public Statement	Wednesday, February 11, 2015
Date by which Draft Letter of Offer will be filed with the SEBI	Friday, February 20, 2015
Last date for a Competitive Bid, if any	Monday, March 09, 2015
Last date for receipt of the comments on Draft Letter of Offer from SEBI	Monday, March 16, 2015
Identified Date*	Wednesday, March 18, 2015
Date by which Letter of Offer will be dispatched to the equity shareholders	Wednesday, March 25, 2015
Last date for Revising the Offer Price / Number of Equity Shares	Thursday, March 26, 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 the Offer	Monday, March 30, 2015
Publication of advertisement containing announcement of the schedule of activities of the Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances	Tuesday, March 31, 2015
Commencement of the Tendering Period (Offer opening date)	Wednesday, April 01, 2015
Closure of the Tendering Period (Offer closing date)	Friday, April 17, 2015
Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company	Tuesday, May 05, 2015
Last date for publication of the post-Offer advertisement in the newspapers in which the Detailed Public Statement has been published	Tuesday, May 12, 2015

*The Identified Date is only for the purpose of determining the names of the Public Shareholders (as defined below) as on such date to whom the Letter of Offer will be sent and is the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period. All the Public Shareholders (registered or unregistered), except the Acquirer(s) and the parties to Share Purchase Agreement, are eligible to participate in the Offer at any time prior to the closure of the Tendering Period (as defined below).

NOTE: Duly signed acceptance-cum-acknowledgement and the Transfer Deed(s), together with the share certificate(s), if applicable, should be dispatched by registered post/courier or hand delivered to Bigshare Services Private Limited (“Registrar to the Offer”) or their collection centers on or before closure of the Tendering Period, i.e. before April 17, 2015.

RISK FACTORS

Risk Factors relating to the Proposed Offer

1. As on the date of this Draft Letter of Offer, there is no statutory approval required to implement Offer and for the acquisition of Equity Shares (as defined below) to be tendered in the Offer. However, in case of any statutory approval being required by the Acquirer(s) at a later date before the closure of the Tendering Period (as defined below), this Offer shall be subject to such approvals and the Acquirer(s) shall make the necessary applications for the approval. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
2. Shareholders of the Target Company who are either non-resident Indians (“NRIs”) or overseas corporate bodies (“OCBs”) and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India (“RBI”) approvals (specific and general) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer(s) reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer(s) from NRIs and OCBs.
3. Shareholders shall note that shareholders who have tendered their Equity Shares in Offer shall not be entitled to withdraw it during the Tendering Period even if the acceptance of shares and payment of consideration gets delayed. Till the process of acceptance of tenders and payment of consideration is completed, the Equity Shares tendered in the Offer shall be in possession of the Registrar to the Offer. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders (as defined below) will be solely responsible for their decisions regarding their participation in this Offer.
4. The Acquirer(s) are responsible only for the statements and the contents specified in the Public Announcement, Detail Public Statement and Draft Letter of Offer or any of the advertisement or any material information issued by or at the instance of the Acquirer(s) and the Manager to the Offer. Any person relying on any other source of information would be doing it on its own risk.
5. In the event of any litigation leading to stay on the Offer or SEBI instructing that the Offer should not be proceeded with, the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Draft Letter of Offer.
6. The Offer involves an offer to acquire 26.00 per cent of the total equity and voting share capital of Target Company from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the Takeover Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
7. If the Acquirer(s) are unable to make the payment to the equity shareholders who have accepted the Offer within 10 working days from the date of closure of the tendering period, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirer(s) or the failure of the Acquirer(s) to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer(s) agreeing to pay interest to the equity shareholders for delay beyond 10 working days, as may be specified by SEBI from time to time. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.

Risk Factors relating to transaction

1. The transaction is subject to completion risks as would be applicable to similar transactions.

2. The Share Purchase Agreement (“SPA”) dated February 04, 2015 contains a clause to the effect that the SPA is subject to compliance of provisions of Takeover Regulations and in case of non compliance with the provisions of Takeover Regulations, the SPA shall not be acted upon.

Probable risks involved in associating with the Acquirer(s)

1. The Acquirer(s) or the Manager to the Offer are not assured with respect to the financial performance of the Target Company nor the continuance of any past trends of financial performance of the Target Company and the price of the Equity Shares of the Target Company before, during or after the Offer. Any obligation with respect to the Public Shareholders’ decision on whether to participate or not, Acquirer(s) disclaim the responsibility for the same.
2. Post this Offer, (assuming full acceptance) the Acquirer(s) will have significant equity ownership and control over the Target Company pursuant to Regulations 3(1) & 4 of Takeover Regulations.
3. The Acquirer(s) also makes no assurances with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
4. The acquisition of Equity Shares may result in the public shareholding in the Target Company falling below the level required for continued listing. If, pursuant to this Offer, the public shareholding in the Target Company reduces below the minimum level required under the Listing Agreement read with rule 19A of the SCRR, the Acquirer(s) shall take steps to reduce the shareholding of the Acquirer(s) in the Target Company, within the period specified in the SCRR and Takeover Regulations, such that the Target Company complies with the minimum public shareholding requirements prescribed in the Listing Agreement read with rule 19A of the SCRR.

The risk factors set forth above are indicative only, are limited to the Offer and are not intended to provide any analysis of all risks as perceived in relation to the Offer or in association with the Acquirer(s) and, thus, are not exhaustive. The risk factors set out above do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute an analysis of the risks involved in participation in the Offer by a Public Shareholder. The Public Shareholders are advised to consult their stockbroker, tax advisor and/or investment consultant, if any, for understanding of the further risks associated with respect to their participation in the Offer.

Currency of representation

In this Letter of Offer, all references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, which represents the official Currency of Republic of India. In this Letter of Offer, any discrepancy in any table of total and sums could be due to rounding off and/or regrouping.

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1. DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

Term	Description
Board	The Board of Directors of the Target Company
Book Value per share	Net worth/Number of shares
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
DP	Depository Participant
Detailed Public Statement or DPS	Detail Public Statement dated February 10, 2015 and published on February 11, 2015 on behalf of the Acquirer(s) and PACs
Draft Letter of Offer or DLOF	The Draft Letter of Offer dated February 20, 2015 filed with SEBI in accordance with regulation 16(1) of the Takeover Regulations
Eligible Shareholders/Persons for the offer/ Persons Eligible to Participate in the Offer/ Public Shareholders	All owners (registered or unregistered), including the beneficial owners, of Equity Shares of the Target Company (other than the Acquirer(s) and the parties to SPA) anytime before the closure of the Offer.
EPS	Profit after tax/Number of equity shares issued
Escrow Banker	Indusind Bank Limited
Equity Shares	Fully paid-up equity share of Target Company having face value of INR 10 each
FPI	Foreign Portfolio Investor as defined under regulation 2(h) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Form of Acceptance/FOA	Form of Acceptance-cum-Acknowledgement
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent
Listing Agreement	Means the agreement entered into by and between the Target Company with OTC Exchange of India
Manager to the Offer	Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker appointed by the Acquirer(s) as the manager to the offer pursuant to the Takeover Regulations having its corporate office at 108, Madhava Premises Co-operative Society Limited, Bandra Kurla Complex, Bandra East, Mumbai 400 051
Maximum Consideration	The maximum consideration payable under the Offer, assuming full acceptance of the Offer, i.e. INR 45,57,404.28/- (Rupees forty five lakhs fifty seven thousand four

Term	Description
	hundred four and twenty eight paise only)
N.A.	Not Applicable
NECS	National Electronic Clearance Service
NEFT	National Electronic Fund Transfer
Negotiated Price	Rs 11.66/- (Rupees eleven and sixty six paise only) per equity share of face value of Rs.10/- each.
Net worth	Equity Share capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Misc. Exp. not written off.
NRI	Non Resident Indian
Offer Period	The period starting from February 04, 2015 (being the date of the Public Announcement), until the date on which payment of consideration to Public Shareholders who have validly tendered their Equity Shares in the Offer is completed, or the date on which the Offer is withdrawn, as the case may be
Offer Price	Rs. 11.66 /- (Rupees eleven and sixty six paise only) per Equity Share payable in cash
Offer	The Acquirer(s) intends to acquire 3,90,858 (three lakh ninety thousand eight hundred and fifty eight) fully paid up Equity Shares of INR 10/- each representing 26.00 per cent of total equity and voting share capital of the Target Company, at a price of Rs. 11.66/- (Rupees Eleven and sixty six paise only) per Equity Share, payable in cash by the Acquirer(s)
OCB	Overseas Corporate Body
OTCEI	OTC Exchange of India
Public Announcement	Public Announcement dated February 04, 2015
PAT	Profit After Tax
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
Registrar to the Offer	Bigshare Services Private Limited, having its registered address at E/2, Ansa Industrial Estate Saki Vihar Road Saki Naka Andheri (East), Mumbai 400 072
Return on Net Worth	(Profit After Tax/Net Worth)*100
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SPA	Share Purchase Agreement dated February 04, 2015
Stock Exchange	OTC Exchange of India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
Takeover Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof
Target Company	Nice Papers Limited ("NPL")
Tendering Period	Period commencing on April 01, 2015 until April 17, 2015
Working Days	Any working day of SEBI.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE EQUITY SHAREHOLDERS OF NICE PAPERS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S) OR OF THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER(S) ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER(S) DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 20, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMEDEMMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. This open offer is being made by the Acquirer(s) pursuant to the Regulations 3(1) and 4 to the equity shareholders of Nice Papers Limited
- 3.1.2. The prime object of the Offer is substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 3.1.3. There is no Person Acting in Concert (“PAC”) with the Acquirer(s) for the purpose of this Open Offer.
- 3.1.4. The Acquirer(s) hereby makes this Offer to the equity shareholders of the Target Company (other than the parties to the SPA) to acquire up to 3,90,858 Equity Shares of the Target Company of face value of Rs.10/- each representing in aggregate 26.00 per cent of the issued equity share capital of the Target Company at a price of Rs.11.66/-(rupees eleven and sixty paise only) per equity share, payable in Cash subject to the terms and conditions mentioned in the PA, DPS and in the LOF that will be circulated to the equity shareholders in accordance with the Takeover Regulations, whose names will appear on the register of members of the Target Company or beneficiaries on the beneficiary records of the Depository Participant as on the Identified Date i.e. March 18, 2015.
- 3.1.5. The Acquirer has entered into a SPA on February 04, 2015 with the Sellers and proposes to acquire 8,38,300 (Eight lakh thirty eight thousand three hundred shares) Equity Shares of Rs. 10/- each, representing 55.76 per cent of the issued equity share capital of the Target Company at a price of Rs.11.66/-(Rupees eleven and sixty paise only) per equity share aggregating to Rs. 97,74,578 (Rupees ninety seven lakhs seventy four thousand five hundred and seventy eight only), details of which are as follows:

Sr. No.	Name of Seller(s)	Name of Acquirer(s)	No. of Shares	As % of Total Capital
1.	Basudeo Saraf And Sons	Mr. Bhimjibhai Lalji Patel	81,100	5.39%
2.	Narendra Basudeo Saraf (HUF)	Mr. Bhimjibhai Lalji Patel	47,550	3.16%
3.	Narendra Basudeo Saraf (HUF)	Mr. Rajesh Bhimjibhai Patel	22,950	1.53%

Sr. No.	Name of Seller(s)	Name of Acquirer(s)	No. of Shares	As % of Total Capital
4.	Mr. Rajendra Kumar B. Saraf	Mr. Rajesh Bhimjibhai Patel	64,300	4.28%
5.	Mr. Ashokkumar Basudeo Saraf	Mr. Rajesh Bhimjibhai Patel	59,100	3.93%
6.	Surendra Basudeo Saraf (HUF)	Mr. Rajesh Bhimjibhai Patel	25,150	1.67%
7.	Surendra Basudeo Saraf (HUF)	Mr. Umesh Panchan Patel	13,950	0.93%
8.	Mrs. Anjali Saraf	Mr. Umesh Panchan Patel	41,100	2.73%
9.	Rajendrakumar Basudeo Saraf (HUF)	Mr. Umesh Panchan Patel	69,600	4.63%
10.	Mrs. Lalita Saraf	Mr. Umesh Panchan Patel	32,500	2.16%
11.	Ashok Basudeo Saraf (HUF)	Mr. Umesh Panchan Patel	14,350	0.95%
12.	Ashok Basudeo Saraf (HUF)	Mr. Panchan Lalji Patel	16,950	1.13%
13.	Mr. Pratik Saraf	Mr. Panchan Lalji Patel	28,100	1.87%
14.	Mrs. Nirmala Saraf	Mr. Panchan Lalji Patel	6,400	0.43%
15.	Mrs. Nirmala Saraf	Mr. Kantilal Lalji Patel	33,250	2.21%
16.	Mrs. Gitadevi Saraf	Mr. Kantilal Lalji Patel	18,200	1.21%
17.	Mrs. Gitadevi Saraf	Mr. Shivkumar Lalji Patel	9,800	0.65%
18.	Mr. Nitin Saraf	Mr. Shivkumar Lalji Patel	32,050	2.13%
19.	Mr. Aditya Surendra Saraf	Mr. Shivkumar Lalji Patel	9,600	0.64%
20.	Mr. Aditya Surendra Saraf	Mr. Jitendra Panchan Patel	10,400	0.69%
21.	Mr. Deep Saraf	Mr. Jitendra Panchan Patel	20,800	1.38%
22.	Mr. Roshan Saraf	Mr. Jitendra Panchan Patel	18,400	1.22%
23.	Basudeo Saraf (HUF)	Mr. Jitendra Panchan Patel	1,850	0.12%
24.	Basudeo Saraf (HUF)	Mr. Jayesh Panchan Patel	8,150	0.54%
25.	Mr. Nitin Narendra Kumar Saraf	Mr. Jayesh Panchan Patel	1,300	0.09%
26.	Nitin Trust	Mr. Jayesh Panchan Patel	30,000	2.00%
27.	Aditya Trust	Mr. Jayesh Panchan Patel	12,000	0.80%
28.	Aditya Trust	Mr. Kartik Shivkumar Patel	5,500	0.37%
29.	Mrs. Anuradha Aditya Saraf	Mr. Kartik Shivkumar Patel	42,600	2.83%
30.	Mr. Roshan R Saraf	Mr. Kartik Shivkumar Patel	1,300	0.09%
31.	Roshan Trust	Mr. Kartik Shivkumar Patel	2,050	0.14%
32.	Roshan Trust	Mr. Dipesh Kantilal Patel	17,950	1.19%
33.	Pratik Trust	Mr. Dipesh Kantilal Patel	22,500	1.50%
34.	Mrs. Sunaina Saraf	Mr. Dipesh Kantilal Patel	11,000	0.73%
35.	Mrs. Sunaina Saraf	Mr. Jigar Shivkumar Patel	6,500	0.43%
	TOTAL		8,38,300	55.76%

3.1.6. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.7. The salient features of the SPA are as under:-

- The Sellers propose to sell 8,38,300 equity shares of Rs. 10/- each being 55.76% of equity shares, to the Acquirer.
- The negotiated price for the purpose of this agreement is Rs. 11.66/-only (rupees eleven and sixty six paise only) per equity shares aggregating to Rs.97,74,578/-(Rupees ninety seven lakhs

seventy four thousand five hundred and seventy eight only) which is arrived on the basis of negotiation.

- c. On compliance with the Regulation 22(2) of the Takeover Regulations by the Acquirer(s), the Sellers shall at the expiry of twenty one working days from the date of DPS deliver signed and duly executed share transfer deeds and delivery instruction slips as the case may be to the Acquirer(s). On receipt of the duly executed share transfer deeds and delivery instruction slips the Acquirer(s) shall pay the agreed consideration to the Sellers. Thereafter the Sellers shall assist the Acquirer(s) in taking over the management control of the Target Company.
- d. Subject to fulfillment of the requirements under the Takeover Regulations, including without limitations the obligation set forth in regulation 24(1) of the Takeover Regulations, the Acquirer(s) shall have right to appoint its nominees as Directors on the Board of the Company after a period of 15 working days from the date of the Detailed Public Statement and, upon exercise of such right by the Acquirer(s), the Sellers shall take prompt steps for appointment of the person nominated by the Acquirers as Director of the Company.
- e. After the expiry of period of 21 working days from the date of the Detailed Public Statement the Sellers shall ensure that the Bank accounts shall either be operated under the instructions of the Nominee Directors of the Acquirer(s) as appointed under article 5.9 of SPA, or closed down. The Sellers have furnished details of the Target Company's bank accounts. Further, the nominee directors of the Acquirer(s) shall be entitled to manage and look after the day-to-day management of the Target Company. The Sellers also agree to hand over all the statutory records, registers, books of accounts, documents, certificates, common seal and other papers to the Acquirer(s) as and when permitted under the Takeover Regulations. The Acquirer(s)' Directors will provide personal guarantees to Bankers of the Company and will co-operate to get released the personal guarantees of Sellers.
- f. There shall be non compete fees payable by the Acquirer(s) to the sellers for acquiring control of the Target Company.
- g. In the event of there arising any undisclosed liabilities over and above the liabilities disclosed to the Acquirer(s) or as disclosed in the Accounts of the Target Company for the year ended 31st March, 2014 and such liabilities arise out of an act of commission or omission of the Sellers or the Target Company prior to the transfer date, the Sellers shall indemnify and shall save keep harmless and indemnified the Target Company as also the Acquirer(s) or their associates from and against all actions, proceedings, demands, loss, claims, damages, costs, charges and expenses, which the Target Company or the Acquirer(s) may suffer or incur as a result of such liabilities.
- h. The sellers jointly and severally agree to indemnify the Acquirer(s) for any liability that may arise, if any, in future to the extent of Rs. 85.00 lac (Rupees eighty five lacs only) and any related costs, penalty, interest to the Acquirer(s) arising out of a case no. 27/2012/C dated April 24, 2012 under Central Excise Act 1944. The Acquirer(s) agree to provide assistance and cooperate during the proceedings of the abovementioned case.
- i. The directors of the seller company shall be responsible for any past non compliance including the non-compliance, non filing of documents (if any) under Companies Act, 1956 or Companies Act, 2013, Takeover Regulations as well as SEBI (SAST) Regulation 1997 and will indemnify Company and Acquirer(s)for the same.
- j. The Sellers shall provide and shall cause the Target Company to provide to the Acquirer(s) or their authorized representatives and advisers, full access to the Target Company its facilities, books, records and documents and provide all required materials, data and information necessary or as the Acquirer(s) may require to investigate any facts or matters for conducting due diligence of any facts, matters, information relating to the business, affairs operations or prospects of the Target Company.

- k. In the event, if the Acquirer fails to comply with the applicable provisions of the Takeover Regulations relating to the Open Offer, the SPA shall stand terminated and shall be null and void.
- 3.1.8. Apart from 8,38,300 (Eight lakh thirty eight thousand and three hundred only) equity shares which the Acquirer(s) propose to acquire through SPA; the Acquirer(s) do not hold any equity shares/voting rights of Target Company and thus the provisions of Chapter V of Takeover Regulations are not applicable to Acquirer(s).
- 3.1.9. As on the date of this DLOF, none of the directors of the Target Company represent the Acquirer(s).
- 3.1.10. The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued U/s 11B of SEBI Actor under any other Regulation under the SEBI Act.
- 3.1.11. There is no other consideration/compensation, in cash or kind, whether directly or indirectly is being given to the Sellers apart from the consideration as stated in Para 3.1.5 above.
- 3.1.12. The Acquirer(s) intend to complete the acquisition of shares and take control over the Target Company subsequent to expiry of twenty one working days from the date of Detailed Public Statement as per regulation 22(2) of Takeover Regulations and in accordance hereof.
- 3.1.13. The Acquirer(s) may appoint its nominees as Directors of the Target Company after a period of Fifteen working days from the date of Detailed Public Statement in accordance with Regulation 24(1) of Takeover Regulations. There are no person on the board of the Target Company, representing the Acquirer(s) as on the date of this Draft Letter Of Offer
- 3.1.14. As per regulation 26(6) of the Takeover Regulations, the Board of Directors of the Target Company is required to, upon receipt of the Detailed Public Statement, constitute a committee of independent directors to provide its reasoned recommendations on the Offer to the Eligible Shareholders. As per regulation 26(7) read with regulation 26(6) of the Takeover Regulations, the written reasoned recommendations of the committee of independent directors is required to be published by the Target Company at least (2) two Working Days prior to the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published and simultaneously, a copy of such recommendations needs to be sent to SEBI, the OTCEI and to the Manager to the Offer.

3.2. Details of the proposed Offer

- 3.2.1. The Public Announcement made on February 04, 2015 announcing the Offer is in compliance with regulation 3(1) and 4 of the Takeover Regulations pursuant to the direct acquisition of Equity Shares, voting rights of and control over the Target Company.
- 3.2.2. The Detailed Public Statement under Regulation 13(4) of the Takeover Regulations in respect of the Offer was published on February 11, 2015 in the following newspapers:

Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Lokshahi Vartha	Marathi	Nagpur
Apla Mahanagar	Marathi	Mumbai

Copy of Public Announcement and Detailed Public Statement have been submitted to the Stock Exchange and Target Company (The Public Announcement and the Detailed Public Statement are available on SEBI website at: www.sebi.gov.in)

- 3.2.3. The Offer is being made by the Acquirer(s) to all Public Shareholders of the Target Company in terms of regulation 3(1) and 4 of the Takeover Regulations. The date of opening of the Tendering Period for the Offer is April 01, 2015.

- 3.2.4. The Acquirer(s) are making the Offer to the Eligible Shareholders under the Takeover Regulations for Acquisition of up to the Offer Size i.e. 390,858 (three lakh ninety thousand eight hundred and fifty eight) fully paid-up Equity Shares representing 26 per cent of the total paid up Equity Shares of the Rs.10 each of the Target Company on a fully diluted basis as of the 10th (tenth) Working Day from the closure of the Tendering Period from the Eligible Shareholders at the Offer Price i.e. Rs.11.66 (Rupees eleven and sixty six paise only), payable in cash, subject to the terms and conditions mentioned in this Letter of Offer.
- 3.2.5. The Equity Shares are not frequently traded as per regulation 2(1) (j) of the Takeover Regulations. The Offer Price per offer share has been determined by the Acquirer(s) together with the Manager to the Offer in accordance with the provisions of the Takeover Regulations taking into account, inter alia, the valuation report dated February 12, 2015 issued by KPNB & Associates. Chartered Accountants (Firm Registration No. 136141W). The Offer Price will be paid in cash in accordance with regulation 9(1)(a) of the Takeover Regulations and subject to the terms and conditions mentioned in the Public Announcement, the Detailed Public Statement and the Letter of Offer.
- 3.2.6. The offer price remains same for any equity share & there is no differential pricing .
(Source: Annual Report of the Target Company for the Financial Year 2013-14)
- 3.2.7. This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19(1) of the Takeover Regulations. All Equity Shares validly tendered by the Eligible Shareholders pursuant to the Offer will be accepted at the Offer Price by the Acquirer(s), in accordance with the terms and conditions contained in the Detailed Public Statement and the Letter of Offer. In the event that the Equity Shares tendered in the Offer by the Eligible Shareholders are more than the Equity Shares to be acquired under the Offer, the acquisition of the Equity Shares from each Eligible Shareholder will be on a proportionate basis as detailed in this Draft Letter of Offer.
- 3.2.8. This Offer is not a competing offer under regulation 20 of the Takeover Regulations. To the knowledge of the Acquirer(s) and the Target Company, there has been no competing offer as on the date of this Draft Letter of Offer.
- 3.2.9. The Acquirer(s) may withdraw the Offer in accordance with the conditions specified in regulation 23 of the Takeover Regulations. In the event of such withdrawal, it shall be notified in accordance with regulation 23 of the Takeover Regulations by way of a public announcement in the same newspapers in which the Detailed Public Statement had appeared and simultaneously to, in writing, SEBI, the OTCEI and the Target Company at its registered office.
- 3.2.10. There is no agreement executed by the Acquirer(s) with any person or entity, in connection with this Offer. The entire shares proposed to be acquired under this Offer will be acquired by the Acquirer(s) and no other person or entity proposes to take part in the acquisition.
- 3.2.11. In the event of any further acquisition of Equity Shares during the Offer Period by the Acquirer(s), whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall be revised to the highest price paid or payable for any such acquisition.
- 3.2.12. The Offer Price is subject to revisions pursuant to the Takeover Regulations, if any, or at the discretion of the Acquirer(s) at any time prior to commencement of 3 (three) Working Days before the commencement of the Tendering Period in accordance with regulation 18(4) of the Takeover Regulations.
- 3.2.13. The Equity Shares of the Target Company are listed on the OTCEI. Under clause 40A of the Listing Agreement read with rule 19A of the SCRR, the Target Company is required to maintain at least 25 per cent public shareholding (i.e., Equity Shares held by the public), on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company reduces below the minimum level required under the Listing Agreement read with rule 19A of the SCRR, the Acquirer(s) hereby undertake to reduce the shareholding of the Acquirer(s) in the Target Company, within the period specified in the SCRR and Takeover Regulations, such that the Target Company

complies with the minimum public shareholding requirements prescribed in the Listing Agreement read with rule 19A of the SCRR.

3.2.14. The Acquirer(s) did not own any shares of the Target Company, as on date of the Public Announcement. The Acquirer(s) have not acquired any shares in the Target Company between the date of Public Announcement and the date of this Draft Letter of Offer.

3.3. Object of the Acquisition/Offer

3.3.1. The prime object of the Offer is substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.

3.3.2. The Acquirer(s) intend to make changes in the management of Target Company in accordance with the Takeover Regulations.

3.3.3. The Acquirer(s) propose to continue the existing business of the Target Company and may diversify its business activities with prior approval of the shareholders. The main purpose of takeover is to expand the Target Company's existing business activities in same line through exercising effective control over the Target Company.

3.3.4. The Acquirer(s) does not have any plans to dispose off or otherwise encumber any significant assets of Target Company in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer(s) undertake that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company

4. BACKGROUND OF THE ACQUIRER

4.1. The details of the Acquirers are as follows:

Name of Acquirer	Address	Telephone No.	Email Id	Net worth as on March 31, 2014 (Rs. in Lakhs)	Qualification	Experience
Mr. Bhimjibhai Lalji Patel	P. N. 61, A.V.G. Lay out, Satnami Nagar Chouk, Near KachChhi Oswal Bhawan, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	87.16	N.A.	More than 45 Years of experience in Timber industry
Mr. Rajesh Bhimjibhai Patel	Plot N.61, Near Kachchi Oswal Bhavan, Janki Bhavan A.V.G. Lay Out, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	66.18	Bachelor of Engineering	More than 20 Years of experience in manufacture of corrugated boxes
Mr. Umesh Panchan Patel	61, Janki Bhavan, Near Kachchi Visa Oswal Bhavan, A.V.G. Lay Out, Lakadganj, Bagadgunj, Nagpur, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	31.48	M.com Part-1	More than 12 Years of experience in accounting finance and related areas
Mr.	P. N. 61, Janki Bhavan	0712-	jankinagpur@gmail.com	57.57	N.A.	More than 40

Name of Acquirer	Address	Telephone No.	Email Id	Net worth as on March 31, 2014 (Rs. in Lakhs)	Qualification	Experience
Panchan Lalji Patel	Bhandara Road Near Kachcchi Oswal Bhawan, AVG Layout, Lakadganj, Nagpur – 440008.	2766006				Years of experience in Timber industry
Mr. Kantilal Lalji Patel	Plot N. 61, Janki Bhavan Kacchi Oswal Bhawan Road, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	64.25	N.A.	More than 35 Years of experience in Timber industry
Mr. Shivkumar Lalji Patel	P. N. 61, Janki Bhavan Near Kachcchi Oswal Bhawan, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	75.76	N.A.	More than 35 Years of experience in Timber industry
Mr. Jitendra Panchan Patel	61, Janki Bhavan, A.V.G. Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	42.56	12 th Pass	More than 15 Years of experience in timber processing and cut size manufacturing
Mr. Jayesh Panchan Patel	Plot N. 61, A.V.G. Layout, Janki Bhavan Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	41.54	B.com	More than 8 Years of experience in timber processing and related areas
Mr. Kartik Shivkumar Patel	P. N. 61, Janki Bhavan, A.V.G. Layout, Lakadganj, Near Kachi Visa Oswal Bhawan, AVG Layout, Lakadganj, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	25.57	S.S.C	More than 5 Years of experience in manufacturing corrugated boxes
Mr. Dipesh Kantilal Patel	P. N. 61, Janki Bhawan, Near Kachcchi Oswal Bhawan, Satnami, Nagar, Nagpur – 440008.	0712-2766006	jankinagpur@gmail.com	43.93	S.S.C	More than 5 Years of experience in timber processing and related areas
Mr. Jigar Shivkumar Patel	61, Janki Bhavan , Near Kacchi Visa Oswal Bhawan, AVG Layout Lakadganj, Nagpur Bagadgunj,	0712-2766006	jankinagpur@gmail.com	20.35	B. Arch (Pursuing)	Nil

Name of Acquirer	Address	Telephone No.	Email Id	Net worth as on March 31, 2014 (Rs. in Lakhs)	Qualification	Experience
	Nagpur – 440008.					

4.2. Acquirer(s) are all family / extended family members

4.3. The Net Worth of the all the above mentioned Acquirers have been certified by Mr. Ninad Nandgaonkar partner of M/s Jain Nandgaonkar & Shah, Chartered Accountants (FRN No. 126072W, Membership No: 106222), having office at 255/1, Rachana Surabhi, Block No. 301, SA Road, Laxmi Nagar Square, Nagpur - 440022, Tel. No. 07126648808, Email Id: ninad_nandgaonkar@rediffmail.com vide certificate dated January 19, 2015. The same will be available for inspection at the office of Manager to the Offer.

4.4. Apart from 8,38,300 (Eight Lakh Thirty Eight Thousand Three Hundred) fully paid up equity shares which the Acquirer(s) propose to acquire pursuant to SPA, the Acquirer(s) do not hold any equity shares/ voting rights of in the target company as on date of this DLOF and thus the provisions of Chapter V of the Takeover Regulations are not applicable.

4.5. The Acquirer(s) do not have any relationship and/or interest in the Target Company including with its Directors, Promoters & key employees. There are no persons on the Board of the Target Company, representing any of the Acquirer(s).

4.6. The Acquirer(s) have not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.

4.7. The Acquirer(s) are not holding directorship in any listed company. They are also not holding post of whole time directorship in any company.

4.8. The Acquirer(s) have not acquired any shares in the Target Company in past.

5. BACKGROUND OF THE TARGET COMPANY

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

5.1. The Target Company was incorporated under the provisions of the Companies Act, 1956 vide Certificate of Incorporation August 28, 1991, bearing registration no. 11 - 63114 in the name of Nice Papers Private Limited in Nagpur. Subsequently, the Company was converted into a public limited company vide fresh Certificate of Incorporation dated September 28, 1994 and consequently the name of the Company was changed to "Nice Papers Limited". The company came out with the Initial Public offering in the year 1995 on the OTC Exchange of India (OTCEI).

5.2. The registered Office of the Target Company is situated at Plot No. 21, IT Park, Gayatri Nagar, Nagpur – 440 022

5.3. The Target Company is engaged in the business of manufacturing of Kraft Papers. The plant of the Company is located at Survey No 138, Village Ghoghali, Taluka Kalmeshwar, District Nagpur is having capacity to manufacture 14,000 Tonnes per annum of M.G. Kraft Paper from waste paper in the range of 80 GSM to 200 GSM which mainly finds application in making of corrugated boxes, core for yarn, packaging and wrapping of various articles, base for decorative laminates, in manufacture of various types of papers like water proof paper and paper sacks for bulk packaging etc.

5.4. As on the date, the authorized share capital of the Target Company is Rs. 2,25,00,000/- (Rupees two crores twenty five lakhs only) divided into 22,50,000 (Twenty two lakh fifty thousand) equity shares of Rs 10/- (Rupees Ten Only) each. The issued, subscribed & paid up capital of the Target Company is Rs. 1,50,33,000

(Rupees one crore fifty lakh thirty three thousand only) divided into 15,03,300 (Fifteen lakh three thousand and three hundred) equity shares of Rs 10/- (Rupees Ten Only) each fully paid up.

- 5.5. The shares of the company are listed on OTCEI. Based on the information available from the OTCEI, the Equity Shares of the Target Company are not frequently traded on OTCEI within the meaning of Regulation 2(1) (j) of Takeover Regulations. As on date of this Draft Letter of Offer the Target Company of has been shifted to dissemination board of BSE Limited as per information available on website of OTCEI.
- 5.6. As on the date of this Draft Letter of Offer, there are no forfeited shares & no locked in shares. There are no outstanding convertible instruments in the nature of warrants/fully convertible debentures/partly convertible debentures etc. which are convertible into equity at any later date.
- 5.7. As on the date of this Draft Letter of Offer, the share capital of the Target Company is as given under:

Paid-up Equity Shares	No. of Shares/ Voting Rights	% of Shares/Voting Rights
Fully Paid-up Equity shares	15,03,300	100%
Partly Paid-up Equity shares	Nil	Nil
Total Paid-up Equity shares	15,03,300	100%
Total Voting Rights in the Company	15,03,300	100%

- 5.8. The composition of the Board of Directors of Target Company as on the date of Draft Letter of Offer is as follows:-

Name	Din No	Designation	Date of Appointment
Mr. Rajendra Kumar Basudeo Saraf	00326460	Whole Time Director	August 28, 1991
Mr. Aditya Surendra Kumar Saraf	00840126	Whole Time Director	July 01, 2001
Mr. Nilesh Virendra Jain	02776849	Director	July 31, 2009

Note: As on the date of the Draft Letter of Offer, there are no persons on the Board of Directors of the Target Company, representing any of the Acquirer(s).

- 5.9. There has been no merger / demerger or spin off involving Target Company during the last 3 years.
- 5.10. The Target Company has no subsidiary.
- 5.11. **Financial Information:**

Particulars	(Rs. In Lakhs)			
	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Six Month Ended September 30, 2014
	Audited	Audited	Audited	Unaudited
Income from Operations	3008.29	3105.94	3047.24	1755.86
Other Income	29.22	24.72	23.75	0.55
Total Income	3038	3131	3071	1756.41
Less: Total Expenditure	2943	3035	3020	1718.99
Profit/ (Loss) before Interest, Depreciation and Tax	94.45	95.68	51.12	37.42
Less: Depreciation	34.14	36.55	38.46	19.34
Less: Interest	40.15	41.36	50.36	23.47

Profit/ (Loss) before Tax	20.16	17.77	(37.69)	(5.39)
Less: Provision for Tax (including fringe benefit tax)	7.16	8.17	(2.10)	-
Exceptional Income	-	-	-	-
Profit/ (Loss) after tax	13.00	9.60	(35.59)	(5.39)

Balance Sheet

(Rs. In Lakhs)

Particulars	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Six Month Ended September 30, 2014
	Audited	Audited	Audited	Unaudited
Sources of funds				
Paid up share capital	150.33	150.33	150.33	150.33
Reserves & Surplus (excluding revaluation reserves)	34.39	44.00	8.41	8.06
Net Worth	184.72	194.33	158.74	158.39
Long Term Secured loans	10.50	3.23	-	-
Long Term Unsecured loans	-	-	-	-
Deferred Tax Liabilities	29.90	34.66	32.56	34.66
Other Long Term Liabilities	-	-	-	-
Total	225.12	232.22	191.30	193.05
Uses of funds				
Net Fixed Assets	362.85	369.64	391.10	365.73
Investments	1.45	1.45	1.45	1.45
Long Term Loans and Advance	41.41	41.65	29.25	17.20
Other Non Current Assets	-	-	-	-
Net Current Assets	(180.58)	(180.53)	(230.50)	(191.33)
Total	225.12	232.22	191.30	193.05

Other Financial Data

(In Rs)

Particulars	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended March 31, 2014	For the Six Month Ended September 30, 2014
	Audited	Audited	Audited	Unaudited
Dividend (%)	0.00	0.00	0.00	0.00
Earnings Per share (Rs.)	0.86	0.64	(2.37)	-
Return on Net worth (%)	7.04%	4.94%	-22.42%	-3.40%
Book Value Per Share (Rs.)	12.29	12.93	10.56	10.54

Note:

- (i) EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.
- (ii) Return on Net Worth = Profit after Tax / Net Worth

- (iii) Book Value per Share = Net Worth / No. of equity shares
(iv) Source: Annual Reports/ Limited Reviewed half yearly results.

5.12. Pre and Post-Offer shareholding pattern of the Target Company after the completion of the Offer Formalities (assuming full acceptances) is as per the following table:

Shareholders' Category	Share holding/voting rights Prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	A		B		C		D	
	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
1. Promoter Group								
(a) Parties to the Agreement								
Basudeo Saraf And Sons	81,100	5.39%	-81,100	-5.39%	-	-	0	0.00%
Narendra Basudeo Saraf (HUF)	70,500	4.69%	-70,500	-4.69%	-	-	0	0.00%
Shri Rajendra Kumar B. Saraf ⁽¹⁾	64,300	4.28%	-64,300	-4.28%	-	-	0	0.00%
Shri Ashokkumar Basudeo Saraf ⁽²⁾	59,100	3.93%	-59,100	-3.93%	-	-	0	0.00%
Surendra Basudeo Saraf (HUF)	39,100	2.60%	-39,100	-2.60%	-	-	0	0.00%
Smt. Anjali Saraf ⁽³⁾	41,100	2.73%	-41,100	-2.73%	-	-	0	0.00%
Rajendrakumar Basudeo Saraf (HUF)	69,600	4.63%	-69,600	-4.63%	-	-	0	0.00%
Smt. Lalita Saraf	32,500	2.16%	-32,500	-2.16%	-	-	0	0.00%
Ashok Basudeo Saraf (HUF) ⁽⁴⁾	31,300	2.08%	-31,300	-2.08%	-	-	0	0.00%
Shri Pratik Saraf	28,100	1.87%	-28,100	-1.87%	-	-	0	0.00%
Smt. Nirmala Saraf ⁽⁵⁾	39,650	2.64%	-39,650	-2.64%	-	-	0	0.00%
Smt. Geetadevi Saraf ⁽⁶⁾	28,000	1.86%	-28,000	-1.86%	-	-	0	0.00%
Shri Aditya	20,000	1.33%	-20,000	-1.33%	-	-	0	0.00%

Shareholders' Category	Share holding/voting rights Prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	A		B		C		D	
	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
Surendra Saraf								
Mr. Deep Saraf ⁽⁷⁾	20,800	1.38%	-20,800	-1.38%	-	-	0	0.00%
Shri Roshan Saraf ⁽⁸⁾	19,700	1.31%	-19,700	-1.31%	-	-	0	0.00%
Shri Nitin Narendra Kumar Saraf ⁽¹⁰⁾	33,350	2.22%	-33,350	-2.22%	-	-	0	0.00%
(b) Promoters Other than (a) above	-	-	-	0.00%	-	-		
Total 1 (a+b)	678,200	45.11%	-678,200	-45.11%	0	0.00%	0	0.00%
2. Acquirers								
Mr. Bhimjibhai Patel	-	-	1,28,650	8.56%	390,858	26.00%	1,229,158	81.76%
Mr. Rajesh Patel	-	-	1,71,500	11.41%				
Mr. Umesh Patel	-	-	1,71,500	11.41%				
Mr. Panchan Patel	-	-	51,450	3.42%				
Mr. Kantilal Patel	-	-	51,450	3.42%				
Mr. Shivkumar Patel	-	-	51,450	3.42%				
Mr. Jitendra Patel	-	-	51,450	3.42%				
Mr. Jayesh Patel	-	-	51,450	3.42%				
Mr. Kartik Patel	-	-	51,450	3.42%				
Mr. Dipesh Patel	-	-	51,450	3.42%				
Mr. Jigar Patel	-	-	6,500	0.43%				
Total 2	-	-	838,300	55.76%				
3. Parties to the agreement other than 1(a) & 2								
Basudeo Saraf (HUF) ⁽⁹⁾	10,000	0.67%	-10,000	-0.67%	-	-	0	0.00%
Nitin Trust ⁽¹¹⁾	30,000	2.00%	-30,000	-2.00%	-	-	0	0.00%

Shareholders' Category	Share holding/voting rights Prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	A		B		C		D	
	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
Aditya Trust ⁽¹¹⁾	17,500	1.16%	-17,500	-1.16%	-	-	0	0.00%
Smt. Anuradha Aditya Saraf	42,600	2.83%	-42,600	-2.83%	-	-	0	0.00%
Roshan Trust ⁽¹¹⁾	20,000	1.33%	-20,000	-1.33%	-	-	0	0.00%
Pratik Trust ⁽¹¹⁾	22,500	1.50%	-22,500	-1.50%	-	-	0	0.00%
Smt. Sunaina Saraf	17,500	1.16%	-17,500	-1.16%	-	-	0	0.00%
Total 3	160,100	10.65%	-160,100	-10.65%	-	-	0	0.00%
4. Public (other than Parties to Agreement and Acquirers)								
(a) FIs/ MFs / FIIIs / Banks / SFIs (Indicate names)	-	-	-	-	-	-	-	-
(b) Others:	6,65,000	44.24%	-	-	-390,858	-26.00%	274,142	18.24%
Total 4 (a+b)	6,65,000	44.24%	0	0.00%	-390,858	-26.00%	274,142	18.24%
Grand Total (1+2+3+4)	1,503,300	100.00%	0	0.00%	0	0.00%	1,503,300	100.00%

Notes:

- (1) 800 shares held by Mr. Rajendra Kumar B Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (2) 1600 shares held by Mr. Ashokkumar Basudeo Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (3) 2100 shares held by Mrs. Anjali Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (4) 1300 shares held by Ashok Basudeo Saraf (HUF) have not been disclosed as part Promoter group in the shareholding pattern.
- (5) 1600 shares held by Mrs. Nirmala Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (6) 1500 shares held by Mrs. Geetadevi Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (7) 800 shares held by Mr. Deep Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (8) 1300 shares held by Mr. Roshan Saraf have not been disclosed as part Promoter group in the shareholding pattern.

- (9) Falls within the definition of Promoter group as defined in SEBI (ICDR) regulations, 2009 and not disclosed as part Promoter group in the shareholding pattern. Basudeo Saraf and Sons and Basudeo Saraf (HUF), refer to the same entity.
- (10) 1300 shares held by Mr. Nitin Narendra Kumar Saraf have not been disclosed as part Promoter group in the shareholding pattern.
- (11) Entities controlled by Promoter group and not disclosed as part Promoter group in the shareholding pattern.
- 5.13. During the last 10 years the Promoters of the Target Company and the Target Company have not complied with provisions of Chapter II of Takeover Regulations, 1997
- 5.14. Further the Promoters of the Target Company have also not complied with Regulation 30(2) of the Takeover Regulations for the financial year ended 31st March 2012 to 31st March 2014
- 5.15. SEBI may initiate appropriate action against the Target Company and promoter / promoters group for any violations of Takeover Regulations at a later date

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

- 6.1.1. The equity shares of the Target Company are listed at OTCEI. The Target Company of has been shifted to dissemination board of BSE Limited as per information available on website of OTCEI. The marketable lot for equity shares is 1 (One) equity share. The acquisition of shares is direct acquisition as per the regulation 3(1) & 4 of the Takeover Regulations
- 6.1.2. The annualized trading turnover based on the trading volume of the Equity Shares of the Target Company on the OTCEI during February 1, 2014 to January 31, 2015 (i.e. 12 (twelve) calendar months preceding the month in which the PA is issued) is Nil
- 6.1.3. Therefore, the equity shares of the Target Company are not frequently traded within the meaning of the meaning of definition “frequently traded shares” under regulation 2(1)(j) of the Takeover Regulations.
- 6.1.4. The Offer Price has been determined taking into account the parameters as set out under Regulation 8 (2) of the Takeover Regulations as under:

Sr. No	Particulars	Price (In Rs. Per share)
1.	Negotiated Price under the SPA	11.66
2.	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA.	Not Applicable
3.	Highest price paid or payable for acquisitions by the Acquirers during 26 weeks immediately	Not Applicable
4.	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5.	Fair Value per Equity Share as determined taking into account, inter alia valuation report dated February 2, 2015 issued by CA Vinay Baldota (Membership No. 109997, Partner M/s. KPNB & Associates, Chartered Accountants, (Firm Registration No. 136141W) in accordance with the provisions of regulation 8(2) of the Takeover Regulations	Rs. 11.66

- 6.1.5. Based on the above, in the opinion of the Acquirer(s) and Manager to the Offer, the Offer Price of Rs.11.66 /- (Rupee Eleven and Sixty Seven Paise only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the Takeover Regulations.
- 6.1.6. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under regulation 8(9) of the Takeover Regulations.
- 6.1.7. The Acquirer(s) shall disclose during the Tendering Period every acquisition made by them of any Equity Shares of the Target Company to the Stock Exchanges and to the Target Company at its registered office within twenty- four hours of such acquisition in accordance with regulation 18(6) of the Takeover Regulations.
- 6.1.8. Irrespective of whether a competing offer has been made, the Acquirer(s) may make upward revisions to the Offer Price, and subject to the other provisions of these regulations, to the number of shares sought to be acquired under the Offer, at any time prior to the commencement of the last 3 (three) Working Days of opening of the Tendering Period i.e. up to March 26, 2015.
- 6.1.9. If the Acquirer(s) acquires or agrees to acquire any shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price (“Acquisition Price”), the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of the Takeover Regulations. No such acquisition shall, however, be made after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period. In case of revision in the Offer Price and/or number of Equity Shares sought to be acquired under the Offer, equity shareholders would be notified.
- 6.1.10. If the Acquirer(s) acquires Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer(s) shall pay the difference between the Acquisition Price and the Offer Price, to all equity shareholders whose Equity Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition in terms of regulation 8(10) of the Takeover Regulations. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the Takeover Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges and not being negotiated acquisition of shares of the Target Company in any form.
- 6.2. Financial Arrangements**
- 6.2.1. The total fund requirement for the acquisition of 3,90,858 equity shares (assuming full acceptance of the Offer), being 26% of the issued, subscribed and paid up equity share capital of and voting rights in Target Company at Rs. 11.66/- (Rupees eleven and sixty six paise only) per share is Rs. 45,57,404.28 (Rupees forty five lakhs fifty seven thousand four hundred and four and twenty eight paise only).
- 6.2.2. The Acquirer(s) have made firm financial arrangements for fulfilling the payment obligations under this offer out of personal savings and business income and the Acquirer(s) are able to implement this offer.
- 6.2.3. The Acquirer(s) has given an undertaking to the Manager to meet its financial obligations under the Offer.
- 6.2.4. Acquirer(s) have entered into an escrow agreement with Indusind Bank Limited (“Escrow Agent”) having its registered office at 2401, General Thimmayya Road, Contonment, Pune – 411 001 and the Manager (“Open Offer Escrow Agreement”) pursuant to which Acquirer(s) have deposited cash aggregating Rs. 45,60,000/- (Rupees forty five lakhs sixty thousand only), being more than 100% (One Hundred per cent) of the total Consideration payable under the Offer assuming full acceptance at the aforesaid Offer Price, in accordance with regulation 17(3) read with Regulation 22(2) of the Takeover Regulations
- 6.2.5. The Acquirer(s) confirm that the funds lying in the above mentioned Escrow Account will be utilized exclusively for the purpose of the Offer. Further, the Manager has been empowered to operate the Escrow Accounts in compliance with regulation 17 of the Takeover Regulations.

- 6.2.6. In case of any upward revision in the Offer Price or the Offer Size, the Escrow Amount shall be increased by the Acquirer(s) prior to effecting such revision, in terms of regulation 17(2) of the Takeover Regulations.
- 6.2.7. In terms of Regulation 22(2) of the Takeover Regulations, the Acquirer(s) may, after the expiry of 21 (twenty one) working days from date of this DPS, subject to fulfillment of conditions as detailed in 3.1 (Background of the Offer), complete the acquisition of Shares acquired pursuant to the Share Purchase Agreement.
- 6.2.8. Mr. Ninad Nandgaonkar, Partner Jain Nandgaonkar & Shah, Chartered Accountants (FRN No. 126072W, Membership No: 106222) having office at 255/1, Rachana Surabhi, Block No 301, SA Road, Laxmi Nagar Square, Nagpur 440022, Tel No 0712 6648808 has verified vide his certificate dated January 19, 2015 that the Acquirer(s) have adequate financial resources to fulfill the obligations of the Open Offer and firm financial arrangements are made out of personal savings and business income.
- 6.2.9. Based on the above, the Manager to the Offer is satisfied with the ability of the Acquirer(s) to implement this Offer in accordance with the Takeover Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational Terms and Conditions

- 7.1.1. In terms of the schedule of activities, the Tendering Period for the Offer will commence on April 1, 2015 and is expected to close on April 17, 2015.
- 7.1.2. The Equity Shares offered under this Offer shall be free from all liens, charges, equitable interests and encumbrances and are to be offered together with all rights in respect of dividends or bonuses, if any, declared hereafter.
- 7.1.3. This is not a conditional Offer and is not subject to any minimum level of acceptance.
- 7.1.4. The Identified Date for this Offer as per the schedule of activities is March 18, 2015.
- 7.1.5. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one) only.
- 7.1.6. In terms of regulation 18(9) of the Takeover Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 7.1.7. There are no Equity Shares in the Target Company that are locked-in under any applicable law.

7.2. Eligibility for accepting the Offer

- 7.2.1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of member of the Target Company as on March 18, 2015. (the "Identified Date").
- 7.2.2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer.
- 7.2.3. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance cum Acknowledgement will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance cum Acknowledgement from SEBI's website.
- 7.2.4. The acceptance of this Offer by Public Shareholders must be unconditional, absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

- 7.2.5. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
- 7.2.6. None of the Acquirer(s), the Manager to the Offer or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, Offer Acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.2.7. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer(s) in consultation with the Manager to the Offer.
- 7.2.8. The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgement constitute an integral part of the terms of the Offer.

7.3. Statutory and Other approvals

- 7.3.1. To the best of the knowledge of the Acquirer(s) there are no statutory approvals required to complete the acquisition of the Offer shares. If any statutory approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such statutory approval.
- 7.3.2. Shareholders of the Target Company who are either non-resident Indians (“NRIs”) or overseas corporate bodies (“OCBs”) and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India (“RBI”) approvals (specific and general) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer(s) reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer(s) from NRIs and OCBs.
- 7.3.3. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer(s) shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 7.3.4. In case of non-receipt of statutory approvals within time, SEBI has the power to grant extension of time to Acquirer(s) for payment of consideration to shareholders subject to Acquirer(s) agreeing to pay interest or penalty as may be directed by SEBI.
- 7.3.5. There are no conditions in SPA, meeting of which are outside the reasonable control of Acquirer(s) and in view of which the offer might be withdrawn under regulation 23 of the Takeover Regulation, 2011.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. For the purpose of the Offer, the Registrar to the Offer has opened the Open Offer escrow demat account in the name and style of “BSPL ESCROW A/C-NPL OPEN OFFER” (“Open Offer Escrow Demat Account”) with HDFC Bank Ltd as the Depository Participant in NSDL. The DP ID is IN301549 and the Client ID is 51353189.
- 8.2. The Offer is made to the Public Shareholders as defined in this Letter of Offer. While the Letter of Offer shall be dispatched to the Public Shareholders of the Target Company whose name appears in the register of members as at the Identified Date, all Public Shareholders of the Target Company may tender their Equity Shares in the Offer. Accordingly, all Public Shareholders, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered, are Persons Eligible to participate in this Offer at any time during the Tendering Period. No indemnity is needed from unregistered Public Shareholders.
- 8.3. The Public Shareholders who qualify and who wish to participate in this Offer will have to deliver the relevant documents as mentioned below and such other documents as specified in the Letter of Offer at the Registrar to the Offer’s office or at the following collection centre, either by hand delivery or by

registered post between 10.00 a.m. and 4.00 p.m. on any Working Day during the Tendering Period. **The Acceptance cum Acknowledgement along with relevant document should not be sent to the Manager, the Acquirer(s) and the Target Company.**

Collection Centre	Address	Contact Person	Tel No. Fax, Email Id	Mode of Delivery
Bigshare Services Private Limited Mumbai	E/2, Ansa Industrial Estate Saki Vihar Road Saki Naka Andheri (East), Mumbai 400 072	Mr. Vipin Gupta	Tel: +91-22-40430200 Fax: +91-22-28475207 Email: openoffer@bigshareonline.com	Hand Delivery/ Registered Post

- 8.4. Any person who has acquired Equity Shares of the Target (irrespective of the date of purchase) but whose name does not appear in the register of members of the Target Company on the Identified Date, or any Public Shareholder who has not received the Letter of Offer, may also participate in this Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their agreement to participate in this Offer as per the terms and conditions of this Offer. Alternatively, such shareholders, if they so desire, may apply on the Form of Acceptance cum Acknowledgement downloaded from the SEBI website, www.sebi.gov.in. No indemnity is needed from unregistered shareholders. Such application should be sent to the Registrar to the Offer together with the relevant share certificate(s) and transfer forms (if the Equity Shares are held in physical form) or a photocopy of the DP instruction slip duly acknowledged by the DP (in the case of Equity Shares held in dematerialized form) in “off-market” mode, the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and/or such other documents as specified in the Letter of Offer.
- 8.5. Acquirer(s) are unable to make the payment to the equity shareholders who have accepted the Offer within 10 working days from the date of closure of the tendering period, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirer(s) or the failure of the Acquirer(s) to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer(s) agreeing to pay interest to the equity shareholders for delay beyond 10 working days, as may be specified by SEBI from time to time. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.
- 8.6. Public Shareholders holding Equity Shares in dematerialized form shall deliver the following documents:
- (i) Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the depository;
 - (ii) A photocopy of the delivery instruction slip in “off-market” mode or counterfoil of the delivery instruction slip in “off-market” mode, duly acknowledged by the relevant DP;
 - (iii) For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgment. The Public Shareholders having their beneficiary account in CDSL must use an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the escrow depository account with NSDL. The ISIN number allotted to the Equity Shares is INE522E01017. The Public Shareholders who have sent their Equity Shares held in physical form for dematerialization need to ensure that the dematerialization process is completed in sufficient time so that the credit in the Open Offer Escrow Demat Account is received on or before closure of the Offer; and
 - (iv) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable.

In case the aforesaid documents have not been tendered but the Equity Shares have been transferred to the Open Offer Escrow Demat Account, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

8.7. Public Shareholders holding the Equity Shares in physical form shall deliver the following documents:

- (i) Form of Acceptance cum Acknowledgement, duly completed and signed in accordance with the instructions contained therein by all Public Shareholders whose name appears on the share certificates;
- (ii) Original share certificates;
- (iii) Valid transfer forms duly signed by the transferors by all registered Public Shareholders in same order and as per the specimen signatures registered with and duly witnessed at the appropriate place;
- (iv) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable; and
- (v) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed.

In case the aforesaid documents have not been tendered but the original share certificates and valid transfer forms, duly signed, have been tendered, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

8.8. When tendering their Equity Shares in the Offer, Public Shareholders may select an option to receive the payment of Offer consideration through electronic means by indicating in the space provided in the Form of Acceptance cum Acknowledgement. The payment consideration for Equity Shares accepted under the Offer, in such cases, may be made through NECS, Direct Credit, RTGS or NEFT, as applicable, at specified centers where clearing houses are managed by the RBI, wherever possible. In other cases, payment of consideration would be made through demand draft or pay order sent by registered post or speed post. Public Shareholders who opt to receive consideration through electronic means are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance cum Acknowledgement, provide the Magnetic Ink Character Recognition (MICR) or Indian Financial System Code (IFSC) of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance cum acknowledgement. In case of joint holders or unregistered owners, payments will be made in the name of the first holder or unregistered owner respectively.

8.9. For the purposes of electronic transfer, in case of Public Shareholders opting for electronic payment of Offer consideration and for the purposes of printing on the demand draft or pay-order for the other cases, the bank account details will be taken directly from the Depositories' database, wherever possible. A Public Shareholder tendering Equity Shares in the Offer is deemed to have given consent to obtain the bank account details from the Depositories for this purpose. Only if the required details cannot be obtained from the Depositories' database, the particulars provided by the Public Shareholders will be used.

8.10. For Public Shareholders who do not opt for electronic mode of transfer and for those Public Shareholders whose payment consideration is rejected or not credited through NECS, direct credit, RTGS or NEFT (as applicable) due to any technical errors or incomplete or incorrect bank account details, payment consideration will be dispatched through speed post or registered post. Such payment consideration will be made by pay orders or demand drafts payable at par at places where the address of the Public Shareholder is registered. It is advised that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that the same can be incorporated in the cheque or demand draft or pay order. It will be the responsibility of the tendering Public Shareholders to ensure that correct bank

account details are mentioned with the Depositories and in the Form of Acceptance cum Acknowledgment.

- 8.11. The Registrar to the Offer will hold in trust the Equity Shares or share certificates as the case may be, Equity Shares held in credit of the Open Offer Escrow Demat Account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the Public Shareholders of the Target Company who have accepted the Offer, until the drafts or pay order for the Offer consideration or the unaccepted Equity Shares or share certificates as the case may be, are dispatched or returned vide registered post or payment of consideration has been made through electronic modes.
- 8.12. In case of rejection of Equity Shares tendered for any reason, the unaccepted original share certificates, transfer forms and other documents, if any, will be returned by registered post at the Public Shareholder's or unregistered holder's, as the case may be, sole risk as per the details provided in the Form of Acceptance cum Acknowledgement. Equity Shares held in dematerialized form, to the extent not accepted, will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner(s) in the form of acceptance cum acknowledgement.

8.13. COMPLIANCE WITH TAX REQUIREMENTS

A. GENERAL

- 8.13.1. As per the provisions of Section 195(1) of the Income-tax Act, 1961 (IT Act), any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). The consideration payable to the non-resident Public Shareholders for Shares accepted in the Offer may be chargeable to tax in India either as capital gains under Section 45 of the IT Act or as business profits, depending on the facts and circumstances in respect of such Public Shareholder. The Acquirer(s) are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the IT Act on such capital gains/business profits subject to benefit available to such Public Shareholder under the applicable Double Taxation Avoidance Agreement.
- 8.13.2. Resident and non-resident Shareholders (including FPIs) are required to submit their Permanent Account Number ("PAN") for income-tax purposes. In case a PAN is not submitted or is invalid or does not belong to the Shareholder, the Acquirer(s) will arrange to deduct tax at the rate of 20 per cent (twenty percent) or at the rate in force or at the rate specified in the relevant provisions of the IT Act, whichever is higher.
- 8.13.3. In case of ambiguity, incomplete or conflicting information or the information (including any additional information or documents which may be requested by the Acquirer(s) from a Shareholder for ascertaining the taxes to be deducted) not being provided to the Acquirer(s), it would be assumed that the Shareholder is a non-resident Shareholder and taxes shall be deducted at the maximum rate as may be applicable to the relevant category to which the Shareholder belongs under the IT Act, on the entire consideration and interest if any, payable to such Shareholder.
- 8.13.4. The payment of any interest by the Acquirer(s) to a resident / non-resident Public Shareholder may be chargeable to tax, as interest income under the IT Act. The Acquirer(s) is required to deduct tax at source at the applicable rate under Section 194A/195 of the IT Act on such interest (paid for delay in payment of Offer Price, if any).
- 8.13.5. Based on the documents and information submitted by the public shareholders, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer(s).
- 8.13.6. Taxes once deducted will not be refunded by the Acquirer(s) under any circumstances.
- 8.13.7. The Acquirer(s) shall deduct tax (if required) as per the information provided and representation made by the Public Shareholders. In the event of any income tax demand (including interest,

penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Public Shareholders, such Public Shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirer(s) with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

- 8.13.8. All Public Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action for them. The Acquirer(s) and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of any advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.
- 8.13.9. In the event the Acquirer(s) on the basis of any misrepresentation, inaccuracy or omission of information provided by a Public Shareholder, fail to withhold or deduct the required tax, and as a result of such failure the Acquirer(s) are called upon by the tax authorities (by way of a show cause notice, demand notice or otherwise) for recovery of the shortfall in the taxes withheld or deducted by the Acquirer(s), the Acquirer(s) shall be entitled to seek indemnification from such Public Shareholder towards any payments made by the Acquirer(s) to the tax authorities towards such shortfall, together with any interest, penalties, costs and expenses payable or incurred or to be incurred by the Acquirer(s) in connection therewith.
- 8.13.10. Any Shareholder claiming benefit under any Double Taxation Avoidance Agreement (“DTAA”) between India and any other foreign country should furnish ‘Tax Residence Certificate’ provided to him /it by the income tax authority of such other foreign country of which he/it claims to be a tax resident along with a self declaration in Form 10F as prescribed under Rule 21AB of the Income Tax Rules, 1962.
- 8.13.11. All Non-Resident Shareholders, who desire that no tax should be deducted at source or tax should be deducted at lower rate or on lesser amount, shall be required to submit certificate from the income tax authorities under Section 195(3) of the Income Tax Act or Section 197 of the Income Tax Act, as applicable along with the Form of Acceptance-cum-Acknowledgement indicating the extent to which the tax is required to be deducted at source by the Acquirer(s) before remitting the consideration to the Shareholders whose Equity Shares have been validly accepted in this Offer. The Acquirer(s) will arrange to deduct taxes at source in accordance with such certificate. In absence of such certificate under Section 195(3) or 197, 12 below will apply.
- 8.13.12. In absence of such certificate, the Acquirer(s) will arrange to deduct tax at the applicable rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act, on the entire gross consideration and interest if any, payable to such Shareholder
- 8.13.13. In case of an individual Non-Resident Shareholder, who is either a citizen of India or a person of Indian origin, who has himself/herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under this Offer, the applicable rate of tax deduction at source would be 10% plus applicable surcharge and cess on the entire gross consideration paid to such Shareholder. However, to be eligible for this lower rate of tax deduction at source, the Shareholder will have to furnish a copy of his/her demat account statement clearly reflecting the fact that Equity Shares held in that account are in repatriable mode. Further, the copy of the demat account statement should also reflect that the Equity Shares were held for more than 12 months prior to the date on which the Equity Shares, if any, are validly accepted under this Offer.

B. Tax to be deducted in case of resident Shareholders

- 8.13.14. In the absence of any specific provision under law, the Acquirer(s) will not deduct tax on the consideration payable to resident Shareholders in respect of gains arising on transfer of Equity Shares under this Offer.

- 8.13.15. The Acquirer(s) will deduct the tax at the stipulated rates (including surcharge and education cess, if applicable) on interest, if any, payable to resident Shareholders, if the amount of interest payable is in excess of INR 5,000/- (Indian Rupees five thousand only).
- 8.13.16. The resident Shareholder claiming no tax to be deducted or tax to be deducted at a lower rate on interest amount, should submit along with the Form of Acceptance a No Objection Certificate (“NOC”) or Tax Clearance Certificate (“TCC”) from the tax authorities indicating the amount of tax to be deducted by the Acquirer or, in the case of resident Shareholder not being a company or firm, a self-declaration in form 15G or form 15H, as may be applicable. The self-declaration in form 15G or form 15H would not be valid unless the resident Shareholder furnishes copy of the Permanent Account Number (PAN) card in such declaration. In case the aforesaid NOC or TCC or form 15G or 15H, if applicable, is not submitted, the Acquirer(s) will arrange to deduct tax at the stipulated rate (including surcharge and education cess, if applicable) on interest, if any, payable to resident Shareholders, if the amount of interest payable is in excess of INR 5,000/-(Indian Rupees five thousand only). Also, no tax is to be deducted on the interest amount in the case of resident Shareholder being a mutual fund as per Section 10(23D) of the IT Act or a bank or an entity specified under Section 194A(3)(iii) of the IT Act if it submits a copy of the relevant registration or notification along with the Form of Acceptance

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Office of the Manager to the Offer, **Pantomath Capital Advisors Private Limited**, address 108, Madhava Premises Bandra Kurla Complex, Bandra East Mumbai – 400 051 from 10.00 hours to 17.00 hours on any working day, except Sundays and Holidays from the date of opening of the Offer until the closure of the Offer:

- 9.1. Certificate of Incorporation, Memorandum & Articles of Association of Target Company.
- 9.2. Audited Annual Reports for the financial years ended March 31 2012, March 31, 2013 and March 31, 2014.
- 9.3. Net worth Certificate from CA Ninad Nandgaonkar (Membership No. 106222) partner of M/s Jain Nandgaonkar & Shah Co., Chartered Accountants (FRN No. 126072W) having its Office at 255/1 Rachana Surbhi Block No. 301, South Ambazari Road, Laxmi Nagar Square, Nagpur 440022, Tel No. 0712 6648808, Email Id: ninad_nandgaonkar@rediffmail.com dated on January 19, 2015 certifying net worth of Acquirers as on March 31, 2014..
- 9.4. Certificate from CA Ninad Nandgaonkar (Membership No. 106222) partner of M/s Jain Nandgaonkar & Shah Co., Chartered Accountants (FRN No. 126072W) having its Office at 255/1 Rachana Surbhi Block No. 301, South Ambazari Road, Laxmi Nagar Square, Nagpur 440022,, Tel No. 0712 6648808, Email Id: ninad_nandgaonkar@rediffmail.com dated on January 19, 2015 certifying that the Acquirer(s) have adequate financial resources available for meeting its obligations under the offer in full as per Regulation 25(1) and 27(1)(b) of SEBI (SAST) Regulations, 2011.
- 9.5. Copy of MOU between Registrar to the Offer i.e. M/s Bigshare Services Private Limited & Acquirer(s).
- 9.6. A letter from Indusind Bank confirming the amount kept in Escrow account.
- 9.7. Copy of Share Purchase Agreement between the Acquirer(s) and the Sellers dated February 04, 2015 for acquisition of 8,38,300 equity shares, which triggered the Offer.
- 9.8. Copy of Public Announcement filled with SEBI and Stock Exchange(s) as on February 04, 2015
- 9.9. Published copy of Detailed Public Statement which appeared in the newspapers on February 11, 2015.
- 9.10. Copy of the recommendations dated [●] made by the Committee of Independent Directors of the Target Company.
- 9.11. Copy of the letter number [●] from SEBI dated [●] containing its comments on the Draft Letter of Offer;

9.12. A copy of valuation report dated February 2, 2015 issued by M/s KPNB & Associates, Chartered Accountants, recommending the fair value of equity shares of the Target Company.

10. DECLARATION

- 1.1. The Acquirer(s) having made all reasonable inquiries, accept responsibility for, and confirm that this Draft Letter of Offer contains all information with regard to the Offer, which is material in the context of the Offer, that the information contained in this Draft Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. All information contained in this document is as on date of the Draft Letter of Offer, unless stated otherwise.
- 1.2. The Acquirer(s) accept full responsibility for their obligations under the Offer and shall be jointly and severally responsible for the fulfillment of obligations under the Takeover Regulations in respect of this Offer.

For and on behalf of the Acquirer(s)

Sd/- Mr. Bhimjibhai Lalji Patel	Sd/- Mr. Rajesh Bhimjibhai Patel
Sd/- Mr. Umesh Panchan Patel	Sd/- Mr. Panchan Lalji Patel
Sd/- Mr. Kantilal Lalji Patel	Sd/- Mr. Shivkumar Lalji Patel
Sd/- Mr. Jitendra Panchan Patel	Sd/- Mr. Jayesh Panchan Patel
Sd/- Mr. Kartik Shivkumar Patel	Sd/- Mr. Dipesh Kantilal Patel
Sd/- Mr. Jigar Shivkumar Patel	

Place: Mumbai
Date: February 20, 2015

Enclosures:

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s)