DETAILED PUBLIC STATEMENT TO THE SHAREHOLDERS OF

JAYAVANT INDUSTRIES LIMITED

IN TERMS OF REGULATION 15(2) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Registered Office: 1st Floor, Jayavant House, Azad Road, Near CBT Bhandiwad Base, Hubli - 580 020, Karnataka, India • **Phone No.:** 0836-2365869 • **Email id.:** info.jayavant@gmail.com

OPEN OFFER FOR ACQUISITION OF 14,00,906 EQUITY SHARES OF FACE VALUE RS. 10/- EACH, FULLY PAID-UP FROM SHAREHOLDERS OF JAYAVANT INDUSTRIES LIMITED (HEREINAFTER REFERRED TO AS "TARGET COMPANY" OR "JIL") AT A PRICE OF RS. 7 (RUPEES SEVEN ONLY) PER EQUITY SHARE, FULLY PAID UP BY MR. ARUN KUMAR BHANGADIA (HEREINAFTER REFERRED TO AS THE "ACQUIRER").

This Detailed Public Statement ("DPS") is being issued by Karn Merchant Bankers Limited, the Manager to the Offer ("Manager"), on behalf of **Mr. Arun Kumar Bhangadia** ("Acquirer"), in compliance with regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations/ Regulations") pursuant to the Public Announcement dated May 15, 2014 filed with the Ahmedabad Stock Exchange Limited ("ASE"), Bangalore Stock Exchange Limited ("BgSE") and Madras Stock Exchange Limited ("MSE"), the Securities and Exchange Board of India ('SEBI') and **Jayavant Industries Limited** (hereinafter referred to as "Target Company" or "JIL") in terms of regulations 3(1) and 4 of the SEBI (SAST) Regulations..

I. ACQUIRER, TARGET COMPANY AND OFFER

A) 1) Information about Mr. Arun Kumar Bhangadia (Acquirer):

i. Nature of Entity: Individual

ii. Name, Address and Professional Background: Mr. Arun Kumar Bhangadia, aged about 50 years, son of Late Sri Gopi Kishan Bhangadia, residing at 8-2-684/1/2, Flat No. G-6, Rock Levelz Apartments, Behind Reliance Digital, Road No. 12, Banjara Hills, Hyderabad – 500 034, Andhra Pradesh, Mobile No.: 0091-9849051199. He holds a degree of Bachelor of Commerce and has more than 20 years of experience in various fields particularly in the field of financial services.

iii. Mr. Arun Kumar Bhangadia does not belong to any group.

iv. Mr. Arun Kumar Bhangadia is not related to the Target Company, its Directors, Key Employees and Promoters in any manner whatsoever.

v. Mr. Arun Kumar Bhangadia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the regulations made under the SEBI Act.

vi. Mr. Jugal Kishore Mundada (Membership No. 201717), Proprietor of M/s. J.K.Mundada & Co., Chartered Accountants (Firm Registration No. 006008S), having office at 48, 3rd Floor, Abids Shopping Centre, Upstairs S.B.I. Chiragali Lane branch, Abids, Hyderabad – 500 001, Mobile No.: 0091-9849011717, has certified vide certificate dated 15.05.2014 that the net worth of Mr. Arun Kumar Bhangadia is Rs. 3,38,75,551.13/- (Rupees Three Crores Thirty Eight Lakhs Seventy Five Thousand Five Hundred Fifty One and Paise Thirteen only).

A) 2) Other Information about Acquirer:

i. There is no agreement amongst the Acquirer and any other persons/ entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other persons/ entities propose to participate in the acquisition.

ii. There are no 'Persons Acting in Concert' within the meaning of regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer.

B) Details of Sellers, if applicable:

i. Details of Sellers are as follows:

Sr. No.	Name & Address of the Sellers	Nature of Entity	Promoter/ Promoter Group	Listed/ Unlisted	Shareholding (no. of Equity Shares) of the Sellers in the Target Company	% of Paid Up and Voting Capital in the Target Company
1	Nemichand J Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai – 400 703	Individual	Promoter	Not Applicable	2,53,800	4.71
2	Shantilal Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	40,200	0.75
3	Shantilal J Mehta (HUF) 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	HUF	Promoter Group	Not Applicable	5,800	0.11
4	Kunthukumar Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,66,600	4.94
5	Shailaja Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,58,700	4.80
6	Nemichand Mehta (HUF) 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	HUF	Promoter Group	Not Applicable	6,400	0.12
7	Sairabai Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,34,300	4.35
8	Jayesh Nemichand Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,51,200	4.66
9	Rajshekhar Sajjanraj Kothari 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,49,400	4.63
10	Dinesh Mohanlal Jain 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,45,700	4.56
11	Vijay Sajjanraj Kothari 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,53,600	4.71
12	Manoj Sajjanraj Kothari 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	1,98,300	3.68
13	Kamalabai Shantilal Mehta 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	2,55,000	4.73
14	Rohit Khurana 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	1,88,400	3.50
15	Ankush Vithal Kajrolkar 205, JK Chambers, Sector-17, Vashi, Navi Mumbai - 400 703	Individual	Promoter Group	Not Applicable	1,30,000	2.41
16	Manisha Doundkar SS-3, Room No. 951, Sector-3, Kopar Khairane, Navi Mumbai – 400 709	Individual	Promoter Group	Not Applicable	18,400	0.34
	Total				**28,55,800**	**53.00**

ii. As per the latest Shareholding Pattern under clause 35 of the Standard Listing Agreement, filed by the Target Company with the ASE, Bgse and MSE, the Sellers include the current Promoters and entities/ individuals forming part of the Promoter Group of the Target Company. There are no other Promoters or Promoters Group of the Target Company.

iii. The Sellers are not part of any group.

iv. The Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

C) Jayavant Industries Limited ("Target Company" or "JIL"):

i. Jayavant Industries Limited (bearing CIN: U85110KA1996PLC019672) was originally incorporated on January 25, 1996 under the Companies Act, 1956 with the Registrar of Companies, Bangalore. The Target Company had obtained Certificate for Commencement of Business on February 1, 1996 from the Registrar of Companies, Bangalore. There has been no change in the name of Target Company since incorporation.

ii. Presently, the registered office of the Target Company is situated at 1st Floor, Jayavant House, Azad Road, Near CBT Bhandiwad Base, Hubli – 580 020, Karnataka, India.

iii. The Target Company made its Initial Public Offer of Equity Shares through Prospectus dated March 11, 1996. The Listing Permission and/ or Trading Permission was granted by ASE, BgSE and MSE on May 24, 1996; June 4, 1996 and June 6, 1996 respectively.

iv. As on the date of this DPS, the main objects of the Target Company are to carry on business as manufacturers, producers, buyers, sellers, importer & exporters of and dealers in betel nuts, betel nuts powder & related products, paper & paper related products, organic & inorganic chemicals, all kinds of cement & cement related products and all kinds of electrical and electrical gadgets.

v. As on date of this DPS, the Board of Directors of the Target Company comprises of Mr. Sumir Kumar Singh, Mr. Shrenikraj Ghewarchand Kothari and Mr. Vinod Babulal.

vi. As on date of this DPS, the authorized share capital of the Target Company is Rs. 6,00,00,000/- (Rupees Six Crore only), comprising of 60,00,000 Equity Shares of Rs 10/- each. As on the date of DPS, the Paid-up Equity Share Capital of the Target Company is Rs. 5,38,81,000/- (Rupees Five Crores Thirty Eight Lakhs Eighty One Thousand Only) divided into 53,88,100 Equity Shares of Rs. 10/- each.

vii. The entire present paid up Equity Share Capital of the Target Company is currently listed on the Bangalore Stock Exchange Limited (Scrip Code: JIV), Madras Stock Exchange Limited (Scrip Code: JYV) and Ahmedabad Stock Exchange Limited. (Company Code: 28101).

viii. Based on the information available, the Equity Shares of the Target Company are not frequently traded on ASE, BgSE and MSE (within the meaning of definition of "frequently traded shares" under clause (j) of sub-regulation (1) of regulation 2 of the SEBI (SAST) Regulations).

ix. As on date of this DPS, there are no outstanding warrants/ convertible securities or partly paid-up shares in the Target Company.

x. There is no merger, de-merger and spin off in the last three years in the Target Company.

xi. The financial information of the Target Company as per the audited accounts for the last three financial years ended March 31, 2012; March 31, 2013 and March 31, 2014 are as follows:

(Rs. In Lakhs)

Particulars	Year Ended (Audited)		
	March 31, 2014	March 31, 2013	March 31, 2012
Total Revenue	9.14	0.36	0.43
Profit/ (Loss) After Tax	6.69	(0.77)	(8.94)
Earnings Per Share (Rs.)	0.12	(0.02)	(0.20)
Net Worth/ Shareholders' Fund	376.54	284.61	285.38

D) Details of the Offer:

i. The Acquirer is making an Offer to acquire up to 14,00,906 Equity Shares of face value Rs. 10 each representing 26% of the Paid Up Capital of the Target Company (the'Offer').

ii. This Offer is being made to all the Equity Shareholders of the Target Company, other than the parties to the Share Purchase Agreement (SPA) dated May 15, 2014.

iii. The Offer is being made at a price of Rs. 7/- (Rupees Seven Only) per fully paid up Equity Share, payable in cash, subject to the terms and conditions set out in the Public Announcement (PA), this Detailed Public Statement (DPS) and the Letter of Offer (LoO), that will be sent to the Shareholders of the Target Company.

iv. The Offer Price will be paid in cash in accordance with regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.

v. The Offer would be subject to the receipt of statutory and other approvals as mentioned in Section VI of this DPS. In terms of regulation 23(1)(a) of SEBI (SAST) Regulations, 2011, if the statutory approvals are not received or are refused, the Offer would stand withdrawn.

vi. This is not a Competitive Bid in terms of regulation 20 of the SEBI (SAST) Regulations, 2011.

vii. This Offer is not conditional upon any minimum level of acceptance by the Equity Shareholders of the Target Company. The Acquirer will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 14,00,906 Equity Shares of face value Rs. 10 each representing 26% of the Paid Up Capital of the Target Company.

viii. There are no conditions stipulated in the SPA between the Sellers and the Acquirers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under regulation 23 of the SEBI (SAST) Regulations, 2011.

ix. As on the date of this DPS, there are no partly paid-up Equity Shares in the Target Company.

x. As on the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.

xi. The Acquirer does not hold any Equity Shares/ Voting Rights in the Target Company as on the date of this DPS. The Acquirer has not acquired any Shares of the Target Company during the 12 months period prior to the date of this DPS.

xii. The Manager to the Offer, Karn Merchant Bankers Limited does not hold any Equity Shares in the Target Company as on the date of this DPS. 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.

xiii. The SPA is subject to compliance of provisions of SEBI (SAST) Regulations, 2011 and in case of non compliance with the provisions of SEBI (SAST) Regulations, 2011, the SPA shall not be acted upon.

E) As on the date of this DPS, the Acquirer has no plan to alienate any significant assets of the Target Company for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of SEBI (SAST) Regulations, 2011.

F) Upon completion of the Open Offer, assuming full acceptances, the Acquirer will hold 42,56,706 Equity Shares of the Target Company, representing a total of 79% of the Voting Paid-Up Share Capital of the Target Company. As per Clause 40A of the Listing Agreement read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% public shareholding, on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company reduces below the minimum level, the Acquirer hereby undertake that the Promoter/ Promoter Group shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

II. BACKGROUND TO THE OFFER

i. The Acquirer had entered into a Share Purchase Agreement ("SPA") with Sellers on May 15, 2014, whereas Acquirer agreed to acquire 28,55,800 equity shares of Rs. 10/- each ("Sellers's Equity Shares") of JIL, which represents 53% of the Total Paid-Up Equity Share Capital/ Voting Capital of Target Company at a price of Rs. 0.75/- (Paise Seventy Five Only) per equity share for a total consideration of Rs. 21,41,850/- (Rupees Twenty One Lakhs Forty One Thousand Eight Hundred and Fifty Only) payable in cash, subject to the terms and conditions as contained in the SPA. The Sellers form the Promoters/ Promoter Group of the Target Company.

ii. This Open Offer is being made by the Acquirer in compliance with regulations 3(1) and 4 read with other applicable provisions of the SEBI (SAST) Regulations, 2011.

iii. The mode of payment of consideration for acquisition of the Sellers's Equity Shares by the Acquirer is cash.

iv. The Acquirer proposes to continue and expand the existing business of the Target Company. The main purpose of the acquisition is to consolidate their shareholding in the Target Company and thereby to exercise effective management and control over the Target Company.

v. Subject to satisfaction of the provisions under the Companies Act, and/ or any other regulation(s), the Acquirer intends to make changes in the management of JIL. It is proposed to induct new Directors representing the Acquirer on the Board of JIL. The likely changes in the management/ taking control by the Acquirer shall be subject to compliance with regulations 22(1), 22(2) and 24(1) of the SEBI (SAST) Regulations, 2011.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirer in TC and the details of their acquisition are as follows:

Details	Acquirer (Arun Kumar Bhangadia)	
	No. of Shares	%
Shareholding as on the PA date	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil
Post Offer Shareholding *(On Diluted basis, as on 10th working day after closing of tendering period, assuming full acceptance in the Offer)*	42,56,706	79

Note: The Acquirer does not hold any Equity Shares as on date of this DPS in the Target Company.

IV. OFFER PRICE

i. The Equity Shares of the Target Company are currently listed on the Ahmedabad Stock Exchange Limited (ASE), Bangalore Stock Exchange Limited (BgSE) and Madras Stock Exchange Limited (MSE).

ii. The total trading turnover in the Equity Shares of the Target Company on the stock exchange(s) based on trading volume during the twelve calendar months prior to the month of Public Announcement is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the Twelve months prior to the month of PA	Total No. of Equity Shares listed	Total Trading Turnover (as % of total Equity Shares listed)
ASE	No Trading	53,88,100	No Trading
BgSE	No Trading	53,88,100	No Trading
MSE	No Trading	53,88,100	No Trading

iii. Based on the above information, Equity Shares of Target Company are not frequently traded on any of the above stock exchange(s) within the meaning of regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011 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, 2011 as under:

Sr. No.	Particulars	Price (In Rs. per share)
1	Negotiated Price under the SPA	0.75
2	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirer or by any person acting in concert with him during the 52 weeks immediately preceding the date of PA	Not Applicable as there were no acquisitions
3	Highest price paid or payable for acquisitions by the Acquirer or by any person acting in concert with him, during the 26 weeks immediately preceding the date of PA	Not Applicable as there were no acquisitions
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable
5	**Other Financial Parameters as at 31st March, 2014:**	
	(a) Return on Net Worth (%)	1.78
	(b) Book Value Per Share (In Rs.)	6.99
	(c) Earnings Per Share (In Rs.)	0.12

Mr. Chandra Shekhar Animalla (Membership No. 220226), Partner of M/s. Ramesh Asthaniya & Company, Chartered Accountants, having office at 5-9-1121, F-45 & 46, 1st Floor, Agarwal Chambers, King Kothi, Hyderabad – 500 001, vide certificate dated 15 May, 2014 has certified the Fair Value of Equity Shares of the Target Company.

The relevant extracts of the report is stated as under:-

'In the case of Hindustan Lever Employees' Union versus Hindustan Lever Limited (1995), the Hon'ble Supreme Court upheld the use of the following three bases of valuation: (i) the yield method; (ii) the net asset value method; and (iii) the market value method.

In case of Jayavant Industries Limited:

- *Net Asset Value (NAV): The Net Asset Value based on Audited Financial Statements ended March 31, 2014 is Rs. 6.99 per Equity Share.*
- *Profit Earning Capacity Value (PECV): For calculating the Value based on Profit Earning Capacity, average profit after tax based on the Audited Financial Statements for the financial years ended March 31, 2014, March 31, 2013 and March 31, 2012 have been considered. The Company has been incurring losses in March 31, 2013 and March 31, 2012 and has profit of Rs. 6,68,511.80 in March 31, 2014. The average profit after tax as per audited annual accounts is Rs. (1,00,720.89), thus, the PECV method is an inappropriate method for valuation in the present case.*
- *Market Based Value: The Company is listed on Ahmedabad Stock Exchange Limited (ASE), Bangalore Stock Exchange Limited (BgSE) and Madras Stock Exchange Limited (MSE) but there is no trading on any of the stock exchanges in the Equity Shares of the Company. So in absence of market quotations, determination of market value of the shares of the Company by this method can't be possible. Therefore the Market Price method is also an inappropriate method for valuation in the present case.*

Considering the Supreme Court's Decision in the case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited (1995) reported at (83 Company Cases 30) wherein the Apex Court has opined that under certain circumstances the fair value of a Company could be assessed based on weights, we have assigned the following weights for the purpose of computing the Fair Market Value:-

Particulars	Value per Share (In Rs.)	Weight	Weighted Value (In Rs.)
NAV Method	6.99	1	6.99
PECV Method	Nil	Nil	Nil
Market Price Method	Nil	Nil	Nil
Fair Value per Equity Share			**6.99**

We are of the opinion that based on the information as referred to hereinabove, the Fair Value of Equity Shares of Jayavant Industries Limited in terms of the Hon'ble Supreme Court's decision in the Hindustan Lever Employees' Union vs. Hindustan Lever Limited (1995) reported at (83 Companies Cases 30), is Rs. 6.99 per Equity Share.'

In view of the parameters considered and presented as above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 7/- (Rupees Seven Only) per equity share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, 2011.

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

v. As on date 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 Acquirer shall comply with regulation 18(4) and 18(5) of the SEBI (SAST) Regulations, 2011 and all other applicable provisions of the SEBI (SAST) Regulations, 2011.

vi. 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 3 (Three) working days before the date of commencement of the tendering period and would be notified to shareholders.

V. FINANCIAL ARRANGEMENTS

i. The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 14,00,906 Equity Shares at a price of Rs. 7/- (Rupees Seven Only) per Equity Share is Rs. 98,06,342/- (Rupees Ninety Eight Lakhs Six Thousand Three Hundred and Forty Two Only) ("Maximum Consideration").

ii. The Acquirer has adequate internal resources to meet the financial requirements of the Open Offer. No borrowings from any Bank/ Financial Institution/ Foreign Entities such as NRIs or otherwise is envisaged by him. The Acquirer has made firm arrangement for financial resources required to complete the Open Offer in accordance with regulation 25(1) of the SEBI (SAST) Regulations, 2011. The acquisition will be financed through his own internal resources. Mr. Jugal Kishore Mundada (Membership No. 201717), Proprietor of M/s. J.K.Mundada & Co., Chartered Accountants (Firm Registration No. 006008S), having office at 48, 3rd Floor, Abids Shopping Centre, Upstairs S.B.I. Chiragali Lane branch, Abids, Hyderabad – 500 001, Mobile No.: 0091-9849011717, has certified vide certificate dated 15.05.2014, that sufficient resources are available with the Acquirer for fulfilling the obligations under this Offer in full.

iii. In accordance with regulation 17 of the SEBI (SAST) Regulations, 2011 the Acquirer has opened an Escrow Account on May 16, 2014 in the name of " JIL OPEN OFFER ESCROW ACCOUNT" bearing number 00600350126704,with HDFC Bank Limited, at HDFC Bank Limited, Fort Branch, Mumbai – 400 001 (hereinafter referred to as the "Escrow Banker") and deposited therein an amount of Rs. 24,51,585.50 (Rupees Twenty Four Lakhs Fifty One Thousand Five Hundred Eighty Five and Paise Fifty Only), in cash, being 25% of the Maximum Consideration payable under the Offer.

iv. The Manager to the Offer is authorized to operate the above mentioned Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

v. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that firm arrangement for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

VI. STATUTORY AND OTHER APPROVALS

i. As on the date of this DPS, there are no statutory approvals required to acquire the Equity Shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such statutory approvals also. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of regulation 23(1)(a) of the SEBI (SAST) Regulations, 2011.

ii. There are no conditions stipulated in the SPA between the Sellers and the Acquirer, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the offer might be withdrawn under regulation 23(1)(c) of the SEBI (SAST) Regulations, 2011.

iii. In case of delay/ non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations, 2011.

iv. In terms of regulation 23(1) of the SEBI (SAST) Regulations, 2011, if any of the conditions precedent and other conditions as stated in the SPA or approvals mentioned in this paragraph (all of which are outside the reasonable control of the Acquirer) are not satisfied, or if any of the statutory approvals are refused, the Acquirer will have a right to withdraw the Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, Stock Exchange(s) and the registered office of the Target Company.

v. No approvals are required from FIs/Banks for the Offer.

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

VII. TENTATIVE SCHEDULE OF ACTIVITY

Nature of Activity	Day and Date
Date of the Public Announcement (PA)	Thursday; May 15, 2014
Date of publication of this DPS in newspapers	Thursday; May 22, 2014
Filling of the Draft Letter of Offer with SEBI	Thursday; May 29, 2014
Last date for public announcement of a competing offer(s) being made	Thursday; June 12, 2014
Date of receipt of the comments on Draft Letter of Offer from SEBI	Thursday; June 19, 2014
Identified Date*	Monday; June 23, 2014
Last Date by which Letter of Offer will be dispatched to the Shareholders	Monday; June 30, 2014
Last Date for revising the Offer Price/Offer Size	Tuesday; July 01, 2014
Last date by which an independent committee of the Board of Target Company shall give its recommendation	Wednesday; July 02, 2014
Date of publication of advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in the newspapers where this DPS has been published	Friday; July 04, 2014
Date of commencement of Tendering Period (Offer Opening Date)	Monday; July 07, 2014
Date of closure of the Tendering Period (Offer Closing Date)	Friday; July 18, 2014
Last date for communicating the rejection/ acceptance; completion of payment of consideration or refund of Shares to the Shareholders of the Target Company	Monday; August 04, 2014
Date of Post Offer Advertisement	Monday; August 11, 2014

***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 Acquirer and the Sellers) are eligible to participate in the Offer any time before the closure of the Offer.**

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECIEPT OF LOF

i. All owners of Equity Shares, registered or unregistered, are eligible to participate in the Offer (except the Acquirer and Sellers) anytime before closure of the Offer.

ii. Letters of Offer (hereinafter referred to as "LoO") will be dispatched to all the Equity Shareholders of Target Company, whose names appear in its Register of Members on Monday; June 23, 2014 the Identified Date, except the Acquirer and Sellers.

iii. As on the date on this DPS, the shares of the Target Company are both in dematerialized as well as physical mode.

iv. Shareholders who hold Equity Shares of the Target Company in physical form and wish to tender their Equity Share pursuant to the Offer will be required to submit the duly completed Form of Acceptance cum acknowledgement, original Share Certificate(s), Transfer Deed (s) duly signed and witnessed and other documents as may be specified in the LoO, to **M/s. Satellite Corporate Services Pvt. Ltd. ("Registrar to the Offer")** either by Registered Post/ Courier, at their own risk or by hand delivery so as to reach on or before the end of business hours on the date of closure of the Offer i.e. Friday; July 18, 2014.

v. Shareholders holding Equity Shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the LoO to **M/s. Satellite Corporate Services Pvt. Ltd. ("Registrar to the Offer")** either by Registered Post/ Courier or by hand delivery so as to reach on or before the end of business hours on the date of closure of the Offer i.e. Friday; July 18, 2014, along with a photocopy of the delivery instructions in "Off-Market" mode or counterfoil of the delivery instructions in "Off-Market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of **"JIL-Open Offer Demat Escrow Account" (Depository Escrow Account)** filled in as per the instructions given below:

Depository Participant Name	IL&FS Securities Services Limited
DP ID	IN300095
Client ID	11759610
Account Name	JIL-Open Offer Demat Escrow Account
Depository	NSDL
Market	Off Market

Shareholders having their beneficial account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the Special Depository Account opened with NSDL.

vi. In case of (a) shareholders who have not received the Letter of Offer, (b) unregistered shareholders, (c) owner of the Equity Shares who have sent the Equity Shares to the Target Company for transfer, may send their consent to **M/s. Satellite Corporate Services Pvt. Ltd. ("Registrar to the Offer")** on plain paper, stating the name, address, number of Equity Shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such Equity Shares such as broker note, succession certificate, original share certificate/ original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, so as to reach the Registrar to the Offer on or before the end of business hours on the date of closure of the Offer i.e. Friday; July 18, 2014. Such shareholders can also obtain the Letter of Offer from the Registrar to the Offer by giving an application in writing to that effect.

vii. In case of shareholders who have not received the LoO and holding Equity Shares in the dematerialized form may send their consent to **M/s. Satellite Corporate Services Pvt. Ltd. ("Registrar to the Offer")** on plain paper, stating the name, addresses, number of Equity Shares held, Depository name, Depository I.D., Client name, Client I.D., number of Equity Shares offered along with a photocopy of the original delivery instructions in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the Depository Participant as specified in Para VIII (V) above, so as to reach the Registrar to the Offer on or before the end of business hours on the date of closure of the Offer i.e. Friday; July 18, 2014. Such Equity Shareholders can also obtain the LoO from the Registrar to the Offer by giving an application in writing.

viii. Shareholders who have sent their Equity Shares for dematerialization need to ensure that the process of getting Equity Shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the end of business hours on the date of closure of the Offer i.e. Friday; July 18, 2014, else the application would be rejected.

ix. Where the number of Equity Shares offered for sale by the shareholders are more than the Equity Shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, 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 or the entire holding, if it is less than the marketable lot. The marketable lot of Target Company is 1(One) Equity Share for shares held in demat mode and 100 (Hundred) Equity Share for shares held in physical mode.

x. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement would also be available at SEBI website i.e. www.sebi.gov.in and shareholders can also apply by downloading such forms from the said website.

xi. No indemnity would be required from unregistered shareholders regarding the title to the Shares.

xii. The equity shares and all other relevant documents should be sent to the Registrar to the Offer and not to the Acquirer or to JIL or to the Manager to the Offer.

IX. THE DETAILED PROCEDURE FOR TENDERING THE SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER.

X. OTHER INFORMATION

i. The Acquirer, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities under directions issued pursuant to Section 11B or under any other regulations made under SEBI Act.

ii. The Acquirer accepts full responsibility for the information contained in the Public Announcement and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereto.

iii. Pursuant to regulation 12 (1) of the SEBI (SAST) Regulations, 2011 the Acquirer has appointed, Karn Merchant Bankers Limited, as the Manager to the Offer.

iv. The Acquirer has appointed ***Satellite Corporate Services Pvt. Ltd.,*** as the Registrar to the Offer, having office at ***B-302, Sony Apartment, Opp. St. Jude's High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai – 400 072, Contact Person: Mr. Harish D, Tel No: +91 22 28520461/ 62, Fax No: +91 22 28511809, E-mail: service@satellitecorporate.com.***

v. This DPS is being issued on behalf of the Acquirer by the Manager to the Offer.

vi. This DPS will also be available on SEBI's website at www.sebi.gov.in.

Issued by
Manager to the Offer

Karn Merchant Bankers Limited,
EC-41, Sector- 1, Salt Lake City, Kolkata - 700 064.
Tel. No.: +91 33 2334 3922/ 23, **Fax No.:** +91 33 2334 3924
Email: info@karnbanker.com, **Website:** www.karnbanker.com
Contact Person: Mr. Karn Vats/ Mr. Goutam Seal,
SEBI Registration No.: INM000011153

On behalf of Acquirer
Sd-
(ARUN KUMAR BHANGADIA)

Place: Hyderabad
Day & Date: Thursday; May 22, 2014