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 DHANASHREE ELECTRONICS LIMITED**.** 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 Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected*.*

OPEN OFFER BY

Name of the Acquirers	**Address of the Acquirers**	**Contact no.**	**Email Id**
Mr. Madan Gopal Maheshwari	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mrs. Sumitra Devi Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mrs. Sunita Devi Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Chand Prakash Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mrs. Durga Devi Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Santosh Kumar Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mrs. Veena Devi Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Nitesh Kumar Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Abhishek Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mrs. Yogita Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Saket Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Mr. Pawan Toshniwal	86 Ballygunge Place, Kolkata-700 019	(033) 23573617	info@rashmilighting.com
Madan Gopal Maheshwari HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
Chand Prakash Toshniwal & Sons HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
Santosh Kumar Toshniwal HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
Nitesh Kumar Toshniwal HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
Abhishek Toshniwal HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
Nand Lal Toshniwal HUF	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com
M/s. Frontline Holdings Pvt. Ltd	77/2A, Hazra Road, Kolkata- 700 029	(033) 22215679	snvroc@gmail.com
M/s. Evernew Commodeal Pvt. Ltd	11, Pollock Street, Kolkata- 700 001	(033) 23573617	info@rashmilighting.com

(hereinafter collectively referred to as "**the Acquirers")**

To the shareholders of

DHANASHREE ELECTRONICS LIMITED ("**DEL**" or the "**Target Company**")

having its registered office at Plot No. XI-16, Block EP & GP Salt Lake City, Kolkata- 700 091

Tel. No.:(033) 23573617, Fax- (033) 4022 4036, E-mail: info@rashmilighting.com

For the acquisition of 36,89,400 (Thirty Six Lakhs Eighty Nine Thousand and Four Hundred Only) fully paid-up equity shares of Rs. 10/- each, representing 26 % of the emerging equity and voting share capital at a price of Rs. 12/- (Rupees Twelve Only) per equity share ("**Offer Price**") payable in cash ("**Offer**" or "**Open Offer**").

Please Note:

1. This Offer is being made by the Acquirers pursuant to regulation 3(2) read with regulation 15(1) and 13(2)(g) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
2. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Offer. However, the Offer would be subject to all statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price/Size at any time up to three (3) working days prior to commencement of the tendering period viz. 12.09.2016 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement dated 01.08.2016 had appeared. If the Offer is withdrawn pursuant to regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.
4. **If there is a competitive bid:**
   - **The Public Offer under all subsisting bids shall open and close on the same date.**
   - **As per the information available with the Acquirers /Target Company, no competitive bid has been announced as of the date of this Draft Letter of Offer.**
5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/Draft Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
6. This Offer is not conditional upon any minimum level of acceptance in terms of the regulation 19(1) of the SEBI (SAST) Regulations.
7. The Procedure for acceptance and settlement is set out in Para 7 of this Draft Letter of Offer. A Form of Acceptance is enclosed with this Draft Letter of Offer.
8. The Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at SEBI website www.sebi.gov.in.

MANAGER TO THE OFFER:	**REGISTRAR TO THE OFFER:**
VC CORPORATE ADVISORS PRIVATE LIMITED SEBI REGN NO: INM000011096 (Contact Person: Mr. Anup Kumar Sharma) 31, Ganesh Chandra Avenue, 2nd Floor, Suite No.–2C, Kolkata-700 013 Phone No : (033) 22253940 Fax : (033) 2225 3941 Email: mail@vccorporate.com	**MAHESHWARI DATAMATICS PRIVATE LIMITED** SEBI Regn. No.: INR000000353 (Contact Person: Mr. S.Rajagopal) 6, Mangoe Lane, 2nd Floor, Kolkata- 700 00, Tel No.: (033) 2243 5809/5029; Fax No.: (033) 2248 4787, E-mail-Id: mdpldc@yahoo.com
TENDERING PERIOD OPENS ON: **19TH SEPTEMBER, 2016, MONDAY**	**TENDERING PERIOD CLOSES ON:** **30TH SEPTEMBER, 2016, FRIDAY**

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activities	**Date**	**Day**
Date of the PA	25.07.2016	Monday
Publication of Detailed Public Statement in newspapers	01.08.2016	Monday
Last date of Filing of the Draft Offer Document with the SEBI	08.08.2016	Monday
Last date of a Competing Offer	23.08.2016	Tuesday
Identified Date*	01.09.2016	Thursday
Date by which the Letter of Offer will be dispatched to the shareholders	09.09.2016	Friday
Last date for upward revision of Offer Price and/or Offer Size	12.09.2016	Monday
Last date by which Board of the Target Company shall give its recommendation	14.09.2016	Wednesday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspapers and sending the same to SEBI, Stock Exchanges and Target Company	16.09.2016	Friday
Date of commencement of tendering period	19.09.2016	Monday
Date of closing of tendering period	30.09.2016	Friday
Date by which communicating rejection/ acceptance and payment of consideration for applications accepted	18.10.2016	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 parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer.*

Risk Factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirers: -

1. The Offer involves an offer to acquire 26% of the emerging equity and voting share capital of DEL from the eligible persons for the Offer.

2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of DEL whose shares have 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, SEBI may, if satisfied that the non-receipt of approvals was not due to willful 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.

4. The Equity Shares tendered in the Offer will be held in trust by the Clearing Corporation/Registrar to the Offer, until the completion of the Offer formalities, and the Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period. It is understood that the Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

5. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Offer. The Acquirers may not be able to proceed with the Offer in the event the approvals are not received in terms of the regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

   Risks involved in associating with the Acquirers:

6. The Acquirers intend to acquire 36,89,400 fully paid-up equity shares of Rs.10/- each, representing 26% of the emerging equity and voting share capital at a price of Rs. 12/- (Rupees Twelve Only) per equity share, payable in cash under the SEBI (SAST) Regulations. DEL does not have any partly paid-up equity shares as on the date of the PA.

   The Acquirers make no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.

7. The Acquirers and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

8. The risk factor set forth above pertains to the acquisition and the Offer and 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 further risk with respect to their respective participation in the Offer.

INDEX

DEFINITIONS/ABBREVIATIONS

Acquirers	Madan Gopal Maheshwari HUF, Mr. Madan Gopal Maheshwari, Mrs. Sumitra Devi Toshniwal, Mrs. Sunita Devi Toshniwal, Chand Prakash Toshniwal & Sons HUF, Mr. Chand Prakash Toshniwal, Mrs. Durga Devi Toshniwal, Santosh Kumar Toshniwal HUF, Mr. Santosh Kumar Toshniwal, Mrs. Veena Devi Toshniwal, Nitesh Kumar Toshniwal HUF, Mr. Nitesh Kumar Toshniwal, Abhishek Toshniwal HUF, Mr. Abhishek Toshniwal, Ms. Yogita Toshniwal, Mr. Saket Toshniwal, Mr. Pawan Toshniwal, Nand Lal Toshniwal & Co. HUF, M/s. Frontline Holdings Pvt. Ltd and M/s. Evernew Commodeal Pvt. Ltd (hereinafter collectively referred to as the "Acquirers")
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
CSE	The Calcutta Stock Exchange Limited
DIS	Delivery Instruction Slip
DPS	Detailed Public Statement dated 01.08.2016
ECS	Electronic Clearing Service
Escrow Banker	HDFC Bank Limited
Equity and voting share capital	Rs. 669 Lakhs comprising of 66,90,000 equity shares of Rs. 10/- each
Emerging Equity and Voting Capital	1,41,90,000 fully paid up equity shares of the face value of Rs. 10/- each of the Target Company being the capital post allotment of 75,00,000 equity shares to the Acquirers on preferential basis.
FOA or Form of Acceptance	Form of Acceptance– cum– Acknowledgment accompanying this Letter of Offer
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. All owners (registered or unregistered) of equity shares of the Target Company (except the parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer
LOF	Letter of Offer
Manager to the Offer	VC Corporate Advisors Private Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	25.07.2016 to 18.10.2016
Offer Price	Rs.12/- (Rupees Twelve Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirers to acquire 36,89,400 equity shares of Rs.10/-(Rupees Ten Only) each, representing 26 % of the emerging equity and voting share capital at a price of Rs.12/- (Rupees Twelve Only) per equity share
PA	Public Announcement dated 25.07.2016
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of DEL
RBI	Reserve Bank of India
Registrar to the Offer	Maheshwari Datamatics Private Limited
Return on Net Worth	Profit After Tax/Net Worth
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Target Company / DEL	Dhanashree Electronics Limited

Note: All terms beginning with a capital letter used in this Draft LOF, but not otherwise defined herein, shall have the meaning ascribed thereto in that particular section or in the SEBI (SAST) Regulations unless specified.

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF DEL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR THE TARGET 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 THE ACQUIRERS DULY DISCHARGE HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 06.08.2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF

THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER."

2. DETAILS OF THE OFFER:

2.1 Background of the Offer:

2.1.1. This Open Offer ("**Offer**") is being made by the Acquirers in compliance with regulation 3(2) read with regulation 15(1) and 13(2)(g) of the SEBI (SAST) Regulations, to the public shareholders of Dhanashree Electronics Limited (hereinafter referred to as **"DEL"** or the "**Target Company**") a Company incorporated and duly registered under the Companies Act, 1956 and having its registered office at Plot No. XI-16, Block EP & GP Salt Lake City, Kolkata- 700 091.

2.1.2. The Board of Directors of the Target Company, in their meeting held on July 25, 2016 have approved the issue of equity shares on preferential basis to the constituents of the existing Promoters and Promoters Group of the Target Company subject to such approvals as required and also subject to the provisions of SEBI (ICDR) Regulations 2009.

Name of the Proposed Allottee	Pre- Transaction Shareholding (Number and % of total Present share capital)^	Proposed shareholding after the acquisition of shares which triggered the Open Offer (Number and % of emerging voting capital)^^
Madan Gopal Maheshwari HUF	0 (0.00%)	625000 (4.40%)
Madan Gopal Maheshwari	8,39,929 (12.55%)	12,56,589 (8.86%)
Sumitra Devi Toshniwal	0 (0.00%)	2,91,660 (2.06%)
Sunita Devi Toshniwal	0 (0.00%)	2,08,330 (1.47%)
Chand Prakash Toshniwal & Sons HUF	0 (0.00%)	5,83,330 (4.11%)
Chand Prakash Toshniwal	2,71,000 (4.05%)	8,54,330 (6.02%)
Durga Devi Toshniwal	0 (0.00%)	2,50,000 (1.76%)
Santosh Kumar Toshniwal HUF	0 (0.00%)	8,33,330 (5.87%)
Santosh Kumar Toshniwal	8,22,959 (12.30%)	12,39,619 (8.74%)
Veena Devi Toshniwal	0 (0.00%)	4,16,660 (2.94%)
Nitesh Toshniwal HUF	0 (0.00%)	4,16,660 (2.94%)
Nitesh Toshniwal	3,85,512 (5.76%)	7,92,242 (5.58%)
Abhishek Toshniwal HUF	0 (0.00%)	5,83,330 (4.11%)
Abhishek Toshniwal	1,41,500 (2.12%)	5,58,160 (3.93%)
Yogita Toshniwal	0 (0.00%)	2,91,660 (2.06%)
Saket Toshniwal	0 (0.00%)	1,25,000 (0.88%)
Pawan Toshniwal	0 (0.00%)	1,25,000 (0.88%)
Nand Lal Toshniwal & Co HUF	0 (0.00%)	5,00,000 (3.52%)
FrontLine Holdings Pvt. Ltd.	0 (0.00%)	5000(0.04%)
Evernew Commodeal Pvt. Ltd.	0 (0.00%)	5000 (0.04%)
Total	**24,60,900 (36.78%)**	**99,60,900 (70.20%)**

^ Calculated as a % age of The Present Equity Share Capital of the Target Company is Rs. 6,69,00,000 comprising of 66,90,000 Equity shares of Rs. 10/- each.
^^ Calculated as a %age of emerging voting capital of Rs. 14,19,00,000/- comprising of 1,41,90,000 equity shares of Rs. 10/- each.

2.1.3. Pursuant to the resolution passed by the Board of Directors of the Target Company at their meeting held on July 25, 2016, the Acquirers have agreed to subscribe to 75,00,000 equity shares, to be issued to them on preferential basis subject to compliance of applicable Statutory and Regulatory norms. Pursuant to the proposed Preferential Allotment The Promoters' and Promoter's Group holding will increase from current 24,60,900 equity shares (36.78% of the present capital) to 99,60,900 (70.20% of emerging voting capital).

2.1.4. The Manager to the Offer, VC Corporate Advisors Private Limited, does not hold any equity shares in the Target Company as on the date of PA. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period.

2.1.5. None of the Acquirers have been prohibited by the SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended ("**SEBI Act**") or under any other regulation made under the SEBI Act.

2.1.6. Pursuant to completion of this Offer, assuming full acceptance to this Offer, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per the Securities Contract (Regulation) Rules, 1957 as amended, the Acquirers undertake that they will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Securities Contract (Regulation) Rules, 1957 as amended, provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and the Regulation 7(4) and 7(5) of the SEBI (SAST) Regulations and will reduce the non-public shareholding within the period mentioned therein.

2.1.7. The recommendation of the committee of Independent Directors of the Target Company on the Offer will be published at least two (2) working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy of the same shall be sent to SEBI, Stock Exchanges where the equity shares of DEL are listed and Manager to the Offer in compliance of regulation 26(7) of the SEBI (SAST) Regulations.

2.2 Details of the proposed Offer:

2.2.1. The Detailed Public Statement pursuant to the Public Announcement made by the Acquirers has appeared in The Financial Express (English Daily) all editions, Jansatta (Hindi Daily) all editions and Kalantar (Bengali daily) on 01.08.2016 in compliance with regulation 14 (3) of the SEBI (SAST) Regulations. The Detailed Public Statement made on 01.08.2016 is available on the SEBI website at www.sebi.gov.in.

2.2.2. The Acquirers propose to acquire from the existing equity shareholders of DEL 36,89,400 equity shares of Rs. 10/- each representing 26% of emerging equity and voting share capital of the Target Company, at a price of Rs. 12/- (Rupees Twelve Only) (the "**Offer Price**") per equity share payable in cash (the "**Offer**" of "**Open Offer**"), subject to the terms and conditions mentioned hereinafter.

2.2.3. As on date of PA, the Target Company does not have partly paid-up equity shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock- in obligations. The existing shareholding of the proposed allotees is proposed to be locked in terms of Chapter VII of SEBI (ICDR) Regulations 2009.

2.2.4. The Acquirers will accept all the equity shares of DEL those that are tendered in valid form in terms of this Open Offer upto a maximum of 36,89,400 fully paid-up equity shares of Rs. 10/- each representing 26% of the emerging equity and voting share capital of the Target Company.

2.2.5. Since the date of the PA to the date of this Draft LOF, the Acquirers have not acquired any equity shares of DEL.

2.2.6. No competitive bid has been received as on date of this Draft LOF.

2.2.7. This Offer is not conditional upon any minimum level of acceptance in terms of the regulation 19(1) of the SEBI (SAST) Regulations, and not a Competitive Bid in terms of the Regulation 20 the SEBI (SAST) Regulations.

2.2.8. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of the Target Company.

2.3 Object of the Offer:

2.3.1 The prime object and purpose of the Acquirers making this Open Offer is to increase Promoter/Promoter Group holding in the Target Company which will result into effective management control over the Target Company.

2.3.2 The Board of Directors of the Company ("the Board") at their meeting held on 14.07.2016 evaluated the operational performance and liquidity condition of the Company for execution of various orders received and further discussed the future plans for the possible growth options of the Company. In order to raise resources to expand the current line of business and to meet long term working capital requirements and for other general corporate purposes, the Board thought it prudent to infuse fresh equity capital in the Company by issue, offer and allot upto 75,00,000 (Seventy Five Lacs) Equity Shares to the Promoter/Promoter Group, particulars of which are given hereafter, on Preferential Basis at an Issue Price of Rs. 12/- per equity share, including a premium of Rs. 2/- each per equity share, or at such higher price as determined in compliance with Chapter VII of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 & subsequent amendments thereto ["SEBI (ICDR) Regulations"].

2.3.3 The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of DEL 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 Acquirers undertake that they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

3. BACKGROUND OF THE ACQUIRERS

3.1. <u>MADAN GOPAL MAHESHWARI</u>

1. Mr. Madan Gopal Maheshwari, S/o of Late Nandlal Toshniwal aged about 67 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs.72,85,925.18 (Rupees Seventy Two Lakhs Eighty Five Thousand Nine Hundred Twenty Five and Eighteen Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates, Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016.

2. As on the date of the DPS Mr. Madan Gopal Maheshwari holds 839929 (12.55% of the existing fully paid-up equity and voting share capital) in the Target Company and he is currently holding the position of Chairman in the Target Company.

3.2. <u>SUMITRA DEVI TOSHNIWAL</u>

Mrs. Sumitra Devi Toshniwal, W/o of Mr. Madan Gopal Maheshwari aged about 62 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. Her Networth as on 31.03.2016 is Rs. 89,99,313.95 (Rupees Eighty Nine Lakhs Ninety Nine Thousand Three Hundred Thirteen and Ninety Five Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mrs. Sumitra Devi Toshniwal does not hold any equity shares in the Target Company.

3.3. SUNITA DEVI TOSHNIWAL

Mrs. Sunita Devi Toshniwal, W/o of Mr. Surya Prakash Toshniwal aged about 58 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. Her Networth as on 31.03.2016 is Rs.65,55,213.89 (Rupees Sixty Five Lakhs Fifty Five Thousand Two Hundred Thirteen and Eighty Nine Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mrs. Sumitra Devi Toshniwal does not hold any equity shares in the Target Company.

3.4. CHAND PRAKASH TOSHNIWAL

1. Mr. Chand Prakash Toshniwal, S/o of Late Nandlal Toshniwal, aged about 59 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. 79,64,365.62 (Rupees Seventy Nine Lakhs Sixty Four Thousand Three Hundred Sixty Five and Sixty Two Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016.

2. As on the date of the DPS Mr. Chand Prakash Toshniwal holds 271000 (4.05% of the existing fully paid-up equity and voting share capital) in the Target Company.

3.5. DURGA DEVI TOSHNIWAL

Mrs. Durga Devi Toshniwal, W/o of Mr. Chand Prakash Toshniwal, aged about 56 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. Her Networth as on 31.03.2016 is Rs. Rs.35,26,477.61 (Rupees Thirty Five Lakhs Twenty Six Thousand Four Hundred Seventy Seven and Sixty One paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mrs. Durga Devi Toshniwal does not hold any equity shares in the Target Company.

3.6. SANTOSH KUMAR TOSHNIWAL

1. Mr. Santosh Kumar Toshniwal, S/o of Late Nandlal Toshniwal, aged about 57 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. 1,00,80,243.54 (Rupees One Crore Eighty Thousand Two Hundred Forty Three and Fifty Four paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016.

2. As on the date of the DPS Mr. Santosh Kumar Toshniwal holds 822959 (12.30% of the existing fully paid-up equity and voting share capital) in the Target Company.

3.7. VEENA DEVI TOSHNIWAL

Mrs. Veena Devi Toshniwal, W/o of Mr. Santosh Kumar Toshniwal, aged about 52 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. Her Networth as on 31.03.2016 is 73,46,721.44 (Rupees Seventy Three Lakhs Forty Six Thousand Seven Hundred Twenty One and Forty Four Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mrs. Veena Devi Toshniwal does not hold any equity shares in the Target Company.

3.8. NITESH TOSHNIWAL

1. Mr. Nitesh Kumar Toshniwal, S/o of Mr. Surya Prakash Toshniwal, aged about 39 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. (75341.40) (Rupees negative Seventy Five Thousand Three Hundred Forty One and Forty paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016.

2. As on the date of the DPS Mr. Nitesh Kumar Toshniwal holds 385512 (5.76% of the existing fully paid-up equity and voting share capital) in the Target Company. He also holds the position of Managing Director of the Target Company.

3.9. ABHISHEK TOSHNIWAL

1. Mr. Abhishek Toshniwal , S/o of Mr. Surya Prakash Toshniwal, aged about 35 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. 13,18,021.10 (Rupees Thirteen Lakhs Eighteen Thousand Twenty One and Ten Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016.

2. As on the date of the DPS Mr. Abhishek Toshniwal holds 141500 (2.12% of the existing fully paid-up equity and voting share capital) in the Target Company.

3.10. YOGITA TOSHNIWAL

Mrs. Yogita Toshniwal, W/o of Mr. Abhishek Toshniwal aged about 34 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. Her Networth as on 31.03.2016 is Rs. 52,04,488.70 (Rupees Fifty Two Lakhs Four Thousand Four Hundred Eighty Eight and Seventy Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mrs. Yogita Toshniwal does not hold any equity shares in the Target Company.

3.11. SAKET TOSHNIWAL

Mr. Saket Toshniwal , S/o of Mr. Santosh Kumar Toshniwal, aged about 22 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. 16,38,986.35 (Rupees Sixteen Lakhs Thirty Eight Thousand Nine Hundred Eighty Six and Thirty Five Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mr. Saket Toshniwal does not hold any equity shares in the Target Company.

3.12. PAWAN TOSHNIWAL

Mr. Pawan Toshniwal, S/o of Mr. Santosh Kumar Toshniwal, aged about 20 years is residing at 86 Ballygunge Place, Kolkata-700 019, Tel: (033) 23573617, email: info@rashmilighting.com. His Networth as on 31.03.2016 is Rs. 18,63,824/- (Rupees Eighteen Lakhs Sixty Three Thousand Eight Hundred and Twenty Four Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Mr. Pawan Toshniwal does not hold any equity shares in the Target Company.

3.13. MADAN GOPAL MAHESHWARI HUF

Madan Gopal Maheshwari HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700 001 Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Madan Gopal Maheshwari is the karta of Madan Gopal Maheshwari HUF. The networth of Madan Gopal Maheshwari HUF as on 31.03.2016 is Rs. 56,31,832.52 (Rupees Fifty Six Lakhs Thirty One Thousand Eight Hundred Thirty Two and Fifty Two Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Madan Gopal Maheshwari HUF does not hold any equity shares in the Target Company.

3.14. CHAND PRAKASH TOSHNIWAL & SONS HUF

Chand Prakash Toshniwal & Sons HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700 001 Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Chand Prakash Toshniwal is the karta of Chand Prakash Toshniwal & Sons HUF. The networth of Chand Prakash Toshniwal HUF as on 31.03.2016 is Rs. 52,66,155.21 (Rupees Fifty Two Lakhs Sixty Six Thousand One Hundred Fifty Five and Twenty One Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Chand Prakash Toshniwal HUF does not hold any equity shares in the Target Company.

3.15. SANTOSH KUMAR TOSHNIWAL HUF

Santosh Kumar Toshniwal HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700 001, Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Santosh Kumar Toshniwal is the karta of Santosh Kumar Toshniwal HUF. The networth of Santosh Kumar Toshniwal HUF as on 31.03.2016 is Rs. 76,46,180.04 (Rupees Seventy Six Lakhs Forty Six Thousand One Hundred Eighty and Four Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Santosh Kumar Toshniwal HUF does not hold any equity shares in the Target Company.

3.16. NITESH TOSHNIWAL HUF

Nitesh Kumar Toshniwal HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700 001, Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Nitesh Kumar Toshniwal is the karta of Nitesh Kumar Toshniwal HUF. The networth of Nitesh Kumar Toshniwal HUF as on 31.03.2016 is Rs. 34,12,108.82 (Rupees Thirty Four Lakhs Twelve thousand One Hundred Eight and Eighty Two Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Nitesh Kumar Toshniwal HUF does not hold any equity shares in the Target Company.

3.17. ABHISHEK TOSHNIWAL HUF

Abhishek Toshniwal HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700 001, Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Abhishek Toshniwal is the karta of Abhishek Toshniwal HUF. The networth of Abhishek Toshniwal HUF as on 31.03.2016 is Rs. 17,03,091.93 (Rupees Seventeen Lakhs Three Thousand Ninety One and Ninety Three Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Abhishek Toshniwal HUF does not hold any equity shares in the Target Company.

3.18. NAND LAL TOSHNIWAL & CO HUF

Nand Lal Toshniwal HUF is an Hindu Undivided Family having registered address at 11, Pollock Street, Kolkata- 700001 Tel: (033) 23573617, Fax: (033) 40224036; Email Id: info@rashmilighting.com. Mr. Madan Gopal Maheshwari is the karta of Nand Lal Toshniwal HUF. The networth of Nand Lal Toshniwal HUF as on 31.03.2016 is Rs. 52,50,197.44 (Rupees Fifty Two Lakhs Fifty Thousand One Hundred Ninety Seven and Forty Four Paise Only) as certified by Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016. As on the date of the DPS Nand Lal Toshniwal HUF does not hold any equity shares in the Target Company.

3.19. FRONTLINE HOLDINGS PVT. LTD

1. M/s. Frontline Holdings Pvt. Ltd. ("**FHPL**")(CIN: U70200WB1991PYC051074) was incorporated on 11th March,1991 with the Registrar of Companies, West Bengal in the name of Frontline Holdings Pvt. Ltd. The registered office of **FHPL** is situated at 77/2A, Hazra Road, Kolkata- 700 029, Tel: (033) 22215679, Email:snvroc@gmail.com.

2. The main object of the Company is to deal in real estate related business. FHPL is registered with Reserve bank of India as a Non Banking Financial Company bearing registration no B.05.02528.

3. FHPL has an authorized capital of Rs. 2,42,50,000/- (Rupees Two Crores Forty Two Lakhs Fifty Thousand Only) constituting 2425000 (Twenty Four Lakhs Twenty Five Thousand) Equity Shares of Rs. 10/- each and paid up equity share capital of Rs. 1,01,80,000 (Rupees One Crore One lakhs Eighty Thousand Only) constituting 1018000 (Ten Lakhs Eighteen Thousand Only) equity shares of Rs. 10/- each. The key shareholders of FHPL are Madan Gopal Maheshwari HUF, Nitesh Toshniwal, Nitesh Toshniwal HUF, Nandlal Toshniwal & Co HUF, Evernew Commodeal Pvt. Ltd., Sukhvarsa Constructions Pvt. Ltd., Assam Industries Ltd. The shares of FHPL are not listed on any stock exchanges as of the date of the DPS.

4. Brief Audited Financials of FHPL for the financial years ended 31st March 2014, 31st March, 2015 and un-audited Certified Financials for the year ended 31st March 2016, are given hereunder:

(Amount Rs. in lakhs)

Particulars	**31/03/2016 (Un-Audited Certified)**	**31/03/2015 (Audited)**	**31/03/2014 (Audited)**
Total Revenue	7.76	6.94	6.46
Net Income (PAT)	1.25	1.04	0.22
EPS (Rs.)	0.12	0.25	0.05
Net Worth/ Shareholder's Fund	114.05	46.80	46.17

3.20. EVERNEW COMMODEAL PVT. LTD.

1. M/s. Evernew Commodeal Pvt. Ltd. ("**ECPL**")(CIN: U51109WB2008PTC123407) was incorporated on 3rd day of March, 2008 with the Registrar of Companies, West Bengal in the name of Evernew Commodeal Private Limited. The registered office of **ECPL** is situated at 11, Pollock Street, Kolkata- 700 001, Tel: (033) 23573617, Fax: (033) 40224036, Email: info@rashmilighting.com.

2. The main object of the Company is to carry on the business as exporting, importing, buying, selling trading and also to do the business as brokers, agents, commission agents, assemblers, refiners, cultivators, miners, mediators, packers, stockiest, distributors, advisors etc.

3. ECPL has an authorized capital of Rs. 1,05,00,000/- (Rupees One Crore Five Lakhs Only) constituting 1050000 (Ten Lakh Fifty Thousand) Equity Shares of Rs. 10/- each and paid up equity share capital of Rs. 1,03,50,000/- (Rupees One Crore Three Lakhs Fifty Thousand Only) constituting 1035000 (Ten Lakhs Thirty Five Thousand) equity shares of Rs. 10/- each. The key shareholders and Promoters of ECPL are Madan Gopal Maheshwari, Sumitra Devi Toshniwal, Veena Devi Toshniwal, Ganpati Devi Toshniwal, Santosh Kumar Toshniwal, Nitesh Toshniwal HUF, Shruti Toshniwal. The shares of ECPL are not listed on any stock exchanges as of the date of the DPS.

4. Brief Audited Financials of ECPL for the financial years ended 31st March 2014, 31st March, 2015 and un-audited Certified Financials for the year ended 31st March 2016, are given hereunder:

(**Amount Rs. in lakhs)**

Particulars	**31/03/2016 (Un-Audited Certified)**	**31/03/2015 (Audited)**	**31/03/2014 (Audited)**
Total Revenue	336.05	20.37	20.45
Net Income (PAT)	5.55	3.81	0.85
EPS (Rs.)	0.54	0.37	0.08
Net Worth/ Shareholder's Fund	1038.33	1032.78	1028.97

3.21. None of the Acquirers mentioned above are prohibited by the SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act as amended or under any other Regulations made under the SEBI Act.

3.22. The Acquirers have undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement and its related conditions.

3.33. The Acquirers undertake that they will not sell the equity shares of the Target Company held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations.

3.34. The Acquirers have not entered into any formal agreement with regard to acquisition of equity shares under the Open Offer and are acting on informal understanding amongst themselves.

3.35. None of the Acquirers, have been prohibited by the SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended ("SEBI Act") or under any other regulation made under the SEBI Act.

3.36. The Acquirers have undertaken that if they acquire any equity shares of the Target Company during the Offer Period, they shall inform the Stock Exchanges where the equity shares of the Target Company are listed the Target Company and the Manager to the Offer within 24 hours of the acquisition in compliance with regulation 18(6) of the SEBI (SAST) Regulations. Further, they have also undertaken that they will not acquire or sell any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per regulation 18(6) of the SEBI (SAST) Regulations.

4. 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)

4.1 Dhanashree Electronics Limited ("**DEL**") was originally incorporated as a Private Company on the 24th day of June 1987 in the name of "Rashmi Coke Private Limited" under Registrar of Companies, West Bengal. The Target Company obtained a fresh certificate of Incorporation dated 22nd day of September, 1989 consequent upon change of name as "Dhanashree Electronics Private Limited" upon passing the necessary resolution pursuant to Section 21/22(1)(a) 22(1)(b) of the Companies Act, 1956. Further the Target Company obtained a fresh certificate of Incorporation dated 4th May, 1994 consequent upon change of name as "Dhanashree Electronics Limited" upon passing necessary resolution in terms of Section 44 of the Companies Act, 1956. The CIN of DEL is L31103WB1987PLC042594. The Registered Office of the DEL is presently situated at Plot No. XI-16, Block EP & GP Salt Lake City, Kolkata- 700 091. Tel. (033) 23573617, Fax- (033) 4022 4036, E-mail: info@rashmilighting.com.

4.2 The Authorized Share Capital of DEL is Rs. 800 Lakhs divided into 80,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed & Paid-up Capital of the DEL is Rs. 669 Lakhs comprising of 66,90,000 equity shares of Rs. 10/- each. DEL has established its connectivity with both the National Securities Depositories Limited and Central Depositories Services (India) Limited. The ISIN of DEL is INE413F01016 & the marketable lot for equity share is 1 (One).

4.3 DEL is engaged in the business of manufacturing of electronic products in the brand of RASHMI and includes manufacturing of Copper Choke, LED Lamps, LED Home Decorative Lights, CFL, Tube Lights, Street Lights, Outdoor Flood Light and Solar Lights.

4.4 As on date, the Target Company does not have any partly paid-up equity shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations. The existing shareholding of the proposed allotees is proposed to be locked in terms of Chapter VII of SEBI (ICDR) Regulations 2009.

4.5 The equity shares of DEL are currently listed at The Calcutta Stock Exchange Limited ("CSE"), The Ahmedabad Stock Exchange Limited ("ASE") and The Delhi Stock Exchange Limited ("DSE"). However, the SEBI vide order WTM/PS/45/MRD/DSA/NOV/ 2014 dated 19.11.2014 has de-recognized The Delhi Stock Exchange Limited with immediate effect.. The equity shares of DEL are infrequently traded on all stock exchanges within the meaning of definition "frequently traded shares" under regulation 2(1)(j) of the SEBI (SAST) Regulations.

4.6 The Share Capital of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully Paid-up Equity Shares	66,90,000	100%
Partly Paid-up Equity Shares	-	-
Total Paid-up Equity Shares	66,90,000	
Total Voting Rights in the Target Company	100%	100%

4.7 As on the date of this Draft LOF, the Board of Directors of DEL are as follows:

NAMES OF DIRECTORS	DESIGNATION	DIN NO.	DATE OF APPOINTMENT
Mr. Nitesh Kumar Toshniwal	Managing Director	00052422	01.04.2014
Mr. Madan Gopal Maheshwari	Whole Time Director and Chairman	00345482	03.10.1989
Mr. Bhinwraj Kabra	Director	00052377	30.09.2014
Mr. Vijay Kumar Sharma	Director	00052546	30.09.2014
Mrs. Shruti Toshniwal	Non- Executive Director	01654074	01.12.2014

4.8 There has been no merger / demerger or spin off involving DEL during the last 3 years.

4.9 Financial Information:

Brief audited financial information of the Target Company for the year ended 31.03.2016, 31.03.2015 and 31.03.2014 are as follows:

Profit & Loss Statement **(Rs. in Lacs)**

For the Year Ended	31st March, 2016 (Audited)	31st March, 2015 (Audited)	31st March, 2014 (Audited)
Income from Operations	3055.35	2088.76	902.95
Other Income	24.76	22.01	6.65
Total Income	3080.11	2110.77	909.60

For the Year Ended	31st March, 2016 (Audited)	31st March, 2015 (Audited)	31st March, 2014 (Audited)
Total Expenditure	2719.67	1919.86	767.02
Profit/ (Loss) before Interest, Depreciation and Tax	360.44	190.91	142.58
Depreciation	29.52	40.65	20.89
Interest	223.28	116.67	103.49
Profit/ (Loss) before Tax	107.64	33.59	18.20
Provision for Tax (including fringe benefit tax)	33.86	26.1	2.62
Profit/ (Loss) after tax	73.78	7.49	15.58

As on	31st March, 2016 (Audited)	31st March, 2015 (Audited)	31st March, 2014 (Audited)
Sources of funds			
Paid-up Share Capital	669.00	669.00	669.00
Reserves & Surplus (excluding revaluation reserves)	300.84	227.06	219.56
Less:- Miscellaneous Expenditure to the extent not written off	-	-	-
Net Worth	**969.84**	**896.06**	**888.56**
Revaluation Reserve	0.07	0.07	0.07
Non- Current Liabilities	1674.91	32.48	38.63
Total	**2644.82**	**928.61**	**927.26**
Uses of funds			
Net Tangible Assets	769.96	628.32	643.89
Non- Current Investments	8.75	8.75	8.75
Loans and Advances	191.65	210.27	248.86
Net Current Assets	1674.46	81.27	25.76
Total	**2644.82**	**928.61**	**927.26**

For the Year Ended	31st March, 2016 (Audited)	31st March, 2015 (Audited)	31st March, 2014 (Audited)
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	1.10	0.11	0.23
Return on Net worth (%)	7.60%	0.84%	1.75%
Book Value Per Share (Rs.)	14.5	13.39	13.28

Note: (i) EPS = Profit after tax / number of outstanding equity shares at the close of the year.
(ii) Return on Net Worth = Profit after Tax / Net Worth.
(iii) Book Value per Share = Net Worth / No. of equity shares.
(iv) Source: Annual Audited Report

4.10 Pre and Post-Offer Shareholding Pattern of DEL(based on Issued, Subscribed & Paid-up Equity and emerging Voting Share Capital) is as under:

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/ Acquirers: Persons forming part of the Promoter/Promoter Group/Acquirers*	24,60,900	36.78%	75,00,000	52.85	36,89,400	26.00	6150300	96.20
Total 1	24,60,900	36.78%	75,00,000	52.85	36,89,400	26.00	6150300	96.20
2. Parties to Agreement other than	0	0	0	0	0	0	0	0
Total 2	**0**	**0**	0	0	0	0	0	0
3. Public (other than Promoters and Acquirers)								
a. FIs/MFs/FIIs/Banks/SFIs:					(36,89,400)	(26.00)	539700	3.80
b. Others:	4229100	63.22						
Total No. of Shareholders in Public Category is 671								
GRANDTOTAL (1+2+3)	**6690000**	**100.00**	**7500000**	**52.85**	**0**	**0**	**14190000**	**100.00**

$ Computed as a %age of existing equity and voting share capital of DEL.
^ Computed as a %age of Emerging Voting Capital of DEL.

*Name of the Proposed Allottee	Pre- Transaction Shareholding (Number and % of total Present share capital)^	No. of shares proposed to be allotted on preferential basis	Proposed shareholding after the acquisition of shares which triggered the Open Offer (Number and % of emerging voting capital)^^
Madan Gopal Maheshwari HUF	0 (0.00%)	6,25,000	625000 (4.40%)
Madan Gopal Maheshwari	8,39,929 (12.55%)	4,16,660	12,56,589 (8.86%)
Sumitra Devi Toshniwal	0 (0.00%)	2,91,660	2,91,660 (2.06%)
Sunita Devi Toshniwal	0 (0.00%)	2,08,330	2,08,330 (1.47%)
Chand Prakash Toshniwal & Sons HUF	0 (0.00%)	5,83,330	5,83,330 (4.11%)
Chand Prakash Toshniwal	2,71,000 (4.05%)	5,83,330	8,54,330 (6.02%)
Durga Devi Toshniwal	0 (0.00%)	2,50,000	2,50,000 (1.76%)
Santosh Kumar Toshniwal HUF	0 (0.00%)	8,33,330	8,33,330 (5.87%)
Santosh Kumar Toshniwal	8,22,959 (12.30%)	4,16,660	12,39,619 (8.74%)
Veena Devi Toshniwal	0 (0.00%)	4,16,660	4,16,660 (2.94%)
Nitesh Toshniwal HUF	0 (0.00%)	4,16,660	4,16,660 (2.94%)
Nitesh Toshniwal	3,85,512 (5.76%)	4,06,730	7,92,242 (5.58%)
Abhishek Toshniwal HUF	0 (0.00%)	5,83,330	5,83,330 (4.11%)
Abhishek Toshniwal	1,41,500 (2.12%)	4,16,660	5,58,160 (3.93%)
Yogita Toshniwal	0 (0.00%)	2,91,660	2,91,660 (2.06%)
Saket Toshniwal	0 (0.00%)	1,25,000	1,25,000 (0.88%)
Pawan Toshniwal	0 (0.00%)	1,25,000	1,25,000 (0.88%)
Nand Lal Toshniwal & Co HUF	0 (0.00%)	5,00,000	5,00,000 (3.52%)
FrontLine Holdings Pvt. Ltd.	0 (0.00%)	5000	5000(0.04%)
Evernew Commodeal Pvt. Ltd.	0 (0.00%)	5000	5000 (0.04%)
Total	**24,60,900 (36.78%)**	**75,00,000**	**99,60,900 (70.20%)**

5. OFFER PRICE & FINANCIAL ARRANGEMENTS:

5.1. Justification of Offer Price:

5.1.1. The equity shares of the Target Company are presently listed at the CSE, ASE and DSE. However, the SEBI vide order WTM/PS/45/MRD/DSA/NOV/ 2014 dated 19.11.2014 has de-recognized The Delhi Stock Exchange Limited with immediate effect. The Scrip Code of DEL is "014039" on the CSE. The marketable lot for equity share is 1 (One). This acquisition of shares is direct acquisition as per the regulation 3(2) read with Regulation 13(2)(g) of the SEBI (SAST) Regulations.

5.1.2. Since there has been no trading in the equity shares of the Target Company on the Stock Exchanges for last many years, the equity shares of the Target Company are not frequently traded within the meaning of definition "frequently traded shares" under regulation 2(1)(j) of the SEBI (SAST) Regulations and therefore the Offer Price has been determined taking into account the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In Rs. per share)
1.	Negotiated Price (proposed price of preferential allotment)	Rs. 12/- per share
2.	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirers during fifty (52) weeks immediately preceding the date of PA	N.A
3.	Highest price paid or payable for acquisitions by the Acquirers during twenty six (26) weeks immediately preceding the date of PA	N.A
4.	The Volume-Weighted Average Market Price of shares for a period of sixty (60) 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.	**Other Financial Parameters as at 31st March 2016:**	
	(a) Return on Net Worth (%)	7.60%
	(b) Book Value Per Share (Rs.)	14.50
	(c) Earnings Per Share (Rs.)	1.10

Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com vide certificate dated 25.07.2016 has stated that the fair value of the equity shares of Target Company is Rs. 6.98 per equity share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 12/- per equity share is justified in terms of regulation 8 (2) of the SEBI (SAST) Regulations..

5.1.3. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

5.1.4. As on date of this DLOF there is no revision in Open Offer price or Open Offer size. In case of any revision in the Open Offer price or Offer Size, the Acquirers shall comply with regulation 18 of the SEBI (SAST) Regulations and all other applicable provisions of the SEBI (SAST) Regulations.

5.1.5. If there is any revision in the Offer Price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to shareholders.

5.2. Financial arrangements:

5.2.1 The maximum consideration payable by the Acquirers to acquire 36,89,400 fully paid-up equity shares at the Offer Price of Rs. 12/- (Rupees Twelve Only) per equity share, assuming full acceptance of the Offer would be Rs. 4,42,72,800 (Rupees Four Crore Forty Two Lakhs Seventy Two Thousand and Eight Hundred Only).

5.2.2 As on the date of PA, the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com has certified vide certificate dated 25.07.2016 that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.

5.2.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account under the name and style of "DEL- Open Offer Escrow Account" with HDFC Bank Limited, Central Plaza, 2/6, Sarat Bose Road, Kolkata-700 020 ("**Escrow Banker**") and made therein a cash deposit of Rs. 1,11,00,000/- (Rupees One Crore Eleven Lakhs Only) being more than 25% of the total consideration payable in the Open Offer, assuming full acceptance.

5.2.4 The Acquirers/PACs have authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.5 Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers/PACs to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

6. TERMS AND CONDITIONS OF THE OFFER:

6.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of DEL (except the Acquirers) whose name appear on the Register of Members, at the close of business hours on 01.09.2016 **("Identified Date").**

6.2. All owners of the shares, Registered or Unregistered (except the Acquirers) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 7 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

6.3. The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. While it would be insured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt the Letter of Offer by any member entitled to this open offer will not invalidate the Offer in any manner whatsoever.

6.4. Subject to the conditions governing this Offer, as mentioned in the Draft LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

6.5. Locked-in Shares:

There are no locked-in shares in DEL. Pre preferential shareholding of the proposed allottes are proposed to be locked in adherence with Chapter VII of the SEBI ICDR Regulations.

6.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirers) whose names appeared in the register of shareholders on 01.09.2016 at the close of the business hours on 01.09.2016 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

6.7. Statutory Approvals and conditions of the Offer:

6.7.1. The Offer is not subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any. In the event such approvals from the RBI is required by any shareholder for tendering their shares in the open offer and such approval are not submitted, the Acquirers reserve the sole right to reject the equity shares tendered by such shareholders in the Open Offer.

6.7.2. As on the date of the DPS, there are no statutory approvals and/ or consents required. However, the Offer would be subject to all statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

6.7.3. The Acquirers, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a PA will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has appeared.

6.7.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations, will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

6.7.5. No approval is required from any bank or financial institutions for this Offer.

6.7.6. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

7.1. The Open offer will be implemented by the Acquirers through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.

7.2. BSE Limited ('BSE') shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Open Offer.

7.3. The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window ("Acquisition Window").

7.4. The Acquirers have appointed Shree Bahubali International Limited, Stock Broker for the open offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:
Name: M/s. Shree Bahubali International Limited
Address: 12, India Exchange Place, 3rd Floor, Kolkata- 700 001
Tel No. 033-3028-5737, Fax No. 033-2231-1579,
Email Id: backoffice@bahubali.in, Website: www.bahubali.in
Contact Person: Mr. Amit Jain

7.5. All the shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers ("Selling Brokers") within the normal trading hours of the Secondary Market, during the Tendering period.

7.6. Such shares would be transferred to a special account of the clearing corporation specifically created for this purpose prior to placing the bid. The stock brokers shall also forward to the Clearing Corporation such details regarding the shares tendered as may be required by the Merchant Banker.

7.7. A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.

7.8. The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.

7.9. Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client.

7.10. Procedure for tendering shares held in Dematerialized Form.

a) The Equity shareholders who are holding the equity shares in demat form and who desire to tender their Equity shares in this offer shall approach their broker indicating to their broker the details of equity shares they intend to tender in Open Offer.

b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.

c) For custodian participant, orders for Demat equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/ Clearing Corporation, before the opening of the Offer.

e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.

f) The shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

7.11. Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:

a) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker alongwith the complete set of documents for verification procedures to be carried out including the:

i. The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;

ii. Original Share Certificates;

iii. Valid shares transfer form(s) duly filled and signed by the transferors (i.e., by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirers;

iv. Self-attested copy of the Shareholder's PAN card;

v. Any other Relevant documents such as (but not limited to):

- Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
- Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
- Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.

vi. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Adhar Card, Voter Identity card or Passport.

b) Selling Broker should place order on the Acquisition Window with the relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling broker shall provide a TRS generated by the Exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity shares tendered etc.

c) After placement of order, as mentioned in paragraph 7.10(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, Original share certificate(s), valid share transfer form(s) and other documents (as mentioned in the paragraph 7.10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as '**Dhanashree Electronics Limited-Open Offer'.** One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

d) Shareholders holding physical Equity shares should note that the physical equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirers shall be subjected to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical Bids". Once, Registrar to the Offer confirms the order it will be treated as "Confirmed Bids".

e) In case any person has submitted Equity shares in physical form for dematerialization, such shareholders should ensure that the process of getting the equity shares dematerialized is completed well in time so that they can participate in the offer before the Offer Closing Date.

7.12. Modification/Cancellation of orders will not be allowed during the period the Offer is open.

7.13. The cumulative quantity tenderd shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period

7.14. Procedure for Tendering the Shares in case of Non-Receipt of this Letter of Offer:

Persons who have acquired equity shares but whose names do not appear in the register of members of the Target Company on the Identified date, or those who have not received the letter of offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of this Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or Merchant Banker website (www.vccorporate.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively in case of non-receipt of this Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificates and Form SH-4 in case of shares being held in physical form. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

7.15. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the shareholders of the Target Company. The Acquirers does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirers will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

7.16. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

7.17. Settlement Process

a. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favor of Clearing Corporation.

b. The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

7.18. Settlement of Funds/ Payment Consideration

The settlement of fund obligation for demats and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

8. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue, 2nd Floor, Suite No.–2C, Kolkata-700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 25.07.2016 to 18.10.2016.

i) Memorandum & Articles of Association of DEL along with its Certificate of Incorporation.

ii) Audited Annual Accounts of DEL for the financial year ended 31.03.2014, 31.03.2015 and 31.03.2016.

iii) Certificate from Ms. Deepa Agarwal proprietor of Deepa Agarwal & Associates Chartered Accountants, having office at 156/B/4A, B.T. Road, Dunlop Bridge, Kolkata- 700 108; Contact No. 9883873700; E-mail: cadagarwal89@gmail.com has certified vide certificate dated 25.07.2016 that sufficient resources are available with the Acquirers for fulfilling the obligations under this Offer in full.

iv) Copy of the Resolution passed by the Board of Directors of the Target Company on July, 25, 2016 approving issue of equity shares on preferential basis.

v) Copy of the notice dated -------------- for considering the issue of equity shares on preferential basis to the Promoters and Promoter's Group.

vi) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer dated 25.07.2016

vii) Copy of the recommendations dated ______made by the Committee of Independent Director of the Target Company.

viii) Copy of the Public Announcement dated 25.07.2016 and published copy of the Detailed Public Statement dated 01.08.2016 and Issue of Opening Public Announcement dated _______________.

ix) Copy of SEBI Observation letter no. ______________________ dated ______.

9. DECLARATION BY THE ACQUIRERS:

In accordance with the regulation 25(3) of the SEBI (SAST) Regulations, the Acquirers accept full responsibility jointly and severally for the information contained in the Public Announcement & Detailed Public Statement and also for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations and the Acquirers would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

ON BEHALF OF SELF AND OTHER ACQUIRERS AS THEIR CONSITUENT ATTORNEY

Sd/- **Abhishek Toshniwal**
Place : Kolkata **Date: 06.08.2016**