DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of ***M/S Jattashankar Industries Limited.*** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the 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

Pursuant to Regulations 3(2) and other applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

BY

MR. JATTASHANKAR PODDAR, (Acquirer-1)
having the residential address at
11, Parasrampuria Apartment, Gokuldham, Gen.A.K.Vaidya Marg, Goregaon (E), Mumbai- 400063. Tel. No. 022-2841 4262
Fax No. 022-2841 4269; Email: jsp@sunrisecolours.com

AND

MR. SHARAD PODDAR, (Acquirer-2)
having the residential address at 12, Parasrampuria Apartment, Gokuldham, Gen.A.K.Vaidya Marg, Goregaon (E), Mumbai- 400063 Tel. No. 022-2841 4262; Fax No. 022-28410 4269
Email: sharad@sunrisecolours.com

(Hereinafter collectively referred as "Acquirers")

TO THE SHAREHOLDERS OF M/S JATTASHANKAR INDUSTRIES LIMITED

(Hereinafter referred as "JSIL" or "the Target Company" or "TC" or "the Company")

Having the Registered Office at 11, Parasrampuria Apartment, Gokuldham, Gen.A.K.Vaidya Marg, Goregaon (E), Mumbai- 400063. Phone No. 022-2841 4262/ 4264/ 4266, Fax No. : 022-2841 4269; Email id: info@jsil.com; website : www.jsil.in

TO ACQUIRE

Up to 11,40,646 Fully Paid-up Equity Shares of Rs. 10/- each, representing in aggregate 26% of the Issued, Subscribed, Paid up and Voting Equity Share Capital of JSIL, for cash, at a price of **Rs. 3/-** (**Three Only)** per Fully Paid-up Equity Share **("Offer Price")**.

1. This Offer is being made pursuant to the Regulations 3(2) of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. **This offer is not a competing offer**
4. As on the date of this DLOF, to the best of the knowledge of the Acquirers, there are no statutory or other approvals which are required to make this Offer. However, in case of any regulatory or statutory or other approval being required at a later date before the closure of the Tendering Period, the Offer shall be subject to all such approvals and the Acquirers shall make the necessary application for such approvals
5. **There has been no competing offer or revision of Offer Price as on date of this Letter of Offer.**

6. Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.

7. If there is any upward revision in the Offer Price by the Acquirers at any time prior to commencement of the last three working days before the commencement of the tendering period viz., Monday 3rd February 2014 you will be informed by way of another Announcement in the same newspapers in which the Detailed Public Statement pursuant to Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.
8. A copy of the Public Announcement, Detailed Public Statement and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) are also available on SEBI's Website: www.sebi.gov.in.

9. All correspondence relating to this offer, if any, should be addressed to the Registrar to the Offer, viz **Sharex Dynamic (India) Pvt. Ltd.**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Comfort Securities Limited SEBI Registration No. INM000011328 A-301, Hetal Arch, S V Road, Malad (W), Mumbai - 400064. Tel. No: +91-22-28449765/28449766 Fax No. +91-22-28892527 Contact Person: Ms. Mayuri Thakkar Email: mbdivision@comfortsecurities.co.in Website: www.comfortsecurities.co.in	**SHAREX DYNAMIC (INDIA) PVT. LTD.** **SEBI Registration No. INR000002102** **Unit-1, Luthra Industrial Premises, 1st floor,** **44-E M Vasanti Marg, Andheri-Kurla Road,** **Safed Pool, Andheri (E), Mumbai - 400072.** **Tel. No. 022-2851 5606 / 44 / 6338** **Fax no.: 022 - 2851 2885** **Contact Person : Mr. B. S. Baliga** **Email: sharexindia@vsnl.com** **Website : www.sharexindia.com**
OFFER OPENS ON: FRIDAY, 7TH FEBRUARY 2014	**OFFER CLOSES ON: FRIDAY, 21ST FEBRUARY 2014**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Date	Day
1	Date of Public Announcement	18.12.2013	Wednesday
2	Opening of Escrow Account	20.12.2013	Friday
3	Publication of Detailed Public Statement (DPS) in newspapers	24.12.2013	Tuesday
4	Submission of Detailed Public Statement to BSE, ASE, DSE, MSE, Target Company & SEBI	26.12.2013	Thursday
5	Filing of Draft Offer Document with SEBI along with soft copies of Public Announcement and Detailed Public Statement	01.01.2014	Wednesday
6	Last Date for a competing Offer	16.01.2014	Thursday
7	Receipt of Comments from SEBI on Draft Letter of Offer	22.01.2014	Wednesday
8	Identified Date*	24.01.2014	Friday
9	Date by which Letter of Offer will be dispatched to the Shareholders	31.01.2014	Friday
10	Last date for revising the Offer Price	03.02.2014	Monday
11	Last date by which Board of Target Company shall give its recommendations	31.01.2014	Friday
12	Advertisement of Schedule of activities for open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	05.02.2014	Wednesday
13	Date of Commencement of tendering period (Offer Opening Date)	07.02.2014	Friday
14	Date of Expiry of tendering period (Offer Closing Date)	21.02.2014	Friday
15	Date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	10.03.2014	Monday
16	Final Report from Merchant Banker	18.03.2014	Tuesday

**** "Identified Date" is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company except the Acquirers, other promoter group and sellers are eligible to participate in the Offer any time before the closure of the Offer*.**

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 6.00 p.m. on Friday 21st February 2014.

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

1) The Offer involves an offer to acquire up to 26% of the Paid Up Equity Share Capital of JSIL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, 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.

2) In the event that (a) there is any litigation leading to a "stay" of the Offer, or (b) SEBI instructing the Acquirers not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of JSIL whose Shares has been accepted in the Offer as well as the return of Shares

not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders for the delay, as may be specified by SEBI.

3) Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

4) No statutory and regulatory approvals are required by the Acquirers, and wherever applicable, by the Target Company, in connection with the Offer.

5) The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of JSIL. Accordingly, the Acquirers makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of JSIL on whether to participate or not to participate in the Offer.

B. IN ASSOCIATION WITH THE ACQUIRERS

The Acquirers makes no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the Shares upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirers does not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement/ Detailed Public Statement, and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.

C. RISK IN THE TRANSACTION

The Acquirers makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

TABLE OF CONTENTS

1. DEFINITIONS

1.	Acquirers or The Acquirers	Mr. Jattashankar Poddar and Mr. Sharad Poddar
2.	ASE	Ahmedabad Stock Exchange Limited
3.	B.Com	Bachelor of Commerce
4.	BSE	BSE Limited, Mumbai.
5.	Detailed Public Statement or DPS	Public Statement of the Open Offer made by The Acquirers, which appeared in the newspapers on Tuesday, 24th December 2013
6.	DSE	Delhi Stock Exchange Limited
7.	Effective Date	The date of certificate by the Merchant banker after filing the final Report with SEBI under SEBI (SAST) Regulations
8.	EGM	Extra Ordinary General Meeting
9.	EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
10.	FCA	Fellow Chartered Accountant
11.	FEMA	Foreign Exchange Management Act, 1999 including related rules and regulations
12.	Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
13.	HDFC	HDFC Bank Limited
14.	Identified Date	Friday, 24th January 2014
15.	JSIL/Target Company/ TC	Jattashankar Industries Limited
16.	Listing Agreement	Listing agreement as entered by the Target Company with the Stock Exchanges
17.	LoO, or Letter of Offer	This Offer Document.
18.	Manager to the Offer or, Merchant Banker	Comfort Securities Limited
19.	MBBS	Bachelor of Medicine and Bachelor of Surgery
20.	MSE	Madras Stock Exchange Limited
21.	Negotiated Price / Sale price as per the Sale Bill	Rs. 2/-(Rupees Two Only) per fully paid-up Equity Share of face value of Rs.10/- each.
22.	Net Asset Value/ Book Value per Share	(Equity Capital + Free Reserve excluding of Revaluation reserve – Debit balance in Profit & Loss a/c – Misc expenditure not written off) / No. of Equity Shares.
23.	Offer/Open Offer/ The Offer	Offer to acquire up to 11,40,646 Equity Shares of Rs. 10/- each representing 26.00% of the total paid up equity share capital of the Target Company, to be acquired by the Acquirers, at a price of Rs. 3/- per Equity share payable in cash
24.	Offer Price	Rs. 3/-(Rupees Three Only) per fully paid up Share of Rs.10/- each payable in cash.
25.	PA	Public Announcement

26.	PAC/PACs	Person(s) Acting in Concert
27.	Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Jattashankar Industries Limited, and unregistered shareholders who own the Shares of Jattashankar Industries Limited other than Acquirers, Promoter and Promoter group of JSIL and Sellers on or before the last date of tendering period is eligible to participate in the offer.
28.	Promoter/ Promoter Group	Mr. Jattashankar Poddar Mr. Sharad Poddar Mrs. Seema Jattashankar Poddar Mrs. Seema Sharad Poddar M/s. Subhash Poddar HUF M/s. Sharad Poddar HUF Mr. Shubhkaran Poddar
29.	Public Shareholding	The Shares held by Shareholders other than those classified as the promoters of the Company in the latest shareholding pattern filed with the stock exchange
30.	RBI	Reserve Bank of India.
31.	Registrar or Registrar to the Offer	Sharex Dynamic (India) Pvt. Ltd
32.	Return on Net worth	(Profit after Tax)/ (Equity Capital + Free Reserve excluding of Revaluation reserve– Debit balance in Profit & Loss a/c – Misc. expenditure not written off) *100.
33.	SEBI	Securities and Exchange Board of India
34.	SEBI (SAST) Regulations / the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
35.	SEBI Act	Securities and Exchange Board of India Act, 1992.
36.	Sellers	Mr. Suresh Kumar Barwad Mr. Vijay Khade Mr. Suresh Kumar Sharma M/s. Vijay Agarwal HUF
37.	Shares	Equity shares of Rs. 10 /- (Rupees ten only) each of the Target Company

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to the reference of Indian National Rupees ("INR"). Throughout this Letter of Offer, all figures have been expressed in "Lacs" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 SHAREHOLDERS OF JATTASHANKAR INDUSRIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, OR 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 ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, COMFORT SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 31ST DECEMBER 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. THE FILING OF THE

LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER 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 ("Offer") is being made by Mr. Jattashankar Poddar (Acquirer-1) and Mr. Sharad Poddar (Acquirer-2) (collectively known as Acquirers) under the offer to the Equity Shareholders of **M/s. Jattashankar Industries Limited** ***("JSIL" or the "Target Company")*** a company incorporated and duly registered under the Companies Act, 1956, and having its Registered office at 11,Parasrampuria Apartment, Film City Road, opp. Bank Of India, Gokuldham, Goregaon (East), Mumbai-400063 Phone No. 022-2841 4262/ 4264/ 4266 Fax No. : 022-2841 4269; Email id: info@jsil.com and website: www.jsil.in pursuant to the Regulation 3(2) and in compliance with the SEBI (SAST) Regulations, 2011.

3.1.2 The Acquirers hereby makes this Offer to the Shareholders of the Target Company (other than the promoters) to acquire up to 11,40,646 fully paid up Equity Shares ("Shares") of the Target Company of Rs.10/- each, representing in aggregate 26.00% of the paid up Equity Share Capital and voting capital at a price of Rs. 3/- (Rupees Three Only) per share ("Offer Price") payable in cash subject to the terms and conditions mentioned in the DPS and in this Letter of Offer.

3.1.3 There is no person acting in concert **("PAC")** with the Acquirers within the meaning of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

3.1.4 Mr. Jattashankar Poddar, one of the promoters of the target company holding 4,40,500 equity shares constituting 10.04% of the Target Company as on 17th December 2013. He acquired 3,70,500 equity shares of the Target Company through Sale Bills on 18th December 2013. Mr. Sharad Poddar is also one of the promoter of the target company holding 5,33,900 equity shares constituting 12.17% of the Target Company as on 17th December 2013. He acquired 3,62,500 equity shares of the Target Company through sale bills on 18th December 2013. By virtue of the aforesaid acquisition made by the Acquirers being the Promoters of target company the mandatory requirement for making an open offer is triggered on account of the acquisition made by the acquirers exceeding the threshold limit of 5% of the total paid up capital of the target company in the financial year. The movement in the % of shareholding of the promoter and the promoter group during the financial year is as follows :

S.No.	**Period**	**Aggregate % of shareholding of Promoter and Promoter group**
1	Prior to the acquisition Shares through Sale Bills	32.25%
2	Post acquisition of Shares	48.96%

Pursuant to the acquisition of equity shares of more than 5% in one financial year in the Target Company this mandatory Open Offer is being made by the Acquirers in compliance with Regulation 3(2) and other applicable provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 i.e SEBI (SAST) Regulations, 2011 as amended.

3.1.5 The details of the Sellers are as under:

Sr. No.	Name & Address of Sellers	Tel. No.	Fax No.	DETAILS OF SHARES/ VOTING RIGHTS HELD BY THE SELLERS				Balance no. of shares	
				Pre Transaction		No. of shares sold through Sale Bills			
				Number	%	Number	%	Number	%
1.	**Mr. Suresh Kumar Barwad** **Add**: R.N.A-107, 1st floor, Rajlaxmi Complex-A, Haria Park, Village Dungra, Vapi-396195	9328620020	--	1,56,500	3.57	1,56,500	3.57	NIL	-
2.	**Mr. Vijay Khade** **Add:** B-304, Crown park, Padman Sarkar Nagar, Manvel Pada Road, Virar (E)-401303	9224339448	--	1,63,600	3.73	1,63,600	3.73	NIL	-
3.	**Mr. Suresh Kumar Sharma** **Add:** 301/A, Yashoda Sadan Co.Op Hsg Soc No.2, Nr.Gurudwara, Saraswati Nagar, Navgarh Road, Bhayender (E)-401105	9324725893	--	2,06,900	4.72	2,06,900	4.72	NIL	-
4	**M/s. Vijay Agarwal HUF** **Add:** C-501, Shraddha Co-Op Hsg. Soc., Asha Nagar, Kandivali (E), Mumbai - 400101	9323930323	--	2,06,000	4.69	2,06,000	4.69	NIL	-
		Total		**7,33,000**	**16.71**	**7,33,000**	**16.71**	**NIL**	**-**

3.1.6 The Acquirers, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.7 Mr. Jattashankar Poddar and Mr. Sharad Poddar are the Acquirers and there is no person acting in concert with the acquirers in this Offer.

3.1.8 The Shares of the Target Company are listed at BSE, ASE, DSE and MSE. As per the Stock Exchanges latest filings made with the BSE the Acquirers and Mrs. Seema Jattashankar Poddar, Mrs. Seema Sharad Poddar, M/s. Subhash Poddar HUF, M/s. Sharad Poddar HUF and Mr. Shubhkaran Poddar are the Promoters of the Target Company.

3.1.9 Mr. Jattashankar Poddar has acquired 52,500 equity shares during the twelve (12) months period preceding the date of the Public Announcement through Inter se transfer by way of gift from his mother Pushpa Poddar and Mr. Sharad Poddar has acquired 1,67,500 equity shares during the twelve (12) months period preceding the date of the Public Announcement through Inter se transfer by way of gift from his mother Pushpa Poddar.

3.1.10 Mr. Jattashankar Poddar holds 4,40,500 equity shares constituting 10.04 % of the fully paid equity shares of the Target Company on the date of preceding the date of PA and he is related to the Target Company as he is one of the Promoter and Managing Director of the Company and Mr. Sharad Poddar holds 5,33,900 equity shares constituting 12.17 % of the fully paid equity shares of the Target Company on the date of preceding the date of PA and he is related to the Target Company as he is one of the Promoter and Whole time Director of the Company.

3.1.11 The Manager to the Open Offer i.e. Comfort Securities Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

3.1.12 There is no non-compete arrangement and/or agreement between the Acquirers and the Sellers.

3.1.13 The Board of the Target Company will come out with a recommendation for the Offer before the date of Commencement of the Offer.

3.2 Details of the Proposed Offer

3.2.1 The Acquirers have made a Detailed Public Statement pursuant to Public Announcement on 24th December 2013 in the following newspapers in accordance with the Regulation 14 (3) and pursuant to Regulation 3(2) of SEBI (SAST) Regulations.

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshyadeep	Marathi	Mumbai

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in.

3.2.2 The Acquirers are making this Open Offer under the SEBI (SAST) Regulations, to acquire up to 11,40,646 Shares of Rs. 10/- each representing up to 26.00 % of the total Paid up equity share capital from the Shareholders of JSIL on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 3/- (Rupees Three Only) payable in cash. These Shares are to be acquired by the Acquirers, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 There are no partly paid up Shares in the Target Company.

3.2.4 The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.

3.2.5 The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.

3.2.6 The Acquirers have not acquired any Shares in the Target Company since the date of PA i.e 18th December 2013, up to the date of Letter of Offer.

3.2.7 The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirers from time to time in this regard.

3.3 Object of the Offer:

3.3.1 The Offer is being made pursuant to acquisition of shares through off market purchase through sale bills dated 18th December 2013 exceeding the threshold limit of 5% of the total paid up capital of the Target Company in the financial year as provided in Para 3.1.4 above and is being made in accordance with Regulations 3(2) of the SEBI (SAST) Regulations, 2011.

3.3.2 The Offer to the Shareholders of JSIL is for the purpose of acquiring up to 26.00% of the total paid up capital. After the proposed Offer, the Acquirers will achieve substantial acquisition of Shares and voting rights, accompanied with effective management control over the Target Company.

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

4. BACKGROUND OF THE ACQUIRERS

A. MR. JATTASHANKAR PODDAR (ACQUIRER-1)

4.1 Mr. Jattashankar Poddar aged 51 years, S/o. Late Shree Shubhkaran Poddar is residing at 11, Parasrampuria Apartment, Gokuldham, Gen.A.K.Vaidya Marg, Goregaon (E), Mumbai- 400063, Tel No. 022-2841 4262, Fax No. 022-2841 4269 E-mail: jsp@sunrisecolours.com

4.2 Mr. Jattashankar Poddar is a Commerce graduate by qualification.

4.3 Mr. Jattashankar Poddar has an experience of more than 25 years in textile industry.

4.4 Mr. Jattashankar Poddar is holding a Permanent Account Number (PAN) AABPP5200A.

4.5 The Networth of Mr. Jattashankar Poddar as on 12th December 2013 is Rs. 172.32 lakhs and the same is certified by Mr. Surendra Sureka (Membership No. 119433), a partner of M/s. K K Jhunjhunwala & Co., Chartered Accountants having their office at No. 5, 1st floor, 336-B, Kalbadevi Road, Mumbai - 400002 Tel. No. +91-22-66349581, Fax.No. 91-22-66103585 and Email: info@kkjca.com.

4.6 Mr. Jattashankar Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.

4.7 Mr. Jattashankar Poddar is one of the promoter of Target Company i.e Jattashankar Industries Limited and other than the above he has also promoted M/s. Sunrise Colors Limited and he holds directorship in Sunrise Colours Ltd and M/s. Madhusudan Enterprise Private Ltd.

4.8 Mr. Jattashankar Poddar holds 4,40,500 equity shares constituting 10.04 % of the fully paid equity shares of the Target Company on preceding the date of Public Announcement and he is related to the Target Company as he is one of the Promoter and Managing Director of the Company.

4.9 Mr. Jattashankar Poddar has acquired 52,500 equity shares during the twelve (12) months period preceding the date of the Public Announcement through inter se transfer by way of gift from his mother Pushpa Poddar and 3,70,500 equity shares/voting rights which representing 8.45% of the fully paid equity shares of the Target Company on the date of this Public Announcement. Mr. Jattashankar Poddar has acquired 3,70,500 fully paid equity shares for total consideration of Rs. 7,41,000/-

acquired through off market purchase through Sale Bill dated 18th December 2013 for which the highest price paid is Rs. 2/- per equity Share

4.10 Mr. Jattashankar Poddar hold 4,40,500 fully paid equity shares in the Target Company on the date of preceding the date of Public Announcement and he complied the Chapter V of SEBI (SAST) Regulations, 2011. However he does not comply with some of the regulations of Chapter II of SEBI (SAST) Reg 1997.

B. MR. SHARAD PODDAR (ACQUIRER-2)

4.11 Mr. Sharad Poddar, aged 48 years, S/o. Late Shree Shubhkaran Poddar is residing at 12, Parasrampuria Apartment, Gokuldham, Gen.A.K.Vaidya Marg, Goregaon (E), Mumbai- 400063, Tel No. 022-2841 4262, Fax No. 022-28410 4269 E-mail: sharad@sunrisecolours.com

4.12 Mr. Sharad Poddar is a bachelor of Medicine (MBBS) by qualification.

4.13 Mr. Sharad Poddar has an experience of almost 25 years in textile industry.

4.14 Mr. Sharad Poddar is holding a Permanent Account Number (PAN) AABPP5199E.

4.15 The Networth of Mr. Sharad Poddar as on 12th December 2013 is Rs. 157.87 lakhs and the same is certified by Mr. Surendra Sureka (Membership No. 119433), a partner of M/s. K K Jhunjhunwala & Co., Chartered Accountants having their office at No. 5, 1st floor, 336-B, Kalbadevi Road, Mumbai - 400002 Tel. No. +91-22-66349581, Fax.No. 91-22-66103585 and Email: info@kkjca.com.

4.16 Mr. Sharad Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.

4.17 Mr. Sharad Poddar is one of the promoter of Target Company i.e Jattashankar Industries Limited and other than the above he has also promoted M/s. Sunrise Colors Limited and he holds directorship in Sunrise Colours Ltd and M/s. Madhusudan Enterprise Private Ltd

4.18 Mr. Sharad Poddar holds 5,33,900 equity shares constituting 12.17 % of the fully paid equity shares of the Target Company on preceding the date of Public Announcement and he is related to the Target Company as he is one of the Promoter and Whole time Director of the Company

4.19 Mr. Sharad Poddar has acquired 1,67,500 equity shares during the twelve (12) months period preceding the date of the Public Announcement through Inter se transfer by way of gift from his mother Pushpa Poddar and 3,62,500 equity shares/voting rights which representing 8.26% of the fully paid equity shares of the Target Company on the date of this Public Announcement. Mr. Sharad Poddar has acquired 3,62,500 fully paid equity shares for total consideration of Rs. 7,25,000/- through off market purchase through sale bill dated 18th December 2013 for which the highest price paid is Rs. 2/- per equity Share.

4.20 Mr. Sharad Poddar holds 5,33,900 fully paid equity shares in the Target Company as on the preceding the date of Public Announcement and he complied the Chapter V of SEBI (SAST) Regulations, 2011. However he does not comply with some of the regulations of Chapter II of SEBI (SAST) Reg 1997.

4.21. Other details about acquirers

4.21.1 As per Regulation 17 of SEBI (SAST) Regulations, Acquirers have opened an Escrow Account bearing no. 00600350121160 with the Escrow Agent, i.e. HDFC Bank Limited, having address at 2nd Floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai 400 001 and has deposited a cash of Rs. 9,00,000/- (Rupees Nine Lacs Only), being more than 25% of the amount required for the Open Offer.

4.21.2 The Acquirers have adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirers. As per certificate dated 18th December 2013 from Mr. Surendra Sureka (Membership No. 119433), a partner of M/s. K K Jhunjhunwala & Co., Chartered Accountants having their office at No. 5, 1st floor, 336-B, Kalbadevi Road, Mumbai - 400002 Tel. No. +91-22-66349581, Fax.No. 91-22-66103585 and Email: info@kkjca.com. the Net Worth of Mr. Jattashankar Poddar and Mr. Sharad Poddar is 172.32 lakhs and Rs. 157.87 lakhs respectively.

4.21.3 As per the Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirers do not have any plans to alienate any material assets of the Target Company or otherwise sale, lease, encumber any assets of the Target Company in the next 2 (two) years, except in the ordinary course of business of the Company, Other than in the ordinary course of business, the Acquirers undertakes that it shall not alienate whether by sale, lease or encumber any material assets of the Target Company except with the prior approval of shareholders.

4.21.4. The Acquirers intends to continue the existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders. The main purpose of takeover is to expand the Company's business activities in the same line through exercising the effective management and control over the Target Company. However, no firm decision in this regard has been taken or proposes so far.

4.21.5. Pursuant to this offer, the public shareholding in the Target Company may reduce to less than the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and Listing Agreement. The Acquirers undertakes that if the public shareholding is reduced to below such minimum level they will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and other provisions of applicable laws, within the time period mentioned therein.

5. BACKGROUND OF THE TARGET COMPANY (JSIL)

5.1 JSIL was originally incorporated on 11th August, 1988 with the Registrar of Companies, Maharashra, Mumbai as Jatta Poly-yarn Private Limited. On 4th March, 1993 the Company received fresh certificate of Incorporation on conversion of Company into public Limited Company and the name of the Company was changed to Jatta Poly-yarn Limited. On 6th April, 2000 the name of the Company was changed to Jatta Industries Limited and on 18th April, 2002 the name of the Company was again changed from Jatta Industries Limited to Jattashankar Industries Limited. Presently the Registered Office of the company is situated at 11,Parasrampuria Apartment, Film City Road, opp. Bank Of India, Gokuldham, Goregaon(East), Mumbai-400063 Phone No. 022-2841 4262/ 4264/ 4266 Fax No. : 022-2841 4269; Email id: info@jsil.com and website: www.jsil.in

5.2 The Acquirers and Mrs. Seema Jattashankar Poddar, Mrs. Seema Sharad Poddar, M/s. Subhash Poddar HUF, M/s. Sharad Poddar HUF and Mr. Shubhkaran Poddar are the Promoters of the Target Company and collectively holds 32.25% of the total paid up Equity Share Capital of JSIL.

5.3 JSIL has been incorporated with the object of engaging in to the operations of manufacturing dyed yarn.

5.4 The authorized share capital of JSIL as on date of PA is Rs. 10,50,00,000/- (Rupees Ten Crores Fifty Lakhs Only), comprising of 1,05,00,000 Equity Shares bearing a face value of Rs 10/- (Rupees Ten only) each and Paid-up Equity Share capital of the JSIL is Rs. 4,38,71,000/- (Rupees Four Crore Thirty Eight Lacs Seventy One Thousand Only) divided into 43,87,100 Equity Shares of Rs. 10/- each.

Paid up Equity Shares of JSIL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	43,87,100	100.00
Partly paid-up Equity Shares	NIL	NIL
Total Equity Shares	43,87,100	100.00
Total Voting Rights in the Target Company	43,87,100	100.00

5.5 The current capital structure of the Company has been build up since inceptions are as under:

Date of allotment	No. of shares issued	No. of shares issued in % (of then capital)	Face Value	Cumulative paid up capital (in Rs.)	Mode of Acquisition (Memorandum/IPO/FPO/ Market Purchase/Preferential Allotment/ etc.,)	Identity of allottees (whether promoters or public, in case both separate figures to be given)	Status of Compliance
12.08.88	40	100.00	10	400	Memorandum	Promoters	Provisions of Companies Act, 1956 & other provisions of applicable laws complied with. SEBI(SAST) and other SEBI Regulations not applicable
13.01.89	347960	99.99	10	3480000	Preferential Allotment	Promoters	-do-
27.03.89	52000	13.00	10	4000000	Preferential Allotment	Promoters	-do-
19.02.90	50000	11.11	10	4500000	Preferential Allotment	Promoters	-do-
18.04.91	50000	10.00	10	5000000	Preferential Allotment	Promoters	-do-
28.02.92	500000	50.00	10	10000000	Bonus Issue	Promoters	-do-
28.02.92	600000	37.50	10	16000000	Preferential Allotment	Promoters	-do-
28.10.93	2816000	63.77	10	44160000	Initial Public Offer	Public	-do-
01.08.03	(28900)	--	10	43871000	Forfeiture	-	

5.6 The Equity Shares of the JSIL are listed on BSE, ASE, DSE and MSE and are suspended for trading by BSE vide letter dated 9th February 2005 due to non compliances of various clauses of the Listing Agreement. However the aforesaid suspension has been revoked by BSE vide its notice no. 20121019-12 dated 19th October 2012. The Equity Shares of the company are also suspended from DSE.

5.7 There are no partly paid-up Shares in the Company.

5.8 There are no outstanding convertible instruments / warrants.

5.9 JSIL has complied with all the requirements of the Listing Agreement with BSE. However it has not complied with ASE, DSE and MSE and further no penal action has been initiated by the above exchanges.

5.10 The composition of the board of directors of JSIL as the date of P.A i.e. 18th December 2013 is as follows:

Sr. No.	Name of Director	Designation	Residential Address	Date of Appointment	Qualification	DIN No.	Experience in years
1	Jattashankar Poddar	Managing Director	11, Parasrampuria Apartment, Gokuldham, Gen A K Vaidya Marg, Goregaon (E), Mumbai – 400063	11.08.88	B.Com	00335747	More than 30 years of experience in Yarn and textile Industry
2	Sharad Poddar	Whole time Director	12, Parasrampuria Apartment, Gokuldham, Gen A K Vaidya Marg, Goregaon (E), Mumbai – 400063	11.08.88	M.B.B.S	00335806	Almost 25 years in Yarn and textile Industry
3	Sandeep Kumar Modi	Director	Aster Tower, A-Wing, 1501, Vasant Valley, Film City Road, Malad (E), Mumbai – 400097	31.05.01	B.Com	02420276	Almost 25 years in yarn broking business
4	Udit Sanatkumar Master	Director	A/2, Room No.10, 2nd floor, Pai Nagar, Parvati Niwas, Borivali(W), Mumbai – 400097	02.09.02	ACA	02424071	20 years of experience in Accounts and audit

5.11 The Shareholding pattern of the JSIL, as on the date of PA is as follows:

Shareholder Category	Number Of Equity Shares Of The Target Company	Percentage of Equity Share Capital (%)
Promoter	14,15,000	32.25
Public	29,72,100	67.75
Total	**43,87,100**	**100.00**

5.12 There has been no merger, de-merger and spin-off during the past three years in JSIL. There are no pending litigations against JSIL.

5.13 Audited financial information of JSIL for the financial year ended on 31st March 2011, 2012, 2013 and Un-audited financial information for the half year ended 30th September 2013 is given below:

(Rs. in Lacs)

Profit & Loss Statement	Year Ended 31.03.2011 (Audited)	Year Ended 31.03.2012 (Audited)	Year Ended 31.03.2013 (Audited)	Half year Ended 30.09.2013 (Un-Audited & Certified)
Income from Operations	79.90	367.88	1989.37	1298.99
Other Income	23.67	10.19	72.43	5.25
Stock Differential	--	--	**--**	--
Total Income	103.57	**378.07**	**2061.80**	**1304.24**
Total Expenditure (Excl Depreciation and Interest)	17.71	256.07	1927.44	1181.57
Profit (Loss) before	**85.86**	**122.00**	**134.36**	**122.67**

Depreciation, Interest and Tax				
Depreciation	25.27	15.75	14.50	6.46
Interest	--	--	--	0.07
Profit / (Loss) before Exceptional Items	60.59	106.25	119.86	116.14
Less: Exceptional Items	--	1372.61	--	--
Profit / (Loss) before Tax	60.59	1478.86	119.86	116.14
Provision for Tax (including prior period taxes)	--	--	--	--
Deferred Tax	--	--	--	--
Profit /(Loss) after Tax	60.59	14878.86	119.86	116.14

(Rs. in Lacs)

Balance Sheet Statement	Year Ended 31.03.2011 (Audited)	Year Ended 31.03.2012 (Audited)	Year Ended 31.03.2013 (Audited)	Half year Ended 30.09.2013 (Un-Audited & Certified)
Sources of Funds				
Paid up Share Capital	438.71	438.71	438.71	438.71
Reserves & Surplus (Excluding Revaluation Reserve)	(2049.89)	(571.02)	(451.17)	(335.03)
Secured Loan	1827.80	--	--	--
Unsecured Loan	--	426.19	439.00	481.00
Current Liabilities & Provisions	--	--	--	--
Deferred Tax Liability	--	--	--	--
TOTAL	**216.62**	**293.88**	**426.54**	**584.68**
Uses of Funds				
Net Fixed Assets	118.70	104.85	183.05	180.90
Deferred Tax Asset (net)	--	--	--	--
Investments	69.26	24.15	10.00	112.05
Long term Loans and Advances	--	--	--	--
Miscellaneous Expenses not written off/ Preliminary Expenses	--	--	--	--
Net Current Assets	28.66	164.88	233.49	291.73
TOTAL	**216.62**	**293.88**	**426.54**	**584.68**

Other Financial Data	Year Ended 31.03.2011 (Audited)	Year Ended 31.03.2012 (Audited)	Year Ended 31.03.2013 (Audited)	Half year Ended 30.09.2013 (Un-Audited & Certified)
Net Worth (Rs.)	(1611.18)	(132.31)	(12.46)	103.68
Dividend (%)	--	--	--	--
Earnings Per Share (Rs.)(Excluding exceptional items)	1.38	2.42	2.73	2.65
Return on Networth (%)	--	--	--	112.02
Book Value Per Share	(36.73)	(3.02)	(0.28)	2.36

There is no contingent liabilities for the year ended 31st March, 2013 as well as on the date of this Letter of Offer.

Reason for fall/rise in total income and profit after tax are as follows:

Reason for Increase in Income from Operations :

In the year 2011, the Company was operating its plant solely for job work & company was earning income due to Job work charges. In the year 2012 the turnover of the company has increased as Company has started its own production & sale of dyed yarn from December 2011 onwards as per rehabilitation process and in the year 2013 & in current half year 2013-14 the turnover further increased due to diversification into Cotton dyeing yarn & high bulk yarn.

Reason for Increase / decrease in net profits :

In the year 2012, the net profit has increased from Rs. 60.59 lacs to Rs. 1478.86 lacs which was mainly due to exceptional income of Rs. 1372.61 lacs from write back of loan and accrued interest there on due to OTS. In the year 2013, the Net profit was Rs. 119.86 lacs inspite of increase of sales turnover which was due to initial expense for promotion & development of new product and market. In current half year 30th September 2013 the net profit has increased to Rs. 116.14 lacs.

5.14 Pre- and Post-Offer shareholding pattern of the JSIL is as per the following table:

Sr. No.	**Shareholder category**	**Shareholding & voting rights prior to the agreement/acquisition and offer (A)**		**Shares/voting rights acquired which triggered off the Regulations (B)**		**Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)**		**Shareholding/voting rights after the acquisition and Offer**	
		No.	%	No.	%	No.	%	No.	%
1.	**Promoter Group**								
	Promoters other than Acquirers	440600	10.04	Nil	Nil	Nil	Nil	440600	10.04
	Total	**440600**	**10.04**	**Nil**	**Nil**	**Nil**	**Nil**	**440600**	**10.04**
2.	**Acquirers**								
	a. Mr. Jattashankar Poddar b. Mr. Sharad Poddar	440500 533900	10.04 12.17	370500 362500	8.44 8.26	1140646	26.00	2848046	64.92
	Total	**974400**	**22.21**	**733000**	**16.71**	**1140646**	**26.00**	**2848046**	**64.92**
3.	Public (other than Sellers)								
a.	**FIs/MFs/FIIs/ Banks**	Nil	Nil	Nil	Nil				
b.	Others	22,39,100	51.04	Nil	Nil				
	Total no. of shareholders i.e 3350 in "Public Category" 3(a+b)	22,39,100	51.04	Nil	Nil	(1140646)	(26.00)	10,98,454	25.04
	Total	**3654100**	**83.29**	**733000**	**16.71**	**Nil**	**Nil**	**4387100**	**100.00**

Notes:

[1] *The data within bracket indicates sale of Equity Shares.*

5.15 The number of Shareholders in JSIL in public category is 3350 as on 30th September 2013 including NRI Shareholders in the Company.

5.16 The Company is not a sick Company.

5.17 There is change in shareholding of Promoters group. The details of change in shareholding of Promoters as per reporting u/r. 8(3) of the SEBI (SAST) Regulations, 1997 filed with the Stock Exchanges since 1997 to 18th December 2013 (Date of Public Announcement) are as under.

Year ended 31st March	Opening Balance (No. of Shares)	Opening % holding promoter group	Net purchase /(sale)	Mode of Acquisition/ sale	Closing holding promoter group (No. of Shares)	Closing % holding promoter group	Increase/decrease in percentage holding (+/- %)	Compliance
1997	1060300	24.01	--	--	1060300	24.01	--	
1998	1060300	24.01	4000	Off-market	1064300	24.10	0.09	--
1999	1064300	24.10	--	--	1064300	24.10	--	--
2000	1064300	24.10	--	--	1064300	24.10	--	--
2001	1064300	24.10	1133000	Inter se *transfer	2197300	49.76	25.66	Not complied
2002	2197300	49.76	142900	Off-market	2340200	52.99	3.23	Not Complied
2003	2340200	52.99	(450700)	Off-market	1889500	43.07	(9.92)	Not Complied
2004	1889500	43.07	8000	Off-market	1897500	43.25	0.18	--
2005	1897500	43.25	(494000)	Off-market	1403500	31.99	(11.26)	Not Complied
2006	1403500	31.99	6800	Off-market	1410300	32.15	0.16	--
2007	1410300	32.15	1200	Off-market	1411500	32.17	0.02	--
2008	1411500	32.17	--	--	1411500	32.17	--	--
2009	1411500	32.17	2800	Off-market	1414300	32.24	0.07	--
2010	1414300	32.24	500	Off-market	1414800	32.25	0.01	--
2011	1414800	32.25	--	--	1414800	32.25	--	--
2012	1414800	32.25	200	Off-market	1415000	32.25	--	--
2013	1415000	32.25	--	--	1415000	32.25	--	--
18.12.13	1415000	32.25	733000	Off-market	2148000	48.96	16.71	Takeover triggered

*There is an inter-se transfer of 11,33,000 shares among the promoter and promoter group of the company in the year 2001 who were mentioned as promoter and promoter group as per the Initial Public Offer Document dated 29th September 1993. However these promoter group names are not disclosed in the SEBI (SAST) regulations, 1997 inadvertently which were filed with the Stock Exchanges. And these shares are transferred @1/- per equity share in the year 2001 to the current promoters of the Company and violated the regulation 3(4) of SEBI(SAST) Regulations, 1997.

The Target Company has delayed in filing the reporting under Reg 6(2), 6(4) for the year 1997 and Reg 8(3) of SEBI (SAST) Regulation 1997 for the year 1997 to 2011. The Promoters of the Target Company has also not complied the regulation 3(4) and 7(1A) of SEBI (SAST) Regulation 1997. SEBI may initiate action against the Target company and the Promoters of the Target Company for the above delay and non compliances.

5.18 Status of corporate governance compliances by JSIL: -

As per the Annual Report for the Financial Year 2012-2013, the Target Company has complied with the norms of the SEBI Guidelines on Corporate Governance as enumerated in Clause 49 of the Listing agreements with Stock Exchanges.

The Company has filed the latest Corporate Governance report with the Stock Exchange as on 30th September 2013. The details are as follows:

Name of the Company : Jattashankar Industries Limited
Quarter ending on : 30th September 2013

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I		---
(A) Composition of Board	49(IA)	Yes	---
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	---
(C) Other provisions as to Board and Committee	49 (IC)	Yes	---
(D) Code of Conduct	49 (ID)	Yes	---
II. Audit Committee			---
(A)Qualified & Independent Audit Committee	49 (IIA)	Yes	---
(B)Meeting of Audit Committee	49 (IIB)	Yes	---
(C)Powers of Audit Committee	49 (IIC)	Yes	---
(D)Role of Audit Committee	49 (IID)	Yes	---
(E)Review of Information by Audit Committee	49 (IIE)	Yes	---
III. Subsidiary Companies	49 (III)	Yes	---
IV. Disclosures	49 (IV)	Yes	---
(A)Basis of related party transactions	49 (IV A)	In Annual Report	---
(B) Disclosure of Accounting Treatment	49 (IV B)		---
(C) Board Disclosure	49 (IV C)		---
(D)Proceeds from public issues, rights issues, Preferential issues etc	49 (IV D)		
(E) Remuneration of Directors	49 (IV E)		---
(F) Management	49 (IV F)		---
(G) Shareholders	49 (IV G)		---
V. CEO/CFO Certification	49(V)	Yes	
VI. Report on Corporate Governance	49 (VI)	In Annual Report	---
VII Compliance	49 (VII)	Yes	---

5.19 Mr. Sharad Poddar is the Compliance Officer of the Company, his address is situated at 12, Parasrampuria Apartment, Gokuldham, Gen A K Vaidya Marg, Goregaon (E), Mumbai - 400063 Tel No.: +91-22-28414262, Email : sharad@sunrisecolours.com

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on the BSE Limited, Mumbai (BSE), Ahmedabad Stock Exchange Limited (ASE), Delhi Stock exchange Limited (DSE) and Madras Stock Exchange Limited (MSE). The shares are placed under **Group 'T'** having a Scrip Code of **"514318"** & Scrip Id: **JATTAINDUS** on the BSE.

The annualized trading turnover in the Equity Shares of the Target Company on the Stock Exchanges based on trading volume during the 12 calendar months prior to the month of PA is as given below :

Name of Stock Exchange	**Total No. of Shares trades during the 12 calendar prior to the month of PA**	**Total No. of Listed Equity Shares**	**Annualized Trading Turnover (in terms of % to total listed equity shares)**
BSE	Nil	4387100	Nil
MSE	Nil	4387100	Nil
ASE	Nil	4387100	Nil
DSE	Nil	4387100	Nil

6.1.2 Since the company shares are in active trading in the shares of Target Company as per the data maintained on the website of the BSE i.e. www.bseindia.com during twelve calendar months preceding the month in which this PA is made. The Equity Shares of JSIL are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011.

6.1.3 The Offer Price of Rs. 3/- (Rupees Three Only) is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

SR. NO.	**PARTICULARS**	**PRICE (IN RS. PER SHARE)**	
(a)	Negotiated price under the Shares Purchase Agreement / Sale Bills	2.00	
(b)	The volume- weighted average price paid or payable for acquisitions by the acquirer during 52 weeks immediately preceding the date of PA.	Not applicable	
(c)	Highest price paid or payable for acquisitions by the acquirer during 26 weeks immediately preceding the date of PA.	Not applicable	
(d)	the volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement 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	
(e)	Other Financial Parameters as at:	**31.03.2013**	**30.09.2013**
	(i) Return on Net Worth	*--	112.02
	(ii) Book Value Per Share	(0.28)	2.36
	(iii) Earning Per Share	2.73	2.65

*Net worth as on 31.03.2013 were Negative, Return on Networth will also be Negative

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs.3/- (Rupees Three Only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

The Fair Value of JSIL is **Rs. 2.78/-** as certified vide Valuation certificate dated 18th December 2013, by Mr. Ashish Sewak (Membership No. 401858) of M/s. Singhal & Sewak, Chartered Accountants having their office situated at B-8/9, Divya Smruti, Opp. Toyota Showroom, New Link Road, Chincholi Bunder, Malad (W), Mumbai - 400064 Tel: 022-42062501; E-mail: caabhishek.sewak@gmail.com.

6.1.4 The relevant price parameters have not been adjusted for any corporate actions.

6.2 Financial Arrangements

6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirers under the offer would be Rs. 34,21,938/- (Rupees Thirty four Lakhs Twenty One Thousand Nine Hundred and Thirty Eight Only) ("maximum consideration") i.e. consideration payable for acquisition of 11,40,646 equity shares of the target Company at offer price of Rs.3/- per Equity Share.

6.2.2 The Acquirers have adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirers.

6.2.3 Assuming the full acceptance of 26% i.e. acquisition of 11,40,646 equity shares of the target Company, the total requirement of funds for the Open Offer is Rs. 34,21,938/- (Rupees Thirty four Lakhs Twenty One Thousand Nine Hundred and Thirty Eight Only). In compliance of Regulation 17 of SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account bearing no. 00600350121160 with the Escrow Agent, i.e. HDFC Bank Limited, having address at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai 400 001, and have deposited cash of Rs. 9,00,000/- (Rupees Nine Lakhs Only), being more than 25% of the total amount required for the Open Offer. The Acquirers have empowered M/s Comfort Securities Limited, Manager to the Offer, to instruct the bank to issue demand draft or to make payment of the amounts to the shareholders who tendered their shares in the open offer and realise the value of the escrow account in terms of Regulation 17(5) of the SEBI (SAST) Regulations, 2011.

6.2.4 The Acquirers have duly empowered M/s Comfort Securities Limited, Manager to the Offer, to realise the value of the escrow account in terms of the SEBI (SAST) Regulations, 2011.

6.2.5 The Manager to the Offer, M/s Comfort Securities Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations.

6.2.6 As per certificate dated 18th December 2013 from Mr. Surendra Sureka (Membership No. 119433), a partner of M/s. K K Jhunjhunwala & Co., Chartered Accountants having their office at No. 5, 1st floor, 336-B, Kalbadevi Road, Mumbai - 400002 Tel. No. +91-22-66349581, Fax.No. 91-22-66103585 and Email: info@kkjca.com. the Net Worth of Mr. Jattashankar Poddar and Mr. Sharad Poddar is 172.32 lakhs and Rs. 157.87 lakhs respectively and have sufficient means to fulfil the obligations under this open offer.

6.2.7 The Manager to the Offer, M/s. Comfort Securities Limited, hereby confirms that the Acquirers are capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 Persons eligible to participate in the Offer

7.1.1 Registered and unregistered Shareholders of JSIL other than the Acquirers, Promoter, promoter group and Sellers who own the Equity Shares of JSIL on or before the last date of tendering period.

7.1.2 No Equity Shares of JSIL are under lock-in requirements as per SEBI Regulations. There shall be no discrimination in the acceptance of locked in and non-locked in shares in the Offer.

7.2 Statutory Approvals

7.2.1 NRI/OCB Shareholders who wish to tender their Shares in the Offer will be required to submit all the previous RBI approvals (Specific and general) that they would have obtained for acquiring the Shares of Target Company. In case the previous RBI approvals are not being submitted, the Acquirers reserves the right to reject the Shares tendered in the Offer.

7.2.2 No approval from any bank or financial institutions is required for the purpose of this Offer.

7.2.3 As on the date of this DLOF, to the best of the knowledge of Acquirers, there are no statutory or other approval which are required to make this Offer. However, in case of any regulatory or statutory or other approval being required at a later date before the closure of the Tendering Period, the Offer shall be subject to all such approvals and the Acquirers shall make the necessary application for such approvals

7.2.4 The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

7.2.5 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI (SAST) Regulations, 2011, will be adhered to, i.e. SEBI have power to grant extension of time to Acquirers for payment of consideration to Shareholders subject to Acquirers agreeing to pay interest for delayed period as directed by SEBI.

7.2.6 The Acquirers shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders who have accepted the open offer within 10 working days from the last date of the tendering period.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1.1 The Acquirers have appointed **M/s. Sharex Dynamic (India) Pvt. Ltd** as the Registrar to the Offer.

8.1.2 All eligible Equity Shareholders (other than the Acquirers, Promoter, promoter group and Sellers) of fully paid Equity Shares of JSIL, registered or unregistered who wish to avail and accept the Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LoO/FoA at below mentioned collection centre on or before closure of the Offer i.e Friday, 21st February 2014. The documents shall be tendered at below mentioned collection centre on all working days i.e. from Monday to Friday between 10.00 a.m. to 6.00 p.m. and on Saturday from 10.00 a.m. to 1.00 p.m. The centre will be closed on Sundays and Public holidays.

Address of Collection Centre	Name of the Contact Person, Tel. No., Fax No. and Email	Mode of Delivery
SHAREX DYNAMIC (INDIA) PVT. LTD. SEBI Registration No. INR000002102 Unit-1, Luthra Industrial Premises, 1st floor, 44-E M Vasanti Marg, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai – 400072	**Contact Person : Mr. B. S. Baliga** Email : sharexindia@vsnl.com Website : www.sharexindia.com Tel. No. 022 -2851 5606 / 44 / 6338 Fax no.: 022 – 2851 2885	Hand Delivery / Registered Post

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects; otherwise the same are liable to be rejected. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demat shares, not credited in favour of the special depository account before the closure of the Offer, will be rejected.

8.1.2.1 Shareholders should send all the relevant documents mentioned herein.

I For equity shares held in physical form – Documents to be delivered:

A Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with JSIL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
- Self attested copy of the PAN card.

B Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original Broker Contract Note.
- Valid Share Transfer form(s) as received from the market.
- Self attested copy of the PAN card of all the proposed transferees.

The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

II For Equity shares held in demat form:

C. Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.
- For each Delivery Instruction, the beneficial owner should submit separate Form of Acceptance.
- The Beneficial Owners who hold shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depository Account. The credit in the Special Depository Account should be received on or before 6.00 pm as on the date of closure of the Offer, i.e., Friday, 21st February 2014.
- The Delivery Instructions to be given to the DP should be in “Off-Market” mode only. A special depository account has been opened, details thereof are as under:

Account Name	M/S. JATTASHANKAR INDUSTRIES LTD OPEN OFFER ESCROW ACCOUNT OPERATED BY SHAREX
Depository	Central Depository Services (India) Limited
DP Name	Nirmal Bang Securities Private Limited
DP ID Number	12013300
Client ID Number	00791295

Applicants may send their documents only by Registered Post, at their own risk, if not hand delivered at the designated collection centre, to the Registrar at the addresses as mentioned here-in-above during business hours indicated above other than on holidays. Please note that the Share Certificates/Delivery Instruction Slip and other documents in relation to the acceptance of the Offer should not be sent to the Acquirers or the Target Company. Such documents should not be sent to the Manager to the Offer.

8.1.3 In case of non-receipt of the Letter of Offer, Shareholders may obtain a copy of the same by writing to the Registrar to the Offer at either of the collection centres mentioned at 8.1.2 marking the envelope "Jattashankar Industries Limited - Open Offer". Alternatively, eligible Shareholders may send their acceptance to the Registrar to the Offer, on a plain paper stating their name, address, folio nos., distinctive nos. no. of Shares held, No. of Shares tendered, along with documents as mentioned at para 8.1.3 so as to reach the Registrar to the Offer on or before 6.00 p.m on the Closure of the Offer i.e Friday, 21st February 2014 or in case of beneficial owners they may send their application in writing to the Registrar to the Offer, on a plain paper stating acceptance of the Offer with Name; Address; Number of Shares held; Number of shares offered; DP name; DP ID; Beneficiary Account Number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, or the eligible persons can write to the Manager to the Offer requesting for the LoO and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., not later than Friday, 21st February 2014. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Alternatively, the LoO and Form of Acceptance cum Acknowledgement will be available on SEBI's website (www.sebi.gov.in), from the date of Opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply using the same.

8.1.4 No Indemnity is needed from Unregistered Shareholders.

8.2 If the aggregate of the valid responses to the Offer exceeds 11,40,646 fully paid up Equity Shares, then the Acquirers shall accept the valid applications received on a proportionate basis in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot. The marketable lot of JSIL is 100 (Hundred) Equity Shares.

8.3 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI (SAST) Regulations, 2011, will be adhered to, i.e. SEBI have power to grant extension of time to Acquirers for payment of consideration to Shareholders of JSIL, subject to Acquirers agreeing to pay interest for delayed period as directed by SEBI. If the delay in payment consideration is not due to the above reasons, then the amount held in the Escrow Account shall be subject to forfeiture as per Regulation 17(9) and dealt in the manner provided in Regulation 17(10) of the SEBI (SAST) Regulations, 2011.

8.4 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder. Unaccepted shares held in dematerialised form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

8.5 The Registrar to the Offer will hold in trust the shares/share certificates, Form of Acceptance cum Acknowledgment, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/ or the unaccepted shares/ share certificates are despatched/ returned.

8.6 Payment of consideration for the applications accepted in the Offer shall be made within 10 working days from the last date of the tendering period. Credit for the consideration will be given to the shareholders whose Equity Shares have been accepted in the Open Offer by ECS, or crossed account payee cheques/pay orders/demand drafts, RTGS and NEFT.

8.7 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Special Depository Account is received on or before the date of Closure of the Offer, i.e., not later than Friday, 21st February 2014 else the application would be rejected.

8.8 The consideration received by the shareholders for Equity Shares accepted in the Offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further, the securities transaction tax will not be applicable on Equity Shares accepted in this Offer.

8.9 Dispatches involving payment of a value in excess of Rs. 1,500/- will be made by registered post/speed post at the shareholder's sole risk. In the case shareholders residing in any of the centres specified by the SEBI and have opted an option to get payment consideration through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India should provide all the necessary Bank details including MICR code or RTGS code or IFSC code in Form of Acceptance-cum-Acknowledgement and the payment intimation will be sent to the sole / first named shareholder of JSIL whose equity shares are accepted by the Acquirers at his address registered with JSIL. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque / demand draft.

8.10 **Non Resident Shareholders**

8.10.1 Non-Resident Shareholders may tender their Shares in accordance with the Procedure mentioned at 8.3 (as applicable) above. In case the RBI approvals are not submitted, the Acquirers reserves the right to reject such equity shares.

8.10.2 While tendering the shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such shares tendered.

8.10.3 While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirers under the Income Tax Act, 1961 (the "Income Tax Act"), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.10.4 The above documents should not be sent to the Acquirers or to JSIL or to the Manager to the Offer. The same should be sent to the Registrar to the Offer only at the collection centres given above in 8.1.3.

8.11 General

a. The Form of Acceptance and instructions contained therein are integral part of this LoO.

b. Neither the Acquirers nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of JSIL.

c. The Offer Price is denominated and payable in Indian Rupees only.

d. All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole/first applicant, folio number, Number of Equity Shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

e. If there is any upward revision in the Offer Price by the Acquirers at any prior to commencement of the last three working days before the commencement of the tendering period viz., Monday, 3rd February 2014 the same would be informed by way of another Public Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published as per Regulation 18(7) of SEBI (SAST) Regulations, 2011.

f. If there is Competing Offer:

- The Public Offers under all the subsisting bids shall close on the same date.
- The Offer Price can be revised at any time prior to the commencement of the last three working days before the commencement of the tendering period to know the final Offer Price of each bid and tender their acceptance accordingly.

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 at Comfort Securities Limited A-301, Hetal Arch, Opp Natraj Market, S. V. Road, Malad (West), Mumbai – 400 064 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Certificate of Incorporation, Memorandum and Articles of Association of Jattashankar Industries Limited.

9.2 Mr. Surendra Sureka (Membership No. 119433), a partner of M/s. K K Jhunjhunwala & Co., Chartered Accountants., certifying the Net worth of Acquirers as on 12/12/2013.

9.3 Annual Reports of JSIL for years ended on March 31, 2011, 2012 and 2013 and Unaudited results for the half year ended 30.09.2013

9.4 Certificate from HDFC Bank Limited having office at 2nd floor, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai- 400001 confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation.

9.5 A copy of the Sale bills between the Acquirers and the Sellers dated 18th December 2013 for Acquisition of 7,33,000 (16.71%) which triggered the Open Offer.

9.6 Copy of Public Announcement dated 18th December 2013.

9.7 Published copy of the Detailed Public Statement, which appeared in the newspapers on Tuesday, 24th December 2013 for acquisition of 11,40,646 Equity Shares.

9.8 Copy of Recommendation made by JSIL Board of Directors dated (.)

9.9 Observation letter no (.) dated (.) on the draft Letter of Offer filed with the Securities and Exchange Board of India.

9.10 Memorandum of Understanding between Lead managers i.e. Comfort Securities Limited. & Acquirers.

9.11 Undertaking from the Acquirers, stating full responsibility for all information contained in the P.A., Detailed Public Statement and the Letter of Offer.

9.12 Certificate from Statutory Auditors for financial data audited for the purpose of Open Offer of JSIL, the Target Company.

9.13 Undertaking from the Acquirers that if they acquire any shares of the target company during the Offer Period, they shall inform Stock Exchanges, the Target Company and the Manager to the Offer within 24 hours as per Regulation 18(6) of SEBI (SAST) Regulations, 2011.

9.14 Undertaking from the Acquirers for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all Shareholders of the Target Company whose applications are accepted in the Open Offer.

9.15 Undertaking from the Acquirers with regard to Directors Responsibility under Regulation 2(o) and Regulation 7(4) of SEBI (SAST) Regulations.

10. DECLARATION BY THE ACQUIRERS

10.1 The Acquirers Mr. Jattashankar Poddar and Mr. Sharad Poddar accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations. All the information contained in this document is as on date of the Public Announcement, unless stated otherwise.

10.2 We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this 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.

10.3 We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (SAST) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (SAST) Regulations.

Mr. Jattashankar Poddar & Mr. Sharad Poddar

Place: Mumbai
Date: 31.12.2013

ENCLOSURES :

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to **Sharex Dynamic (India) Pvt. Ltd**, Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON : Friday, 7th February 2014
OFFER CLOSES ON : Friday, 21st February 2014

FOR OFFICE USE ONLY	
Acceptance Number:	
Number of Equity Shares offered:	
Number of Equity Shares accepted:	
Purchase Consideration (Rs.):	
Cheque/ Demand Draft/Pay Order No/ECS:	

PLEASE READ THE INSTRUCTIONS OVERLEAF BEFORE FILLING-IN THIS FORM OF ACCEPTANCE

From: -

Name:

Address:

Status: Resident/ Non Resident

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,
Mr. Jattashankar Poddar and Mr. Sharad Poddar
SHAREX DYNAMIC (INDIA) PVT. LTD.
SEBI Registration No. INR000002102
Unit-1, Luthra Industrial Premises,
1st floor, 44-E M Vasanti Marg,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400072.

Dear Sir,

Sub.: Cash Offer for purchase of 11,40,646 (Eleven Lacs Forty Thousand Six Hundred and Forty Six Only) Equity Shares of Jattashankar Industries Limited at a price of Rs. 3/- (Rupees Three Only) per Share under SEBI (SAST) Regulations, 2011.

I/We refer to the Letter of Offer dated 31st December 2013 for acquiring the Equity Shares held by me/us in JSIL.

I/We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood their contents including the terms and conditions and procedure as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM

I/We, hold the following shares in physical form and accept the Offer and enclose the original Share certificate (s) and duly signed share transfer deed (s) in respect of my/our Shares as detailed below:

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
		From	To	
Total Number of Equity Shares				

(Please attach authenticates additional sheets, if required)

I/We confirm that the equity shares of JSIL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

I / We irrevocably authorise the Acquirers to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with JSIL/DP:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with JSIL:

Name

Address

Place: ———————— Date: ————————— Tel. No(s). : ———————— Fax No.: ——————

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/sole shareholder and the consideration will be payable by way of ECS Mode/ cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished. In order to receive payment consideration through ECS mode, the shareholders are requested to compulsorily provide their following bank details:-

Bank Account No.: --
Type of Account: ------------------------------ (Savings / Current / Other (please specify))
Name of the Bank: ---
Name of the Branch and Address: ---

MICR Code of Bank———---
IFSC Code of Bank--

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

PAN / GIR No.	**1st Shareholder**	**2nd Shareholder**	**3rd Shareholder**

Enclosure (Please tick)

- ❖ Power of Attorney, if any person apart from the shareholder, has signed the acceptance from or transfer deed(s)
- ❖ Duly attested Death certificate/succession certificate (in case of single shareholders) in case the original shareholders has expired
- ❖ RBI approval (for NRI/OCB/Foreign shareholders)
- ❖ Corporate Authorisation in case of companies along with Board resolutions and specimen signature of authorized signatory
- ❖ No objection certificate & Tax clearance certificate under Income Tax Act, 1961 (for NRI/OCB/Foreign shareholders)
- ❖ Other (please specify)

Yours faithfully,

Signed and Delivered:

PARTICULARS	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings, all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.

2. The Form of Acceptance should be filled-up in English only.
3. Signature(s) other than in English and Hindi, Marathi and thumb impressions must be attested by a Notary Public under his Official Seal.

Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of JSIL.

II. Shareholders of JSIL to whom this Offer is being made, are free to offer his / her / their shareholding in JSIL for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.

Business Hours: Monday to Friday: 10.00 hours to 18.00 hours
Saturday: 10.00 to 13.00 hours
Holidays: Sundays, Public Holidays and Bank Holidays

- - - - - - - - - - - - ---- - - - - - - - - - - - - - - - - - - Tear along this line - - - - - - - -- - - ---- - - -- - - - - - - -- - - - - - - -- -

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address

Mr. Jattashankar Poddar and Mr. Sharad Poddar

C/o. SHAREX DYNAMIC (INDIA) PVT. LTD.
SEBI Registration No. INR000002102
Unit-1, Luthra Industrial Premises, 1st floor,
44-E M Vasanti Marg, Andheri-Kurla Road,
Safed Pool, Andheri (E), Mumbai – 400072.
Tel. No. 022-2851 5606 / 44 / 6338
Fax no.: 022 – 2851 2885
Contact Person : Mr. B. S. Baliga
Email: sharexindia@vsnl.com
Website : www.sharexindia.com

ACKNOWLEDGEMENT SLIP

JATTASHANKAR INDUSTRIES LIMITED - CASH OFFER

Folio No.: Serial No.

Received from Mr. / Ms. __________________-
__________________________________Address:_______________________
____
_______Form of Acceptance for ____________________________________ Shares along with a copy of ______________________

________________________ Share Certificate(s) __________________ Transfer Deed folio number(s)_____________

For accepting the Offer made by the Acquirers

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer	Date of Receipt

INSTRUCTIONS

1. Shareholders should enclose the following:-.

For Equity shares held in physical form: -

Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with JSIL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with this LoO.
- Self attested copy of the PAN card.

Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original Broker Contract Note.
- Valid Share Transfer form(s) as received from the market.
- Self attested copy of the PAN card of all the proposed transferees.

3. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirers or JSIL.

4. Non resident shareholders/FII/OCB should enclose a copy of the permission received from RBI for the equity shares held by them in JSIL. If, the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.

5. Non resident shareholders/FII should enclose No Objection certificate/ Tax Clearance certificate from the Income Tax Authorities under Income-Tax Act, 1961, indicating the tax to be deducted by the Acquirers before remittance of consideration otherwise tax will be deducted at marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirers.

6. Shareholders who wish to accept the Offer and tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LoO to the Registrar to the Offer on or before closure of the Offer i.e **Friday, 21st February 2014.** The documents shall be tendered at the above centre between **10.00 am to 6.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday.** The centre will be closed on Sundays and Public holidays.

8. Applicants may send their documents only by Registered Post/Courier, at their own risk, if not hand delivered at the designated collection centre, to the Registrar during business hours indicated above other than Sunday and public holidays.

THE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE/SHARES ARE RECEIVED BY THE REGISTRAR TO OFFER AFTER THE CLOSURE OF THE OFFER I.E 6.00 P.M ON FRIDAY, 21ST FEBRUARY 2014 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE LIABLE TO BE REJECTED.