DRAFT LETTER OF OFFER (“DLoF”)

“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

This LoF is sent to you as a Public Shareholder(s) of Welspun Syntex 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 Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the member of stock exchange through whom said sale was effected.

OPEN OFFER BY
Krishiraj Trading Limited (“Acquirer”), having its registered office at Survey No. 76, Village Morai, Vapi, Gujarat - 396 191, Tel No. +91-260-2437437, Fax No. +91-260-2437088
along with
Welspun Mercantile Limited (“PAC”), having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist, Gujarat - 370 110, Tel No. +91-2836-662222, Fax No. +91-2836-279010
as Person Acting in Concert
TO ACQUIRE UP TO
1,02,02,288 (One Crore Two Lakh Two Thousand Two Hundred Eighty Eight Only) fully paid-up equity shares of face value of Rs. 10/- each, representing 26% of the Post Conversion Voting Share Capital of the Target company, as of the 10th working day from the date of closure of the tendering period of this Offer at a price of Rs.13.00 (Rupees Thirteen Only) per fully paid up equity share payable in cash of
WELSPUN SYNTEX LIMITED (“Target Company”)
Registered Office: Survey No 394 (P), Village Saily, Silvasa, Union Territory of Dadra & Nagar Haveli - 396230
Telephone No: +91-260- 2640596 / 99; Fax No: +91-260-2640597
Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (“SEBI (SAST) Regulations”)

1. This Open Offer is being made by the Acquirer and the PAC pursuant to Regulation 3(2) and other applicable provisions of the SEBI (SAST) Regulations.
2. The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. If there is any upward revision in the Offer Price by the Acquirer and/or the PAC up to three working days prior to the commencement of the tendering period i.e. up to Thursday, January 24, 2013 or in the case of withdrawal of Offer, the same will be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has been published. Such revision in the Offer Price will be payable by the Acquirer and/or the PAC for all the shares validly tendered anytime during the Offer.
4. To the best of the knowledge of the Acquirer and the PAC, as on the date of this DLoF, there are no statutory or regulatory approvals required for this Offer. However, if any other statutory or regulatory approvals are required or become applicable prior to completion of this Offer; the Offer would be subject to the receipt of such statutory or regulatory approvals.
5. **There has been no competing offer as on the date of this draft Letter of Offer.**
6. **If there is a competing offer, the public offers under all the subsisting bids shall open and close on the dates mentioned in the Schedule of major activities given herein.**
7. A copy of Public Announcement, Detailed Public Statement and draft Letter of Offer (including Form of Acceptance) is also available on SEBI’s web-site: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
PRIME SECURITIES LIMITED Ashford Centre, 7th Floor, Shankarrao Naram Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013 **Contact Person:** Mr. Apurva Doshi / Mr. Nitesh Surana **Tel No.:** +91-22-24981515 **Fax:** +91-22-24970777 **Email:** wsl_openoffer@primesec.com **SEBI Regn. No:** INM000000750	LINK INTIME INDIA PVT LTD **LINK INTIME INDIA PRIVATE LIMITED** C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078 **Contact Person:** Mr. Pravin Kasare **Tel No. :** +91-22-25967878 **Fax:** +91-22-25960329 **Email:** wsl.offer@linkintime.co.in **SEBI Regn. No.:** INR000004058
OFFER OPENS ON: THURSDAY, JANUARY 31, 2013	**OFFER CLOSES ON: WEDNESDAY, FEBRUARY 13, 2013**

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OPEN OFFER

Sr. No	Particulars	Day and Dates
1.	Public Announcement (PA) Date	Friday, December 07, 2012
2.	Detailed Public Statement (DPS) Date	Friday, December 14, 2012
3.	Last date for a competing offer	Monday, January 07, 2013
4.	Identified Date*	Wednesday, January 16, 2013
5.	Date by which LoF will be dispatched to the shareholders	Wednesday, January 23, 2013
6.	Independent Directors recommendation	Monday, January 28, 2013
7.	Issue opening public announcement date	Wednesday, January 30, 2013
8.	Date of commencement of the tendering period	Thursday, January 31, 2013
9.	Date of closure of the tendering period	Wednesday, February 13, 2013
10.	Date by which all the requirements including payment of consideration would be completed	Wednesday, February 27, 2013

** The Identified Date is the date falling on the 10th working day prior to the commencement of the tendering period, for the purpose of determining the shareholders to whom the Letter of Offer shall be sent.*

RISK FACTORS

Given below are the risks related to the transaction, the Offer and those associated with the Acquirer and the PAC:

1. In the event that either (a) the regulatory approvals, if any, are not received in a timely manner, or (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructs the Acquirer and the PAC not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this DLoF. Consequently, the payment of consideration to the Public Shareholders, whose Equity Shares are accepted in the Offer, as well as the return of Equity Shares not accepted by the Acquirer and/or PAC in the Offer, may be delayed.
2. The Offer to the extent relevant to acquisition of the Equity Shares from NRIs and OCBs, is subject to the statutory and regulatory approval and clearance from RBI that may be required by NRIs and OCBs. For further details see paragraph 7.4 of this DLoF.
3. In case of delay in receipt of any statutory approval, SEBI has power to grant extension of time to the Acquirer and/or PAC for payment of consideration to the Public Shareholders who have accepted the Offer within such period, subject to the Acquirer and/or PAC agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
4. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Offer will be accepted.
5. Anyone placing reliance on any other source of information (not released by the Acquirer, the PAC, or the Manager to the Offer) would be doing so at his/her/their own risk.
6. Public Shareholders should note that the Public Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period.
7. The Acquirer, the PAC and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company, and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
8. The Acquirer, the PAC and the Manager to the Offer do not provide any assurance with respect to the market price of the Equity Shares before, during or after the Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
9. The Equity Shares, tendered in response to the Offer, will be held in trust by the Registrar to the Offer until the completion of the Offer (in accordance with the SEBI (SAST) Regulations and other applicable laws, rules and regulations), and the Public Shareholders will not be able to trade, sell, transfer, exchange or otherwise dispose of such Equity Shares until the completion of the Offer or withdrawal of the Offer in accordance with Regulation 23(1) of the SEBI (SAST) Regulations.

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

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DEFINITIONS

1.	Acquirer or KTL or the Acquirer	Krishiraj Trading Limited incorporated under the Companies Act, 1956, having its registered office at Survey No. 76, Village Morai, Vapi, Gujarat - 396 191, India
2.	Board of Directors / Board	The Board of Directors of Welspun Syntex Limited
3.	BSE	BSE Limited
4.	CDSL	Central Depository Services (India) Limited
5.	Closure of Tendering Period	Wednesday, February 13, 2013
6.	Companies Act	The Companies Act, 1956, as amended from time to time
7.	Conversion Equity Shares	1,55,94,541 Equity Shares post conversion of OCCPS representing up to 39.74% of the post conversion equity share capital of the Target Company
8.	Current Equity Share Capital	Total Equity Shares as on the date preceding the date of the PA
9.	DP	Depository Participant
10.	Detailed Public Statement or DPS	Detailed Public Statement which was published in the newspapers on Friday, December 14, 2012
11.	DIN	Director Identification Number
12.	Equity Shares	The issued and fully paid-up equity shares of the Target Company with a face value of Rs. 10/- (Rupees Ten only) each
13.	EPS	Earnings Per Share
14.	Escrow Agreement	Escrow Agreement dated December 7, 2012 between the Acquirer, the PAC, the Escrow Agent and the Manager to the Offer
15.	Escrow Account	Shall have the meaning given to it in paragraph 6.2.3 of this DLoF
16.	Escrow Amount	Shall have the meaning given to it in paragraph 6.2.3 of this DLoF
17.	Escrow Bank /Escrow Agent	Shall have the meaning given to it in paragraph 6.2.3 of this DLoF
18.	Form of Acceptance	Form of Acceptance-cum-Acknowledgement which is a part of this DLoF
19.	FIIs	Foreign Institutional Investors registered with Securities & Exchange Board of India
20.	FII Certificate	Shall have the meaning given to it in paragraph 8.18.3 of this DLoF
21.	Identified Date	Wednesday, January 16, 2013 i.e. date falling on the tenth (10th) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders whom this Letter of Offer shall be sent
22.	LOF or Letter of Offer or LoF	The Letter of Offer
23.	Manager to the Offer or Manager	Prime Securities Limited
24.	MICR	Magnetic Ink Character Recognition
25.	N.A.	Not Available
26.	N/A	Not Applicable
27.	NEFT	National Electronic Fund Transfer

28.	NRI	Non Resident Indian
29.	NSDL	National Securities Depository Limited
30.	OCB	Overseas Corporate Body
31.	OCCPS	1,60,00,000, 6% Optionally Convertible Cumulative Preference Shares
32.	Offer or Open Offer	The open offer made by the Acquirer, along with the PAC, to the Public Shareholders to acquire up to 1,02,02,288 Equity Shares, representing not more than 26% of the post conversion equity share capital of the Target Company as of the 10th working day from the closure of the tendering period under this Offer at a price of Rs.13.00 (Rupees Thirteen Only) per fully paid-up equity share payable in cash
33.	Open Offer Consideration or Offer Consideration	Shall have the meaning given to it in paragraph 6.2.1 of this DLoF
34.	Open Offer Price or Offer Price	Shall have the meaning given to it in paragraph 2.2.4 of this DLoF
35.	Open Offer Size / Offer Size	Shall have the meaning given to it in paragraph 2.2.4 of this DLoF
36.	Open Offer Period / Offer Period	Friday, December 07, 2012 to Wednesday, February 27, 2013
37.	Overseas tax	Shall have the meaning given to it in paragraph 8.18.6 of this DLoF
38.	PAC or The PAC or WML	Welspun Mercantile Limited incorporated under the Companies Act, 1956, having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist, Gujarat - 370 110 as Person Acting in Concert along with the Acquirer as defined in the SEBI (SAST) Regulations
39.	PAN	Permanent Account Number
40.	Post Conversion Equity Share Capital	The total Equity Shares post conversion of 1,60,00,000, 6% Optionally Convertible Cumulative Preference Shares into 1,55,94,541 (One Crore Fifty Five Lakh Ninety Four Thousand Five Hundred Forty One Only) Equity Shares at a conversion price of Rs.10.26 per share
41.	Promoters	Promoter and Promoter group of the Target Company. It also includes the Acquirer and the PAC.
42.	Public Shareholder(s)	The equity shareholders of the Target Company other than the Promoters
43.	Public Announcement or PA	Public Announcement submitted to BSE, SEBI and the Target Company on Friday, December 07, 2012
44.	Registrar or Registrar to the Offer	Link Intime India Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time.
45.	RBI	The Reserve Bank of India
46.	Regulation(s)	Regulation(s) pertaining to the SEBI (SAST) Regulations, 2011
47.	RTGS	Real Time Gross Settlement
48.	Rs. or Rupee(s) or INR	Indian Rupees
49.	SCRR	Securities Contract (Regulation) Rules, 1957, as amended

		from time to time
50.	SEBI Act	Securities and Exchange Board of India Act, 1992
51.	SEBI	Securities and Exchange Board of India
52.	SEBI Order	Shall have the meaning given to it in paragraph 2.1.9 of this DLoF
53.	SEBI (SAST) Regulations, 2011 or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
54.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
55.	Special Depository Account	The special depository account opened by the Registrar to the Offer with NSDL for receiving Equity Shares tendered during the Offer
56.	Tendering Period	Thursday, January 31, 2013 to Wednesday, February 13, 2013
57.	Target Company or WSL	Welspun Syntex Limited
58.	TRC	Shall have the meaning given to it in paragraph 8.18.1 of this DLoF
59.	WAP	Weighted Average Price

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 DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF WELSPUN SYNTEX LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PAC OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER (PRIME SECURITIES LIMITED) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER "PRIME SECURITIES LIMITED" HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 21, 2012 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE DRAFT LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. **DETAILS OF THE OFFER**

2.1. **Background of the Offer**

2.1.1. This Offer is being made under Regulation 3(2) of the SEBI (SAST) Regulations. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. This Offer is being made pursuant to conversion of OCCPS into Equity Shares by the Acquirer and the PAC, as more particularly stated in paragraph 2.1.5 below.

2.1.2. The Acquirer and the PAC are part of the Promoters of the Target Company. The list of Promoters and the Equity Shares held by them in the Target Company, as on the date preceding the date of PA, is as stated below:

Sr. No.	Name of the Promoters	No. of Shares	% holding*
1	Krishiraj Trading Limited	4,720,595	19.96
2	Welspun Fintrade Private Limited	4,018,359	16.99
3	Welspun Mercantile Limited	618,057	2.61
4	Welspun India Limited	283,500	1.20
5	Welspun Finance Limited	137,191	0.58
6	B K Goenka HUF	15,428	0.07
7	Dipali Goenka	11,571	0.05
8	Radhika Goenka	5,025	0.02
9	B K Goenka	3,405	0.01
10	Welspun Steel Limited	25	0.00
11	Welspun Zucchi Textiles Limited	25	0.00
	Total	**98,13,181**	**41.50**

** as a percent of Current Equity Share Capital*

2.1.3. The Board of Directors of the Target Company at their board meeting held on May 23, 2012 passed a resolution for issue of optionally convertible cumulative preference shares subject to the approval of shareholders and the Authorized Finance Committee of the Directors. The shareholders of the Target

Company passed a resolution in the Annual General Meeting held on September 29, 2012, giving their consent to the issue of upto 1,60,00,000, 6% Optionally Convertible Cumulative Preference Shares ("**OCCPS**") of the face value of Rs.10 each on preferential basis to the Acquirer and/or the PAC with an option to convert it into Equity Shares at a price of Rs.10.25 per share, at any time within eighteen (18) months from the date of allotment at the option of allottee. The Target Company, on October 4, 2012, had applied for 'in-principle' approval to BSE for issue and allotment of OCCPS. Subsequently, on October 10, 2012, the Target Company gave an undertaking to BSE that the OCCPS will be converted at a recomputed price of Rs.10.26 per share instead of Rs.10.25 per share and accordingly 1,55,94,541 Equity Shares shall be allotted on conversion.

2.1.4. On October 26, 2012, BSE granted its 'in-principle' approval for the issue of aforesaid OCCPS. Consequently on October 29, 2012, the Target Company informed BSE that the Company had allotted the OCCPS to the Acquirer. Of these allotted OCCPS, on December 6, 2012, the Acquirer transferred 8,10,000 OCCPS to the PAC.

2.1.5. As on the date preceding the date of the PA, the Promoters hold 98,13,181 Equity Shares representing 41.50% of the Current Equity Share Capital. As on the date preceding the date of the PA, the Acquirer and the PAC, together hold 53,38,652 Equity Shares representing 22.58% of the Current Equity Share Capital. Further the Acquirer and the PAC have together acquired 9,08,075 Equity Shares through open market purchase, representing 3.84% of the Current Equity Share Capital, during the financial year 2012-13.

On December 7, 2012, the Acquirer and the PAC have exercised the option to convert the OCCPS into 1,55,94,541 Equity Shares representing up to 39.74% of the Post Conversion Equity Share Capital, at a price of Rs.10.26/- (Rupees Ten and Twenty Six Paise Only) per equity share of the Target Company.

The abovementioned conversion of OCCPS into Equity Shares by the Acquirer and the PAC together with the acquisitions made during the financial year, resulted in acquisition of more than 5% voting rights of the Target Company in one financial year, and hence this Offer is being made by the Acquirer and the PAC, in compliance with Regulation 3(2) and other applicable provisions of SEBI (SAST) Regulations. The PA in connection to the Offer was filed with BSE on December 7, 2012 in compliance with Regulation 13(2)(b) of the SEBI (SAST) Regulations.

2.1.6. As on date, the Authorized Finance Committee of the Directors of the Target Company has not convened a meeting for the allotment of Conversion Equity Shares post conversion of OCCPS.

2.1.7. If the Conversion Equity Shares are allotted during the offer period, the Conversion Equity Shares will be kept in a separate 'Demat Escrow Account' in compliance with Regulation 22(1) of the SEBI (SAST) Regulations through 'Escrow Demat Agreement' between the Acquirer, the PAC, the Manager and the Escrow Agent. The Manager will have the right to operate the Demat Escrow Account. Upon fulfilment of all the Offer related formalities, the Conversion Equity Shares will be transferred to the respective DP account of the Acquirer and/or the PAC and the said account will be closed for good.

2.1.8. No change is proposed in the Board of Directors after the Offer**.** Mr. Rajesh Mandawewala, Director of the PAC, holds the position of Director of the Target Company and Mr. Raj Kumar Jain, statutory auditor of the Acquirer and the PAC, holds the position of Independent Director in the Target Company.

2.1.9. The Acquirer, the PAC and the directors of the Acquirer and the PAC, are not prohibited, as on date, by SEBI from dealing in securities, in terms of directions issued under Section 11B or any other Regulations made under the SEBI Act, 1992 and subsequent amendments thereto.

SEBI had passed an Exparte Ad Interim Order dated December 2, 2010 u/s 11B, 11D and 11(4)(b) of the SEBI Act, 1992 against a market participant, his associates and other entities (including Welspun group promoter entities) in various scrips alleging manipulative and unfair trade practices by the market participant and his associate entities ("**SEBI Order**"). The SEBI Order, inter alia, directed that Welspun group promoter entities, as mentioned below, shall not buy, sell or deal in the securities of their own companies and their listed group companies in any manner whatsoever till further directions. Subsequently, SEBI completed investigation and vacated the aforesaid interim directions vide its order dated March 16, 2012. The Welspun group entities mentioned in the SEBI order is as below:

Name of Entity	Part of promoter group of WSL
Krishiraj Trading Limited	Yes
Welspun Mercantile Limited	Yes
Welspun Wintex Limited	Yes*
Welspun Trading Limited**	Yes
GRG Cosmetics Private Limited	No
Welspun Polybuttons Private Limited	No
Welspun Corp Limited	Yes*

** Welspun Wintex Limited and Welspun Corp Limited currently does not hold any Equity Shares*

*** The name of Welspun Trading Limited was changed to Welspun Fintrade Private Limited with effect from January 8, 2010*

2.1.10. As per Regulation 26(6) of the SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company will constitute a committee of independent directors to provide their written reasoned recommendation on the Offer to the Public Shareholders and such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS related to the Open Offer was published, in compliance with Regulation 26(7) of the SEBI (SAST) Regulations, 2011.

2.2. **Details of the Offer**

2.2.1. The PA announcing the Open Offer, under Regulation 3(2), read with Regulations 13, 14 and 15 of the SEBI (SAST) Regulations, was made on December 7, 2012 to the BSE and a copy thereof was also filed with the SEBI and the Target Company at its registered office.

2.2.2. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, 2011, the DPS was published on December 14, 2012 in the following newspapers:

Publication	Editions
Financial Express (English)	All Editions
Jansatta (Hindi)	All Editions
Navashakti (Marathi)	Mumbai Edition
Western Times (Gujarati)	Gandhinagar Edition

The Detailed Public Statement and the Public Announcement are also available on the website of SEBI (www.sebi.gov.in)

2.2.3. Simultaneously with the publication of the DPS in the newspapers, a copy of the DPS, along with respective cover letters dated December 14, 2012, was sent through the Manager to the Offer to (a) SEBI; (b) the BSE; and (c) the registered office of the Target Company.

2.2.4. Pursuant to the Offer, the Acquirer and the PAC proposes to acquire up to 1,02,02,288 Equity Shares, representing 26% of the Post Conversion Equity Share Capital of the Target Company as of the 10th working day from the closure of the tendering period under this Offer ("**Offer Size**")**,** at a price of Rs.13 per fully paid-up equity share of the Target Company ("**Offer Price**"), payable in **cash** and subject to the terms and conditions set out in the PA, DPS and the DLoF.

2.2.5. The Equity Shares under the Offer will be acquired by the Acquirer and/or the PAC as fully paid–up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

2.2.6. There are no partly paid up Equity Shares.

2.2.7. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

2.2.8. This Offer is not a conditional offer and is not subject to a minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011. Further, there is no differential pricing for the Offer. All Equity Shares validly tendered by the Public Shareholders pursuant to the Offer will be accepted at the Offer Price by the Acquirer and/or the PAC, in accordance with the terms and conditions contained in the PA, the DPS and the DLoF. In the event that the Equity Shares tendered in the Open Offer by the

Public Shareholders are more than the Offer Size, the acquisition of Equity Shares from the Public Shareholders will be on a proportionate basis, as detailed in paragraph 6.1.14 of the DLoF.

2.2.9. This Offer is being made to all the Public Shareholders in terms of Regulation 7(6) of the SEBI (SAST) Regulations.

2.2.10. The Promoters of the Target Company undertake that they will not tender any Equity Shares in the Offer.

2.2.11. With regard to the statutory / regulatory and other approvals, please refer to paragraph 7.4 of this DLoF. In terms of Regulation 23 of the SEBI (SAST) Regulations, the Offer shall not be withdrawn except in the circumstances mentioned in the Regulation. In the event the statutory / regulatory approvals, if any and applicable, are refused, this Offer shall have to be withdrawn. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.

2.2.12. The Acquirer and the PAC has not acquired any Equity Shares from the date of PA i.e. December 7, 2012, till the date of this DLoF.

2.2.13. The Acquirer and the PAC are part of Welspun group and belong to the Promoters category in the Target Company as per the SEBI (SAST) Regulations. The Acquirer and the PAC undertake that if, pursuant to the closure of this Offer (assuming 100% tendering in the Offer), the public shareholding in the Target Company falls below 25% of the voting rights/ paid-up capital, the Promoters will bring down the non-public shareholding to the levels specified (i.e. 75% of the total voting share capital) within a period of twelve (12) months from the date of completion of Offer as specified in SCRR and in accordance with such directions as may be issued by the stock exchanges on which shares of the Target Company are listed and in accordance with Regulation 7(4) of the SEBI (SAST) Regulations. As per Regulation 7(5) of the SEBI (SAST) Regulations, the Acquirer and the PAC also undertake, that pursuant to the closure of the Offer, if the Promoters shareholding exceeds the maximum permissible non-public shareholding, under these regulations, the Promoters shall not make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve (12) months has elapsed from the date of the completion of the Offer period.

2.2.14. The Manager to the Offer, Prime Securities Limited does not hold any Equity Shares as on the date of DLoF. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares during the Offer Period.

2.3. Object of the Acquisition / Offer

2.3.1. The Acquirer and the PAC are part of the Promoters of the Target Company. The Promoters propose to extend support to continue and expand the existing business of the Target Company. The main purpose of this Offer is to consolidate their shareholding in the Target Company. The Promoters' acquisition of the Equity Shares through this Offer will not have any adverse repercussions on the employment and the location of the Target Company's places of business.

2.3.2. The Acquirer and the PAC currently form part of the promoter group of the Target Company. The Promoters, including the Acquirer and the PAC, are already in control of the Target Company and the proposed acquisition, pursuant to the Offer, is for the purpose of consolidating its shareholding in the Target Company. Since the Promoters are already in control of the Target Company, the provisions of Regulation 25(2) of the SEBI (SAST) Regulations are not applicable to the Promoters. However, the proposed consolidation of the Promoters shareholding, pursuant to the acquisition of shares under the Offer, by the Acquirer and the PAC, is not with an intent to dispose off any material assets of the Target Company during the period of two (2) years after the Offer whether by way of sale, lease, encumbrance or otherwise except to the extent that may be required (i) in the ordinary course of business and/or (ii) in accordance with applicable law.

3. BACKGROUND OF THE ACQUIRER - KRISHIRAJ TRADING LIMITED

3.1. The Acquirer, Krishiraj Trading Limited, was incorporated on March 4, 1992 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra (Mumbai), as Krishiraj Investment and Finance Private Limited. The name was changed to Krishiraj Trading Private Limited with effect from July 29, 2004 and subsequently changed to Krishiraj Trading Limited with effect from August 16, 2004. The Corporate Identity Number of the Acquirer is U65990GJ1992PLC050965. Its registered office is located at Survey No. 76, Village Morai, Vapi, Gujarat - 396 191, India, Tel No: +91-260-2437437.

3.2. The Acquirer is part of Welspun Group and is engaged in the business of trading in commodities and investment in securities.

3.3. Mrs. Dipali Goenka, promoter of the Acquirer and holding 88.00% of the voting share capital of the Acquirer, is the person in control of the Acquirer.

3.4. Mr. Raj Kumar Jain, statutory auditor of the Acquirer, holds the position of Independent Director in the Target Company.

3.5. As on the date of DLoF, the Acquirer holds 47,20,595 Equity Shares, representing 19.96% of the Current Equity Share Capital of the Target Company. The Acquirer has complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and with the provisions of Chapter V of the SEBI (SAST) Regulations, 2011, wherever applicable, within the time specified therein.

3.6. Shareholding pattern of the Acquirer, as on date, is as under:

Category	No. of Shares	% Holding
Promoter and Promoter Group		
Dipali Goenka	4,400	88.00
Radhika Goenka	450	9.00
Rajesh Mandawewala	50	1.00
Vanshika Goenka under guardian Dipali Goenka	25	0.50
Welspun Mercantile Limited	25	0.50
B. K. Goenka (HUF)	25	0.50
B. K. Goenka Family Trust	25	0.50
Total	**5,000**	**100.00**

3.7. The details of Board of Directors of the Acquirer, as on date, are as follows:

Name of Director	Designation	DIN	Qualification and Experience	Date of Appointment
L. T. Hotwani	Director	00007125	Commerce Graduate with over 33 years of experience in Accounts / Supply Chain Management	May 10, 2001
Devendra Patil	Director	00062784	Company Secretary & Bachelor of General Law with over 30 years of experience in Legal and Secretarial work	April 27, 2012
Sitaram D. Somani	Director	00005017	Chartered Accountant, Experience of over 35 years of project execution	April 27, 2012

3.8. The brief details of financials of the Acquirer are given as under:

Profit & Loss Statement				
Particulars	**For the year ended March 31, 2010**	**For the year ended March 31, 2011**	**For the year ended March 31, 2012**	**For 3 months ended June 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Unaudited**
	Rs. Crore	***Rs. Crore***	***Rs. Crore***	***Rs. Crore***
Income from operations	29.14	6.92	17.14	0.30
Other Income	6.33	5.84	1.96	0.31
Total Income	**35.47**	**12.76**	**19.10**	**0.61**
Total Expenditure	15.77	14.93	14.88	1.35
Profit/ (Loss) before depreciation interest and tax	**19.69**	**(2.17)**	**4.22**	**(0.74)**
Depreciation	-	-	-	-
Interest (Net)	-	-	-	-
Profit Before Tax	19.69	(2.17)	4.22	(0.74)
Provision for Tax	3.85	0.02	-	-
Profit After Tax	**15.84**	**(2.19)**	**4.22**	**(0.74)**

Balance Sheet Statement				
Particulars	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2012**	**As at June 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Unaudited**
	Rs. Crore	***Rs. Crore***	***Rs. Crore***	***Rs. Crore***
Sources of funds				
Paid up share capital	0.05	0.05	0.05	0.05
Reserves and Surplus (excluding revaluation reserves)	810.21	808.01	812.23	811.49
Networth	**810.26**	**808.06**	**812.28**	**811.54**
Share Application Money	31.50	-	-	-
Secured loans	-	-	-	-
Long-term borrowings	-	71.50	71.50	71.50
Deferred Tax Liability (Net)	-	-	-	-
Total	**841.76**	**879.56**	**883.78**	**883.04**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	717.12	783.16	833.24	994.73
Net current assets	124.64	96.40	50.54	(111.69)
Total	**841.76**	**879.56**	**883.78**	**883.04**

Other Financial Details				
Particulars	For the year ended March 31, 2010	For the year ended March 31, 2011	For the year ended March 31, 2012	For 3 months ended June 30, 2012
	Standalone	Standalone	Standalone	Standalone
	Audited	Audited	Audited	Unaudited
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	31,682	(4,391)	8,430	(1,480)

***Source**: The financial information has been extracted / calculated from the audited financial statements of the Acquirer for the financial years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditor of the Acquirer. The financial information of the Acquirer for 3 months ended on June 30, 2012 has been extracted / calculated from the unaudited financial information of the Acquirer for 3 months ended on June 30, 2012 and has been certified by the statutory auditor as confirmed in its certificate vide number RKJ/KTL/NW/CERT/41/12-13 dated December 7, 2012.*

3.9. As at June 30, 2012, the Acquirer has provided non-disposal undertaking with a power of attorney in respect to its 26% holding in an associate company in respect of the associates borrowing of Rs. 100 Crore. The Acquirer has pledge of holding in the shares of one of Welspun group companies and charge over bank account to secure NCD of an associate company for Rs. 150 Crore. Further, the Acquirer has provided non-disposal undertaking of the shareholding in the Welspun group companies to banks/financial institutions in respect of facilities/ loans availed by the respective entities. Further, the Acquirer confirms that there are no other contingent liabilities except those mentioned above.

3.10. The equity shares of the Acquirer are not listed on any stock exchange in India or abroad.

4. BACKGROUND OF THE PAC - WELSPUN MERCANTILE LIMITED

4.1. The PAC, Welspun Mercantile Limited, was incorporated on June 19, 1989 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra (Mumbai), as Welspun Estates Private Limited. The name was changed to Welspun Mercantile Private Limited with effect from April 1, 1999 and subsequently changed to Welspun Mercantile Limited on March 25, 2003. The corporate identity number of the PAC is U70100GJ1989PLC056345. Its registered office is located at Welspun City, Village Versamedi, Taluka Anjar, Gujarat - 370 110, India; Tel No: +91-2836-662222.

4.2. The PAC is part of Welspun group and is engaged in the business of trading in commodities and investment in securities.

4.3. Mrs. Dipali Goenka, promoter and Director of the PAC and holding 49.86% of the voting share capital of the PAC, is the person in control of the PAC.

4.4. Mr. Rajesh Mandawewala, Director of the PAC, holds the position of Director of the Target Company. Further, Mr. Raj Kumar Jain, statutory auditor of the PAC, holds the position of Independent Director of the Target Company.

4.5. As on the date of DLoF, the PAC holds 6,18,057 Equity Shares, representing 2.61% of the Current Equity Share Capital of the Target Company. The PAC has complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and with the provisions of Chapter V of the SEBI (SAST) Regulations, 2011, wherever applicable, within the time specified therein.

4.6. Shareholding pattern of the PAC, as on date, is as under:

Category	No. of Shares	% Holding
Promoter and Promoter Group		
Dipali Goenka	8,000	49.86
Vanshika Goenka under guardian Dipali Goenka	4,019	25.05
Radhika Goenka	4,019	25.05
B. K. Goenka (HUF)	2	0.01

B. K. Goenka Family Trust	2	0.01
Krishiraj Trading Limited	1	0.01
Welspun Fintrade Private Limited, nominee of the Acquirer	1	0.01
Total	**16,044**	**100.00**

4.7. The details of Board of Directors of the PAC, as on date, are as follows:

Name of Director	Designation	DIN	Qualification and Experience	Date of Appointment
Rajesh Mandawewala	Director	00007179	Chartered Accountant with over 28 years of experience of business management	December 26, 2002
L. T. Hotwani	Director	00007125	Commerce Graduate with over 33 years of experience in Accounts / supply chain management	December 19, 2005
Dipali Goenka	Director	00007199	Graduate in Psychology with experience of over 15 years in business management of textile companies	January 30, 2006
Mohan K. Manikkan	Director	00007108	Commerce Graduate with experience of over 23 years in insurance, public relations and secretarial and legal functions	January 30, 2006

As on the date of this DLoF, Mr. Rajesh Mandawewala holds the position of the Director of the Target Company.

4.8. The brief details of financials of the PAC are given as under:

Profit & Loss Statement				
Particulars	**For the year ended March 31, 2010**	**For the year ended March 31, 2011**	**For the year ended March 31, 2012**	**For 3 months ended June 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Unaudited**
	Rs. Crore	***Rs. Crore***	***Rs. Crore***	***Rs. Crore***
Income from operations	7.07	3.39	6.48	-
Other Income	-	-	-	-
Total Income	**7.07**	**3.39**	**6.48**	**-**
Total Expenditure	4.89	0.02	4.07	0.002
Profit/ (Loss) before depreciation interest and tax	**2.18**	**3.36**	**2.41**	**(0.002)**
Depreciation	-	-	-	-
Interest (Net)	-	-	-	-
Profit Before Tax	2.18	3.36	2.41	(0.002)
Provision for Tax	0.06	-	0.03	-
Profit After Tax	**2.12**	**3.36**	**2.38**	**(0.002)**

Balance Sheet Statement				
Particulars	As at March 31, 2010	As at March 31, 2011	As at March 31, 2012	As at June 30, 2012
	Standalone	Standalone	Standalone	Standalone
	Audited	Audited	Audited	Unaudited
	Rs. Crore	*Rs. Crore*	*Rs. Crore*	*Rs. Crore*
Sources of funds				
Paid up share capital	0.84	0.84	1.31	1.31
Reserves and Surplus (excluding revaluation reserves)	101.94	105.31	153.42	153.42
Networth	**102.78**	**106.15**	**154.73**	**154.73**
Share Application Money	41.08	32.14	-	-
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Deferred Tax Liability (Net)	-	-	-	-
Total	**143.86**	**138.29**	**154.73**	**154.73**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	143.41	143.41	149.88	153.96
Long-term loans & Advances	-	9.48	0.50	-
Net current assets	0.45	(14.60)	4.35	0.77
Total	**143.86**	**138.29**	**154.73**	**154.73**

Other Financial Details				
Particulars	For the year ended March 31, 2010	For the year ended March 31, 2011	For the year ended March 31, 2012	For 3 months ended June 30, 2012
	Standalone	Standalone	Standalone	Standalone
	Audited	Audited	Audited	Unaudited
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	1,324	2,096	1,482	(1.49)

***Source**: The financial information has been extracted / calculated from the audited financial statements of the PAC for the financial years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditor of the PAC. The financial information of the PAC for 3 months ended on June 30, 2012 has been extracted / calculated from the unaudited financial information of the PAC for 3 months ended on June 30, 2012 and has been certified by the statutory auditor of PAC as confirmed in its certificate vide number RKJ/WML/NW/CERT/40/12-13 dated December 7, 2012.*

4.9. As at June 30, 2012, the PAC has given a corporate guarantee to a bank to secure term loan funding of Rs.225 crore availed by a promoter group company. Further, the PAC has provided non-disposal undertaking of the shareholding in the Welspun group companies to banks/financial institutions in respect of facilities/ loans availed by the respective entities. Further, the PAC confirms that there are no other contingent liabilities except those mentioned above.

4.10. The equity shares of the PAC are not listed on any stock exchange in India or abroad.

5. BACKGROUND OF THE TARGET COMPANY - WELSPUN SYNTEX LIMITED

5.1. The Target Company, Welspun Syntex Limited, is a listed company, incorporated in India on March 31, 1983 under the Companies Act, 1956 as Kothari Leasing Limited. The Target Company's name was changed from Kothari Leasing Limited to Kothari Polyesters Limited on March 15, 1991. Subsequently, the name was changed to Welspun Syntex Limited on July 26, 1991. The registered office of the Target Company is located at Survey No 394 (P), Village Saily, Silvasa, Union Territory of Dadra & Nagar Haveli - 396230, Telephone No: +91-260- 2640596 / 99.

5.2. The Target Company is engaged in the business of manufacturing of polyester filament and nylon filament yarns, i.e., POY and FDY through Chips' spinning. The Target Company further provides subsequent value addition by texturising, twisting, dyeing, air-covering and splitting of mother yarns.

5.3. Share capital structure of the Target Company, as on the date of the DLoF, is as follows:

Paid up Equity Shares of the Target Company	Post Conversion of OCCPS No. of Shares / voting rights	% of shares / voting rights
Fully paid up Equity Shares	3,92,39,568	100.00%
Partly paid up Equity Shares	Nil	Nil
Total paid up Equity Shares	3,92,39,568	100.00%
Total voting rights in Target Company	3,92,39,568	100.00%

Source: *Target Company*

5.4. The Equity Shares are listed only on BSE and have been frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.5. The Equity Shares, as on date of this DLoF, are not suspended on BSE.

5.6. There are currently no outstanding partly paid up Equity Shares. Further, there are no other outstanding convertible securities, depository receipts, warrants or any other instruments issued by the Target Company convertible into Equity Shares except the OCCPS, which has been taken into consideration for arriving at the Offer Size.

5.7. The Board of Directors of the Target Company at their board meeting held on May 23, 2012 passed a resolution for issue of optionally convertible cumulative preference shares subject to the approval of shareholders and the Authorized Finance Committee of the Directors. The shareholders of the Target Company passed a resolution in the Annual General Meeting held on September 29, 2012, giving their consent to the issue of upto 1,60,00,000, 6% Optionally Convertible Cumulative Preference Shares of the face value of Rs.10 each on preferential basis to the Acquirer and/or the PAC with an option to convert it into Equity Shares at a price of Rs.10.25 per share, at any time within eighteen (18) months from the date of allotment at the option of allottee. The Target Company on October 4, 2012 had applied for 'in-principle' approval to BSE for issue and allotment of OCCPS. Subsequently, on October 10, 2012, the Target Company gave an undertaking to BSE that the OCCPS will be converted at a recomputed price of Rs.10.26 per share instead of Rs.10.25 per share and accordingly 1,55,94,541 Equity Shares shall be allotted on conversion.

5.8. On October 26, 2012, BSE granted its 'in-principle' approval for the issue of aforesaid OCCPS. Consequently on October 29, 2012, the Target Company informed BSE that the Company had allotted the OCCPS to the Acquirer. Of these allotted OCCPS, on December 6, 2012, the Acquirer transferred 8,10,000 OCCPS to the PAC. On December 7, 2012, the Acquirer and the PAC have exercised the option to convert the OCCPS into 1,55,94,541 Equity Shares representing up to 39.74% of the Post Conversion Equity Share Capital. As on date, the Authorized Finance Committee of the Directors of the Target Company has not convened a meeting for the allotment of Conversion Equity Shares post conversion of OCCPS.

5.9. As on the date of the DLoF, the composition of the Board of Directors of the Target Company is as under:

Name of Director	Designation	DIN	Date of Appointment
B. K. Goenka	Chairman	00270175	July 16, 1991
Rajesh Mandawewala	Director	00007179	July 16, 1991
R.K. Jain	Independent Director	00026544	January 27, 1999
Atul Desai	Director	00019443	January 29, 2002
Mohan Tandon	Director	00026460	January 31, 2004
B. A. Kale	Executive Director	01770073	October 30, 2010

Source: *Target Company*

As on the date of this DLoF, Mr. Rajesh Mandawewala holds the position of the Director in the PAC and Mr. Raj Kumar Jain is the statutory auditor of the Acquirer and the PAC.

5.10. Based on the audited financial statements, the financial information of the Target Company for the financial year ended March 31, 2010, March 31, 2011 and March 31, 2012 and Limited Review for 6 months ended September 30, 2012 are as follows:

Profit & Loss Statement				
Particulars	**For the year ended March 31, 2010**	**For the year ended March 31, 2011**	**For the year ended March 31, 2012**	**For 6 months ended September 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Limited Review**
	Rs. Crore	***Rs. Crore***	***Rs. Crore***	***Rs. Crore***
Income from operations	364.59	501.81	611.55	386.83
Other income	1.36	2.04	0.35	1.34
Total income	**365.95**	**503.85**	**611.90**	**388.17**
Total expenditure	338.83	471.63	572.04	359.23
Profit before depreciation, interest and tax	**27.12**	**32.22**	**39.86**	**28.94**
Depreciation	10.66	11.39	12.61	7.46
Interest	9.33	8.71	15.68	9.51
Profit before exceptional item and tax	7.13	12.12	11.56	11.97
Exceptional item	-	-	-	-
Profit before tax	7.13	12.12	11.56	11.97
Provision for tax	1.21	2.42	2.31	2.40
Provision for earlier years	-	(0.70)	(0.01)	-
MAT credit entitlement	(1.21)	(2.42)	(2.31)	(2.40)
Profit after tax (before extraordinary Items)	**7.13**	**12.82**	**11.57**	**11.97**
Extraordinary items	-	-	-	-
Profit after tax (after extraordinary items)	7.13	12.82	11.57	11.97
Share of profit of associate's net (loss)/profit	-	-	-	-
Minority interest	-	-	-	-
Net income	**7.13**	**12.82**	**11.57**	**11.97**

Balance Sheet Statement				
Particulars	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2012**	**As at September 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Limited Review**
	Rs. Crore	***Rs. Crore***	***Rs. Crore***	***Rs. Crore***
Sources of funds				
Paid up share capital	33.91	33.91	33.91	33.78
Reserves and surplus (excluding revaluation reserves)	27.49	40.30	45.01	63.84
Networth	**61.40**	**74.21**	**78.92**	**97.62**
Minority interest	-	-	-	-
Secured loans	66.88	78.01	89.59	116.11
Unsecured loans	15.00	9.00	9.00	6.58
Deferred tax liability (Net)	-	-	-	-
Total	**143.28**	**161.22**	**177.51**	**220.31**

Uses of funds				
Net fixed assets	95.47	112.59	125.54	146.78
Investments	22.33	22.33	22.33	22.33
Net current assets	25.48	26.30	29.64	51.20
Total	**143.28**	**161.22**	**177.51**	**220.31**

Other Financial Details				
Particulars	**For the year ended March 31, 2010**	**For the year ended March 31, 2011**	**For the year ended March 31, 2012**	**For 6 months ended September 30, 2012**
	Standalone	**Standalone**	**Standalone**	**Standalone**
	Audited	**Audited**	**Audited**	**Limited Review**
Dividend (%)	0.00%	0.00%	0.00%	0.00%
EPS (Rs.)	2.59	4.99	4.47	4.85
Return on Networth (%)	11.61%	17.28%	14.66%	24.52%
Book Value per share (Rs.)	25.97	31.39	33.38	41.29

***Source**: The financial information has been extracted / calculated from the audited financial statements of the Target Company for the financial years ended on March 31, 2010, 2011 and 2012 as audited by statutory auditors of the Target Company. The financial information of the Target Company for 6 months ended on September 30, 2012 has been extracted / calculated from the unaudited financial information of the Target Company for 6 months ended on September 30, 2012 and has been subjected to a limited review by the statutory auditors as confirmed in its reports dated November 9, 2012.*

5.11. The Target Company and the Promoters (including the Acquirer and the PAC) have complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and with the provisions of Chapter V of the SEBI (SAST) Regulations, 2011, wherever applicable, within the time specified therein.

5.12. Pre and Post- Offer share holding pattern of the Target Company, as on the date of the DLoF (assuming 100% acceptance in the Offer), is as follows:

Sr. No.	**Shareholder Category**	**Shareholding & Voting rights prior to Offer**		**Shares/voting rights proposed to be acquired through conversion of OCCPS, which triggered off the Regulations**		**Shares/Voting rights proposed to be acquired in the Open Offer (assuming full acceptance)**		**Shareholding/voting rights after the conversion and the Offer i.e.**	
		(A)		**(B)**		**(C)**		**(A+B+C)**	
		No.	%	No.	%	No.	%	No.	%
1.	**Promoter Group including the Acquirer and the PAC**								
	a. Acquirer[1]	47,20,595[4]	19.97%*	1,48,05,068[2][3]	37.73% ^	1,02,02,288	26.00%^	3,11,35,481	79.35% ^
	b. PAC[1]	6,18,057[4]	2.61%*	7,89,473[2][3]	2.01%^				
	c. Promoters other than the Acquirer and the PAC	44,74,529	18.92%*	Nil	Nil	Nil	Nil	44,74,529	11.40% ^
	Total 1 [a + b + c]	**98,13,181[4]**	**41.50%***	**1,55,94,541[2][3]**	**39.74%^**	**1,02,02,288**	**26.00%^**	**3,56,10,010**	**90.75% ^**

2.	**Parties to the Agreement, if any**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3.	**Public [5] (other than the Acquirer and the PAC)**								
	a. FIs/MFs/FIIs /Banks, SFIs	84,60,878	35.78%*	Nil	Nil	(1,02,02,288)	(26.00%)^	36,29,558	9.25%^
	b. Others	53,70,968	22.72%*	Nil	Nil				
	Total 3 [a + b]	**1,38,31,846**	**58.50%***	**Nil**	**Nil**	**(1,02,02,288)**	**(26.00%)^**	**36,29,558**	**9.25%^**
	Grand Total [1+2+3]	**2,36,45,027**	**100.00 %**	**1,55,94,541** [2][3]	**39.74%^**	**-**	**-**	**3,92,39,568**	**100.00 %**

** as a percent of Current Equity Share Capital*

^ as a percent of Post Conversion Equity Share Capital

Notes:

1. *The Acquirer and the PAC are part of the Promoters.*
2. *The Acquirer and the PAC have exercised the option to convert the OCCPS into 1,55,94,541 Equity Shares representing up to 39.74% of the Post Conversion Equity Share Capital at a price of Rs.10.26/- per equity share. Pursuant to the PA, no Equity Shares were purchased till the date of this DLoF.*
3. *As on date, the Authorized Finance Committee of the Directors of the Target Company has not convened a meeting for the allotment of Conversion Equity Shares post conversion of OCCPS*
4. *Includes Equity Shares purchased by the Acquirer and the PAC till the date of this DLoF*
5. *Number of shareholders in the public category as on December 14, 2012: 6,969*

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. The Offer is made pursuant to the conversion of OCCPS into Equity Shares by the Acquirer and the PAC together with the acquisitions made during the financial year resulting in acquisition of more than 5% voting rights of the Target Company in one financial year.

6.1.2. The Equity Shares are listed only on BSE.

6.1.3. The trading turnover in the Equity Shares on BSE, based on trading volume during the twelve (12) calendar months prior to the month of PA (December 1, 2011 to November 30, 2012) is as given below:

Stock Exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA	Current Equity Shares of the Target Company	Trading Turnover (as % of Total Equity Shares Listed)
	(A)	**(B)**	**(A/B)**
BSE	33,97,469	2,36,45,027	14.37%

Source: www.bseindia.com

6.1.4. Based on the information available on the website of BSE, the Equity Shares are frequently traded (within the meaning of definition "frequently traded shares" under clause 2(1)(j) of the SEBI (SAST) Regulations, 2011).

6.1.5. The Offer Price of Rs. 13.00 (Rupees Thirteen Only) per fully paid-up equity share of the Target Company is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations:

(a)	The highest negotiated price per equity share of the Target Company for acquisition under any agreement attracting the obligation to make a public announcement of an open offer.	N/A
(b)	The volume weighted average price paid for acquisitions, whether by the Acquirer and/or the PAC during the fifty two (52) weeks immediately preceding the date of the PA	Rs.12.53/-

(c)	The highest price paid for an acquisition whether by the Acquirer and/or the PAC, during the twenty six (26) weeks immediately preceding the date of the PA	Rs.12.57/-
(d)	The volume-weighted average market price of Equity Shares for a period of sixty (60) trading days immediately preceding the date of the PA as traded on the BSE, being the only stock exchange where the Equity Shares are listed	Rs.11.96/-
(e)	Conversion Price of OCCPS convertible into equity shares of the Target Company	Rs.10.26/-

6.1.6. Calculation of the volume weighted average price paid for acquisitions, by the Acquirer and the PAC during the fifty two (52) weeks immediately preceding the date of the PA as per Regulation 8(2)(b) of the SEBI (SAST) Regulations is as follows:

Date	Acquirer / PAC	Stock Exchange	Shares Purchased (A)	WAP (Rs.) (B)	Value (Rs.) (A*B)
3-Dec-12	Acquirer	BSE	2,90,018	12.57	3,644,105.17
4-Dec-12	PAC	BSE	6,18,057	12.51	7,731,893.07
		Total	**9,08,075**		**11,375,998.24**

Source*: The Acquirer and the PAC*

** The Acquirer and the PAC confirm that they have not acquired any Equity Shares after December 5, 2012 till the date of this DLoF. Further, the Acquirer and the PAC confirm that they have not acquired any Equity Shares in 52 weeks preceding the date of PA, except those mentioned above.*

Based on the above data:

52 weeks volume weighted average price *{Total Value / Total Shares Purchased}*	Rs.12.53/-

6.1.7. As per Regulation 8(2)(c) of the SEBI (SAST) Regulations, highest price paid for an acquisition whether by the Acquirer or by the PAC, during the twenty six (26) weeks immediately preceding the date of the PA is Rs.12.57/-

6.1.8. Calculation of the volume-weighted average market price of such shares for a period of sixty (60) trading days immediately preceding the date of public announcement as traded on BSE, being the only stock exchange where the Equity Shares are listed; as per Regulation 8(2)(d) of the SEBI (SAST) Regulations is as follows:

Date	WAP	No. of Shares	Sum Product
8-Sep-12	8.79	8,045	70,748
10-Sep-12	9.17	300	2,751
11-Sep-12	9.09	3,512	31,941
12-Sep-12	9.54	1,810	17,272
13-Sep-12	9.38	2,170	20,348
14-Sep-12	9.36	2,163	20,245
17-Sep-12	9.84	4,065	40,002
18-Sep-12	9.65	3,539	34,168
20-Sep-12	9.27	1,177	10,905
21-Sep-12	9.50	815	7,741
24-Sep-12	9.43	2,102	19,812
25-Sep-12	9.56	6,041	57,728
26-Sep-12	9.33	1,648	15,381
27-Sep-12	10.22	13,534	138,306
28-Sep-12	10.26	12,809	131,386
1-Oct-12	10.29	2,041	21,007

3-Oct-12	10.43	6,498	67,746
4-Oct-12	11.17	6,736	75,212
5-Oct-12	11.27	7,474	84,242
8-Oct-12	10.75	3,121	33,546
9-Oct-12	10.51	7,088	74,489
10-Oct-12	10.55	13,520	142,686
11-Oct-12	10.37	1,350	13,993
12-Oct-12	10.78	14,886	160,540
15-Oct-12	10.86	1,835	19,930
16-Oct-12	10.75	12,823	137,857
17-Oct-12	10.94	1,188	13,002
18-Oct-12	10.85	680	7,377
19-Oct-12	10.59	2,125	22,497
22-Oct-12	10.62	1,287,904	13,671,964
23-Oct-12	12.30	48,712	599,201
25-Oct-12	12.05	119,985	1,446,396
26-Oct-12	11.22	218,223	2,447,826
29-Oct-12	11.49	4,647	53,373
30-Oct-12	12.57	307,000	3,857,832
31-Oct-12	12.81	54,556	698,913
1-Nov-12	11.48	1,474	16,923
2-Nov-12	11.84	6,810	80,612
5-Nov-12	11.44	3,486	39,868
6-Nov-12	11.30	7,130	80,579
7-Nov-12	11.50	3,675	42,247
8-Nov-12	11.44	3,308	37,838
9-Nov-12	12.55	37,873	475,477
12-Nov-12	13.90	34,781	483,376
13-Nov-12	14.54	16,060	233,498
15-Nov-12	15.31	33,165	507,756
16-Nov-12	15.76	159,873	2,520,162
19-Nov-12	14.01	23,329	326,827
20-Nov-12	14.08	32,275	454,346
21-Nov-12	13.55	24,079	326,337
22-Nov-12	13.81	3,800	52,465
23-Nov-12	13.35	56,210	750,581
26-Nov-12	13.08	47,936	627,113
27-Nov-12	13.03	41,062	535,050
29-Nov-12	13.03	32,937	429,264
30-Nov-12	12.57	34,200	430,062
3-Dec-12	12.56	304,163	3,820,111
4-Dec-12	12.53	727,075	9,106,778
5-Dec-12	13.02	25,398	330,703
6-Dec-12	13.18	9,150	120,604
	Total	**3,855,371**	**46,096,940**

Source: www.bseindia.com

Based on the above data, the VWAMP {Total Turnover / Total Traded Quantity} for 60 trading days immediately preceding the date of the PA is Rs. 11.96/-.

6.1.9. Mr. Sanjay Kothari (Membership Number: 048215), Partner, MGB & Co, Chartered Accountants, Firm Registration Number: 101169W, having office at Jolly Bhavan #2, 1st Floor, 7 New Marine Lines, Churchgate, Mumbai 400 020, Tel No: +91-22-66332330, Fax No: +91-22-66351545, Email: mgbco@mgbco.com, vide certificate dated December 7, 2012 has certified that the minimum price per equity share computed as per Regulation 8(2) of SEBI (SAST) Regulations is Rs.12.57 (Rupees Twelve and Fifty Seven Paise Only) per fully paid-up equity share of the Target Company.

6.1.10. To the best of the knowledge of the Acquirer and the PAC, there have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

6.1.11. In the event of further acquisition of Equity Shares by the Acquirer and/or the PAC during the Offer period, pursuant to PO or by subscription or subsequent market purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and/or the PAC shall not be acquiring any Equity Shares after the third working day prior to the commencement of the tendering period until the expiry of the tendering period of the Offer.

6.1.12. If the Acquirer and/or the PAC acquire Equity Shares during the period of twenty-six (26) weeks after the Tendering Period of the Offer at a price higher than the Offer Price, the Acquirer and/or the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

6.1.13. There has been no revision in the Offer Price or the Offer Size as on the date of this DLoF. An upward revision in the Offer Price or in the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last three (3) working days before the commencement of tendering period of the Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and/or the PAC, in accordance with Regulation 18(5) of the SEBI (SAST) Regulations, shall (i) make corresponding increases to the Escrow Amount, as more particularly set out in Paragraph 6.2.4 of this DLoF, (ii) make a public announcement in the same newspapers in which the DPS has been published and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

6.1.14. In the event that the number of Equity Shares validly tendered by the Public Shareholders under the Offer is higher than the Offer Size, the Equity Shares received from the Public Shareholders shall be accepted on a proportionate basis, in consultation with the Manager.

6.2. **Financial Arrangement**

6.2.1. The total financial resources required for this Offer, assuming full acceptance of this Offer, would be Rs. 13,26,29,744 (Rupees Thirteen Crore Twenty Six Lakh Twenty Nine Thousand Seven Hundred Forty Four Only) i.e. consideration payable for acquisition of upto 1,02,02,2858 Equity Shares at the Offer Price of Rs. 13.00 (Rupees Thirteen Only) per fully paid-up equity share of the Target Company ("**Offer Consideration**").

6.2.2. The Acquirer and the PAC have made firm financial arrangements and have adequate resources to meet the financial requirements of this Offer. The Offer will be financed through internal resources and/or through fresh issue of share capital of the Acquirer and/or the PAC.

6.2.3. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer and the PAC has opened an escrow account ("**Escrow Account**") in the form of **fixed deposit** of Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh Only), being more than 25% of the Offer Consideration ("**Escrow Amount**"), with Yes Bank Limited a banking corporation incorporated under the laws of India and having its registered office and one of its branch offices at Nehru Centre, 9th Floor, Discovery of India Bldg., Dr. Annie Besant Road, Worli, Mumbai 400 018 ("**Escrow Agent**"). The Manager has been duly authorized to realize the value of the aforesaid Escrow Account in terms of the SEBI (SAST) Regulations.

6.2.4. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer and/or the PAC prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

6.2.5. Mr. Raj Kumar Jain, Chartered Accountant and the statutory auditor of the Acquirer and the PAC, Membership No.035669, having its office at 1B/1, Nalanda, Evershine Nagar, Malad (West), Mumbai - 400 064 vide certificate number RKJ/KTL/NW/CERT/43/12-13 dated December 7, 2012 has certified that the Acquirer and the PAC have made firm financial arrangements and adequate financial resources are available with the Acquirer and the PAC to enable it to fulfill its obligations under this Offer.

6.2.6. Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer and the PAC to fulfill the obligations through verifiable means in relation to this Offer in accordance with the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational terms and conditions

7.1.1. This Offer is not subject to any minimum level of acceptance from the Public Shareholders.

7.1.2. The Letter of Offer will be dispatched to all the Public Shareholders, whose names appear in its Register of Members on Wednesday, January 16, 2013, the Identified Date.

7.1.3. The Offer is subject to the terms and conditions set out in this DLoF, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4. The Offer to the extent relevant to acquisition of the Equity Shares from NRIs and OCBs, is subject to the statutory and regulatory approval and clearance from RBI that may be required by NRIs and OCBs. For further details see paragraph 7.4 of this DLoF.

7.1.5. Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

7.1.6. The Tendering Period will open on Thursday, January 31, 2013 and close on Wednesday, February 13, 2013.

7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.1.8. The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

7.1.9. The Acquirer and the PAC will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The Public Shareholders are advised to adequately safeguard their interest in this regard.

7.1.10. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

7.1.11. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

7.2. There are no locked-in Equity Shares in the Target Company with respect to Public Shareholders category.

7.3. **Persons eligible to participate in the Offer**

7.3.1. Registered and unregistered Public Shareholders who own the Equity Shares any time prior to the Closure of Offer, including the beneficial owners of the Equity Shares held in dematerialised form, other than the Promoter Group, shall be eligible to participate in the Offer.

7.4. **Statutory and other Approvals:**

7.4.1. Public Shareholders who are either NRIs or OCBs and wish to tender their Equity Shares in this Offer, shall be required to submit all the applicable approvals (specific and general), if any, from the RBI that they have obtained at the time of their acquisition of the Equity Shares. In the event such approvals from the RBI are not submitted, the Acquirer and/or the PAC reserve the sole right to reject the Equity Shares tendered by such shareholders in the Offer. This Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer and/or the PAC from NRIs and OCBs.

7.4.2. To the best of the knowledge and belief of the Acquirer and/or the PAC, as on the date of this DLoF, there are no other statutory / regulatory approvals required to implement the Offer other than those mentioned above. If any other statutory / regulatory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory / regulatory approvals.

7.4.3. The Acquirer and/or the PAC, in terms of Regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event statutory approvals, if any, are refused. In the event of such withdrawal, a public announcement will be made within two (2) working days of such withdrawal in the same newspapers in which the DPS has appeared.

7.4.4. 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 and/or the PAC to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer and/or the PAC agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer and/or the PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1. All the Public Shareholders, registered or unregistered, of the Target Company, owning Equity Shares any time before the Closure of the Tendering Period, are eligible to participate in the Offer.

8.2. The Public Shareholders who wish to avail of and accept the Offer should deliver the documents mentioned below so as to reach the Registrar to the Offer at the collection centers address mentioned in paragraph 8.11 before 5 p.m. on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013. The Public Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects otherwise the same is liable to be rejected. In the case of dematerialized Equity Shares, the Public Shareholders are advised to ensure that their Equity Shares are credited in favour of the Special Depository Account, on or before the end of business hours on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013. The Form of Acceptance of dematerialized Equity Shares, not received by the Registrar to the Offer, on or before 5 p.m. on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013 is liable to be rejected.

8.3. Documents to be delivered by the Public Shareholders:

8.3.1. For Equity Shares held in Dematerialized Mode:

a) Form of Acceptance duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Equity Shares, as per the records of the DP of the Public Shareholder(s);

b) Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP of the Public Shareholder(s) for transferring the Equity Shares in favour of the Special Depository Account. The details of the Special Depository Account are as follows:

Depository Participant Name	Ventura Securities Limited
Depository Participant ID	IN303116
Beneficiary Account Number / Client ID	11056202
Account Name	LIIPL WSL OPEN OFFER ESCROW DEMAT ACCOUNT
ISIN	INE193B01039
Depository	National Securities Depository Limited
Mode of Instruction	Off-Market

Please note the following:

i. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance.

ii. Public Shareholders having their beneficiary account with CDSL have to use inter depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

iii. The Registrar to the Offer shall not accept those acceptances, for which corresponding Equity Shares have not been credited to the Special Depository Account. However, the Equity Shares that are credited to the Special Depository Account but the corresponding Form of Acceptance has not been received by the Registrar to the Offer as on the date of Closure of Tendering will be treated as tendered in the Offer.

8.3.2. For Equity Shares held in physical mode by registered Public Shareholders:

a) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all the Public Shareholders. In case of Equity Shares held in joint names, names of the Public Shareholders should be filled up in the same order in which the holders hold the Equity Shares. This order can neither be changed nor can any new name be added for the purpose of accepting the Offer;

b) Original equity share certificate(s);

c) Valid equity share transfer deed(s) duly signed by the transferor (by all the Public Shareholders in case the Equity Shares are held in joint names) as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place(s); and

d) Cancelled cheque of the sole/first shareholder's bank account, duly signed, having his/her name and a valid 9 digit MICR code (not starting with "000") printed on it.

In case of registered shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed transfer form(s) have been received, the Offer shall be deemed to have been accepted.

8.3.3. For Equity Shares held in physical mode by persons not registered as Public Shareholders:

a) Form of Acceptance duly completed and signed in accordance with the instructions contained therein;

b) Original equity share certificate(s);

c) Valid equity share transfer deeds as obtained from the market, wherein the name of the transferee has not been filled in, duly signed by the transferor (by all the Public Shareholders in case the Equity Shares are held in joint names);

d) Original contract note issued by a registered share broker of a recognized stock exchange through whom the Equity Shares being tendered were acquired;

e) In case the equity share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with or receipt by the Target Company/its transfer agents, of the equity share certificate(s) and the transfer deed(s); and

f) Cancelled cheque of the sole/first Public Shareholder's bank account, duly signed, having his/her name and a valid 9 digit MICR code (not starting with "000") printed on it.

8.4. No indemnity is required from persons not registered as Public Shareholders.

8.5. Public Shareholders who have sent their physical Equity Shares for dematerialization may participate in the Offer by submitting the Form of Acceptance along with a copy of the dematerialization request form duly acknowledged by the DP of the Public Shareholder(s). Such Public Shareholders need to ensure that the process of getting their Equity Shares dematerialized is completed in time so that the credit of the Equity Shares in the Special Depository Account is received on or before end of business hours on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013, else the application will be rejected.

8.6. In case of non-receipt of the Letter of Offer, the Public Shareholders may also (a) download the Letter of Offer from the SEBI website (www.sebi.gov.in), or (b) obtain a copy of this Letter of Offer by writing to the Registrar to the Offer or the Manager to the Offer superscripting the envelope "WELSPUN SYNTEX LIMITED – Open Offer" with (1) suitable documentary evidence of ownership of the Equity Shares and (2) their folio number, DP identity of the Public Shareholder(s), Client identity, current address and contact details. Alternatively, such Public Shareholders may participate in the Offer as follows:

8.6.1. In case of Equity Shares held in dematerialized mode, by sending their consent in writing on plain paper to the Registrar to the Offer, such that it is received by the Registrar to the Offer on or before 5 p.m. on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013, stating the name, address, number of Equity Shares held, number of Equity Shares offered, DP name and DP identity of the Public Shareholder(s), beneficiary account number together with a photocopy or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP of the Public Shareholder(s) for transferring the Equity Shares in favour of the Special Depository Account.

8.6.2. In case of Equity Shares held in physical mode by registered Public Shareholders, by sending their consent in writing on a plain paper to the Registrar to the Offer, stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers and folio number, together with the original equity share certificate(s) and transfer deed(s) duly signed (as specified in paragraph 8.3.2, as applicable, above), either by hand delivery or by registered post or by speed post, such that these are received by the Registrar to the Offer on or before 5 p.m. on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013.

8.6.3. In case of Equity Shares held in physical mode by unregistered Public Shareholders, by sending their consent in writing on plain paper to the Registrar to the Offer, stating the name & address of the first holder, name(s) & address(es) of joint holder(s) if any, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the original equity share certificate(s), valid share transfer deeds and the original contract note(s) issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired, and the original Equity Share certificate(s) and transfer deed(s) duly signed (as specified in paragraph 8.3.3, as applicable, above), either by hand delivery or by registered post or by speed post, such that these are received by the Registrar to the Offer on or before 5 p.m. on the date of Closure of the Tendering Period of the Open Offer i.e. Wednesday, February 13, 2013.

8.7. Applications in respect of Equity Shares that are subject matter of litigation wherein the Public Shareholders may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions/orders (in favour of the Public Shareholders) regarding these Equity Shares are not received together with the Equity Shares tendered in the Open Offer.

8.8. All the Public Shareholders should provide all relevant documents which are necessary to determine transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

8.8.1. Duly attested death certificate(s) of deceased Public Shareholder(s) and succession certificate, in case all/sole Public Shareholder(s) has/have expired.

8.8.2. Duly attested power of attorney, in favour of the authorized signatory, if any person apart from the Public Shareholders has signed the acceptance form or transfer deed(s).

8.8.3. No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

8.8.4. In case of companies, the necessary certified corporate authorisations along with certified copy of the constitutional documents (including board of directors and/or general meeting resolutions).

8.9. While tendering Equity Shares under the Open Offer, non-resident Public Shareholders will be required to submit the previous approvals from the RBI (specific or general) that they would have obtained for acquiring the Equity Shares. In case the previous approvals from the RBI are not submitted, the Acquirer and the PAC reserves the right to reject such Equity Shares tendered.

8.10. The Acquirer and/or the PAC will arrange to deduct tax at the rate, as may be applicable to the category of the Public Shareholders under the Income Tax Act, on the entire consideration amount payable to such Public Shareholders. For further details please refer to paragraph 8.18 of this DLoF.

8.11. The Form of Acceptance along with all the relevant documents should be submitted at the collection center as per the details provided below

Name and Address of the Collection Centre	Working days and timings	Mode of delivery
Link Intime India Private Limited **Unit: Welspun Syntex Limited - Open Offer** C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078 **Contact Person:** Mr. Pravin Kasare **Ph.:** +91-22-25967878 **Fax:** +91-22-25960329 **Email:** wsl.offer@linkintime.co.in	10 am to 1 pm , 2 pm to 5 pm (Monday to Friday, except Public Holidays)	Regd. Post / Speed Post / Courier / Hand Delivery

NO EQUITY SHARES OR DOCUMENTS SHOULD BE SENT DIRECTLY TO THE ACQUIRER / THE PAC / THE TARGET COMPANY / THE MANAGER TO THE OFFER.

8.12. Applicants who cannot hand deliver their documents at the collection center referred to above, may send the same by registered post / speed post / courier, at their own risk and cost, to the Registrar to the Offer at its address: C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078.

8.13. The Registrar to the Offer will hold in trust the Equity Share certificates, credit of dematerialized Equity Shares, Form of Acceptance duly filled in and the transfer deed(s) on behalf of the Public Shareholders who have accepted the Offer, till such time as the Acquirer and/or the PAC completes the obligations under the Offer.

8.14. In the event that the number of Equity Shares validly tendered by the Public Shareholders under the Offer is higher than the Offer Size, the Acquirer and/or the PAC shall accept the Equity Shares received from the Public Shareholders on a proportionate basis, in consultation with the Manager to the Offer.

8.15. The payment of consideration to the Public Shareholders whose Equity Shares have been accepted will be made by the Acquirer and/or the PAC by account payee cheques, demand drafts, NEFT, RTGS/direct credit/national electronic clearance service, where applicable net of taxes. It is desirable that Public Shareholders (holding shares in physical mode only) provide bank details in the Form of Acceptance, so that the same can be incorporated in the account payee cheques/demand drafts/pay order. In case of Equity Shares held in dematerialized mode, bank particulars will be taken from the data provided by the depositories and therefore it is advisable that the Public Shareholders get their latest bank account details updated with their respective DP before tendering their Equity Shares in the Offer.

8.16. The unaccepted equity share certificates, transfer deeds and other documents, if any, would be returned by registered / speed post at the Public Shareholders' sole risk. Equity Shares, to the extent unaccepted, held in dematerialized mode will be credited back to the respective Public Shareholders' depository account with the respective depository participant as per details furnished in the Form of Acceptance.

8.17. Subject to the statutory / regulatory approvals as stated in paragraph 7.4 above, the Acquirer and the PAC intends to complete all formalities, including the payment of consideration within a period of ten (10) working days from the Closure of the Tendering Period and for the purpose open a special escrow account as provided under Regulation 21 of the SEBI (SAST) Regulations. Where the Acquirer and/or the PAC is unable to make the payment to the Public Shareholders who have accepted the Open Offer before the said period due to non-receipt of requisite statutory approvals, SEBI may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer and/or the PAC or failure of the Acquirer and/or the PAC to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer and/or the PAC agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

8.18. **Compliance with Tax requirements**:

8.18.1. General:

a) As per the provisions of Section 195(1) of the Income Tax Act, read with part II of the First Schedule to the Finance Act, 2012, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under Section 45 of the Income Tax Act or as business profits, as the case may be, the Acquirer and/or the PAC is required to deduct taxes at source (including surcharge and education cess).

b) In case of non-receipt of statutory / regulatory approvals, if any, within time, SEBI has the power to grant an extension of time to the Acquirer and/or the PAC for payment of consideration to Public Shareholders subject to the Acquirer and/or the PAC agreeing to pay interest for the delay, as directed by SEBI under Regulation 18(11) of the SEBI (SAST) Regulations.

c) As per the provisions of Section 194A and 195 of the Income Tax Act, read with part II of the First Schedule to the Finance Act, 2012, a body corporate responsible for paying to residents and non-residents (including FII) any income by way of interest is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess as applicable). Since the interest payable to the Public Shareholders on being directed by SEBI under Regulation 18(11) of the SEBI (SAST) Regulations will be chargeable to income tax under the Income Tax Act, the Acquirer and/or the PAC, under Section 194A and 195 of the Income Tax Act, will be required to deduct tax at source (including, in the case of non-residents, surcharge and education cess as applicable) on such interest income.

d) In view of provisions of section 206AA of Income Tax Act, resident and non-resident shareholders (including FIIs) are required to submit their PAN. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer and/or the PAC will arrange to deduct tax at the rate of 20% or at the rate in force or at the rate specified in the relevant provisions of the Income Tax Act, whichever is higher.

e) In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer and the PAC, it would be assumed that the Public Shareholder is a non-resident shareholder and taxes shall be deducted at the maximum rate as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act, on the entire consideration and interest if any, payable to such Public Shareholder.

f) Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.

g) Any shareholder claiming benefit under any Double Taxation Avoidance Agreement between India and any other foreign country should furnish Tax Residence Certificate ("**TRC**") provided to him / it by the Income Tax Authority of such other foreign country of which he / it claims to be a tax resident. The said TRC should specify all the particulars as mentioned in Rule 21AB (1) of the Income Tax Rules, 1962.

8.18.2. **Tax to be Deducted in Case of Non-resident Shareholders (other than FII)**

a) All non-resident Public Shareholders, who desire that no tax should be deducted at source or tax should be deducted at lower rate or on lesser amount, shall be required to submit certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act along with the Form of Acceptance indicating the extent to which the tax is required to be deducted at source by the

Acquirer and/or the PAC before remitting the consideration. The Acquirer and/or the PAC will arrange to deduct taxes at source in accordance with such certificate. In absence of certificate u/s. 195 (3) or u/s. 197, paragraph (b) and (c) below will apply

b) Except in the case falling under paragraph (c) below, the Acquirer and/or the PAC will arrange to deduct tax at the applicable rate as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act, on the entire gross consideration and interest if any, payable to such Public Shareholder.

   The Acquirer and/or the PAC will not take into consideration any other details and documents (including self certified computation of tax liability or the computation of tax liability certified by any tax professional like Chartered Accountant, etc) submitted by the Public Shareholder for deducting lower amount of tax at source.

c) In case of an individual non-resident Public Shareholder, who is either a Citizen of India or a person of Indian Origin, who has himself/ herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under the Offer, the applicable rate of tax deduction at source would be 10.30% on entire gross consideration.

d) However, to be eligible for this lower rate of tax deduction at source, the Public Shareholder will have to furnish a copy of his/ her demat account clearly reflecting the fact that Equity Shares held in that account are in repatriable mode. Further, copy of the demat account should also reflect that the Equity Shares were held for more than 12 months prior to the date on which the Equity Shares, if any, are accepted under the Offer.

e) In case of Equity Shares being held in physical mode, the Public Shareholder will have to furnish certificate from his/ her bank to the effect that the purchase consideration of these Equity Shares was paid out of non-resident external account of the Public Shareholder concerned.

8.18.3. **Withholding tax implications for FII**

a) As per provisions of section 196D(2) of the Income Tax Act, no deduction of tax at source will be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act to a FII as defined in Section 115AD of the Income Tax Act.

b) A FII should certify ("**FII Certificate**") the nature of its income arising from the sale of Equity Shares as per the Income Tax Act (whether capital gains or otherwise) by tick marking on the appropriate option provided in the Form of Acceptance for this purpose.

   In the absence of FII Certificate to the effect that their income from sale of Equity Shares is in the nature of capital gains, the Acquirer and/or the PAC will deduct tax at the maximum rate applicable to the category to which such FII belongs (i.e. a company or a trust) on the entire consideration payable to such FII.

   In any case, if the FII submits a certificate under Section 195(3) or Section 197 of the Income Tax Act from the Income-tax authorities while tendering the Equity Shares, indicating the amount of tax to be deducted by the Acquirer and/or the PAC under the Income Tax Act, the Acquirer and/or the PAC will deduct tax in accordance with the same.

c) In respect of interest income, if the FII submits a certificate under Section 195(3) or Section 197 from the Income Tax Authorities indicating the amount of tax to be deducted by the Acquirer and/or the PAC under the Income Tax Act, the Acquirer and/or the PAC will deduct tax in accordance with the certificate under Section 195(3) or Section 197 so submitted. In absence of such certificate under Section 195(3) or Section 197 of the Income Tax Act, the Acquirer and/or the PAC will arrange to deduct tax at the rate applicable to the category to which such FII belongs (i.e. a company or a trust).

8.18.4. **Tax to be deducted in case of resident Shareholders**

a) In absence of any specific provision under the Income Tax Act, the Acquirer and/or the PAC will not deduct tax on the consideration payable to resident Public Shareholders for acquisition of Equity Shares.

b) The Acquirer and/or the PAC will deduct the tax at the stipulated rates on interest, if any, payable to resident Public Shareholders, if the amount of interest payable is in excess of Rs. 5,000 (Rupees Five Thousand Only).

c) The resident Public Shareholder claiming no tax is to be deducted or tax to be deducted at a lower rate on interest amount, should submit along with the Form of Acceptance a certificate under Section 197 of the Income Tax Act from the Income Tax Authorities indicating the amount of tax to be deducted by the Acquirer and/or the PAC or, in the case of resident Public Shareholder not being a company or firm, a self declaration in Form 15G or Form 15H as may be applicable. The self declaration in Form 15G or Form 15H would not be valid unless the Public Shareholder furnishes PAN in such declaration. In case the aforesaid certificate under Section 197 of the Income Tax Act or Form 15G or 15H, if applicable, is not submitted, the Acquirer and/or the PAC will arrange to deduct tax at the rate as may be applicable to the category of the Public Shareholder under the Income Tax Act.

d) No tax is to be deducted on interest amount in the case of resident Public Shareholder being a Mutual Fund as per Section 10(23D) of the Income Tax Act or a Bank/ an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a copy of the relevant registration or notification along with the Form of Acceptance.

8.18.5. **Issue of withholding tax certificate**

a) The Acquirer and/or the PAC will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars.

8.18.6. **Withholding taxes in respect of overseas jurisdictions**

a) Apart from the above, the Acquirer and/or the PAC will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdiction where the non-resident Public Shareholder is a resident for tax purposes ("**Overseas tax**").

b) For this purpose, the non-resident Public Shareholder shall duly represent in the Form of Acceptance the quantum of the Overseas tax to be withheld as per the relevant tax laws of the country in which the non-resident Public Shareholder is a tax resident, and the Acquirer and/or the PAC will be entitled to rely on this representation at their/its sole discretion.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Ashford Centre, 7th Floor, Shankarrao Naram Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai - 400 013 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer:

9.1. Certified True Copies of the Certificate of Incorporation, Memorandum & Articles of Association of the Acquirer and the PAC.

9.2. Copy of certificate dated December 7, 2012 issued by Raj Kumar Jain, Chartered Accountant, Membership no. 035669, having office at 1B/1, Nalanda, Evershine Nagar, Malad (West), Mumbai - 400 064, Tel No. +91-22-28820251, certifying the adequacy of financial resources with the Acquirer and the PAC to fulfill its part of Offer obligations.

9.3. Copies of audited Annual Reports of WSL for the years ended March 31, 2010, March 31, 2011 and March 31, 2012 and Limited Review for 6 months ended September 30, 2012.

9.4. Copies of audited Annual Reports for the years ended March 31, 2010, March 31, 2011 and March 31, 2012 and certified financial statement for 3 months ended June 30, 2012 of the Acquirer and the PAC.

9.5. Copy of certificate from Yes Bank confirming the amount kept in Escrow Account opened as per the SEBI (SAST) Regulations.

9.6. Copy of certificate from Mr. Sanjay Kothari (Membership Number: 048215), Partner, MGB & Co, Chartered Accountants, Firm Registration Number: 101169W, having office at Jolly Bhavan #2, 1st Floor, 7 New Marine Lines, Churchgate, Mumbai 400 020, Tel No: +91-22-66332330, Fax No: +91-22-66351545, Email: mgbco@mgbco.com, with regard to Offer Price under Regulation 8(2) of the SEBI (SAST)

Regulations.

9.7. Copy of the letter by the Acquirer and the PAC exercising their option of converting OCCPS into Equity Shares triggering the Offer, dated Friday, December 7, 2012.

9.8. Copy of Public Announcement, Published copy of the Detailed Public Statement, which appeared in the Newspapers on December 14, 2012, Issue Opening PA and any corrigendum to these.

9.9. Copy of the recommendation made by the Independent Directors of WSL.

9.10. Copy of the observation letter from SEBI.

9.11. Copy of agreement between the Acquirer and the PAC and the Registrar.

9.12. Copy of the agreement with Depository Participant for opening a special depository account for the purpose of the Offer.

10. DECLARATION BY THE ACQUIRER AND THE PAC

10.1. The Acquirer and the PAC will be responsible for the information contained in this Letter of Offer.

10.2. Each of the Acquirer and the PAC shall be severally and jointly responsible for ensuring fulfillment of their obligations under the SEBI (SAST) Regulations.

For and on behalf of **Krishiraj Trading Limited (the Acquirer),**

Sd/-
Authorised Signatory
Place: Mumbai
Date: December 21, 2012

For and on behalf of **Welspun Mercantile Limited (the PAC),**

Sd/-
Authorised Signatory
Place: Mumbai
Date: December 21, 2012

11. ENCLOSURES

11.1. Form of Acceptance

11.2. Blank Share Transfer Deed(s)

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

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

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer at the collection centre mentioned in the Letter of Offer)		
OFFER OPENS ON	**:**	**THURSDAY, JANUARY 31, 2013**
OFFER CLOSES ON	**:**	**WEDNESDAY, FEBRUARY 13, 2013**
Please read the Instructions overleaf before filling-in this Form of Acceptance		

FOR OFFICE USE ONLY	
Acceptance Number	
Number of Equity Shares Offered	
Number of Equity Shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

From
Name : ______________________________
Address: ____

____

Tel. No.: Fax No.: E-mail:

To
Krishiraj Trading Limited / Welspun Mercantile Limited
C/o Link Intime India Private Limited
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup West,
Mumbai - 400 078

Dear Sir/s,

REG.: OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF WELSPUN SYNTEX LIMITED (WSL / TARGET COMPANY) BY KRISHIRAJ TRADING LIMITED (ACQUIRER) ALONG WITH WELSPUN MERCANTILE LIMITED (PAC) AS THE PERSON ACTING IN CONCERT. PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

I/We, refer to the Letter of Offer dated _________________________ for acquiring the Equity Shares held by me / us in **Welspun Syntex Limited.**

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I/We, unconditionally offer to sell to the Acquirer and/or the PAC the following Equity Shares in WSL held by me/us at a price of Rs. 13/- (Rupees Thirteen Only) per fully paid-up equity share.

For Equity Shares held in physical form

1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our Equity Shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No……………………………Number of share certificates attached……………….. Representing ………………………. Equity Shares			
Number of equity shares held in WSL		**Number of Equity Shares Offered**	
In figures	**In words**	**In figures**	**In words**

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of Equity Shares**
		From	**To**	
1.				
2.				
3.				
Total No. of Equity Shares				

For Equity Shares held in Demat form:

2. I / We, holding equity shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by my/our Depository Participant in respect of my/ our shares as detailed below:

DP Name	**DP ID**	**Client ID**	**Beneficiary Name**	**No. of Equity Shares**

I/We have done an off-market transaction for crediting the Equity Shares to the depository account with Ventura Securities Limited as the DP in NSDL styled '**LIIPL WSL Open Offer Escrow Demat Account**' whose particulars are:

Depository Participant Name	Ventura Securities Limited
Depository Participant ID	IN303116
Client ID	11056202
Depository	National Securities Depository Limited ("**NSDL**")
Account Name	LIIPL WSL Open Offer Escrow Demat Account

Public Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

3. I / We confirm that the Equity Shares of WSL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.

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

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

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

7. I/We note and understand that the Equity Shares would be held in trust by the Registrar until the time the Acquirer and/or the PAC makes payment of purchase consideration as mentioned in the Letter of Offer.

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

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

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

--

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Place: ---------------------------------- Date: ----------------------------

Tel. No(s). : --------------------------- Fax No.: ------------------------

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/NECS mode and are requested to kindly provide following information compulsorily in order to receive payment through RTGS/NECS

Bank Account No.: -------------------------------- Type of Account: ----------------------

(Savings /Current /Other (please specify))

Name of the Bank: ---

Name of the Branch and Address: --

MICR Code of Bank--------------------------------------
IFCS Code of Bank--

The Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	**2nd Shareholder**	**3rd Shareholder**
PAN			

Yours faithfully,
Signed and Delivered:

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

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

INSTRUCTIONS

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

2. The Form of Acceptance should be filled-up in English only.

3. Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.

4. **Mode of tendering the Equity Shares Pursuant to the Offer:**

    I. The acceptance of the Offer made by the Acquirer and/or the PAC is entirely at the discretion of the equity shareholder of WSL.

    II. Public Shareholders of WSL to whom this Offer is being made, are free to Offer his / her / their shareholding in WSL for sale to the Acquirer and/or the PAC, in whole or part, while tendering his / her / their Equity Shares in the Offer.

For all shareholders*

I / We, confirm that our residential status for the purposes of tax is:

☐ Resident

☐ Non-resident. If yes, please state country of tax residency ___________

I / We, confirm that our status is:

☐ Individual

☐ Firm

☐ Company

☐ Association of Person / Body of Individual

☐ Trust

☐ Any other - please specify ______________________

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

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

I/We also note and understand that the Acquirer and/or the PAC will pay the consideration only after verification of the documents.

I/We note and understand that the Shares would lie in the said A/c. i.e. "**LIIPL WSL Open Offer Escrow Demat Account**" until the Acquirer and/or the PAC makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We authorize the Acquirer and/or the PAC to accept the shares so offered, which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer.

I/We confirm that in case of non-receipt of the aforesaid documents, but receipt of the Shares in the Special Depository Escrow Account, the Acquirer and/or the PAC may deem the Offer to have been accepted by me/us.

I/We further authorize the Acquirer and/or the PAC to return to me/us, the Equity Share Certificate(s) in respect of which the offer is not found valid / not accepted, specifying the reasons thereof and in the case of dematerialized shares, to the extent not accepted will be released to my Depository Account at my sole risk.

I/We authorize the Acquirer or the PAC or the Manager to the Offer or the Registrar to the Offer to send by Registered Post / Speed Post, the draft/cheque, in settlement of the amount to the sole/first at the address mentioned above.

For FII shareholders

I/We, confirm that the income arising from the transfer of shares tendered by me/us is in the nature of *(select whichever is applicable)*

☐ Capital gains ☐ Any other income

I / We, have enclosed the following documents:

☐ Self attested copy of PAN card

☐ SEBI registration certificate for FII (including sub – account of FII)

☐ Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the FII claims to be a tax resident, specifying all the particulars as mentioned in Rule 21AB (1) of the Income Tax Rules, 1962, wherever applicable

☐ Certificate from the Income-tax Authorities under Section 195 (3) / 197 of the Income - Tax Act, wherever applicable

For Non-resident shareholders (other than FII)
I / We, have enclosed the following documents:

- [ ] Self attested copy of PAN card
- [ ] Copy of relevant pages of Demat Account in case of Non - Resident (other than FII) if the shares are claimed to have been held for more than twelve months prior to the date of acceptance, if any, of share under open offer.
- [ ] Copy of relevant pages of Demat Account in case of a shareholder claiming benefit of clause mentioned in paragraph 8.18.2 c) above. Also Banker's Certificate related to payment for acquisition of shares in convertible foreign exchange in case shares are held in physical form.
- [ ] Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the shareholder claims to be a tax resident, specifying all the particulars as mentioned in Rule 21AB (1) of the Income Tax Rules, 1962, wherever applicable
- [ ] Certificate from the Income-tax Authorities under Section 195 (3) / 197 of the Income - Tax Act, wherever applicable

For Resident shareholders

I / We, have enclosed the following documents:

- [ ] Self attested copy of PAN card
- [ ] Certificate from the Income-tax Authorities under Section 197 of the I-T Act, wherever applicable.
- [ ] Self declaration form in Form 15G / Form 15H, if applicable.
- [ ] For Mutual fund/Banks/Notified Institution under Section 194A(3)(iii)(f) of the Income Tax Act, 1961, copy of relevant Registration or notification (applicable only for interest payment, if any).

ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF WELSPUN SYNTEX LIMITED (WSL / TARGET COMPANY) BY KRISHIRAJ TRADING LIMITED (ACQUIRER) ALONG WITH WELSPUN MERCANTILE LIMITED (PAC) AS THE PERSON ACTING IN CONCERT, PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Received from Mr. / Ms…………………….....…………………………………………….................

Ledger Folio No/ ..…………… Number of certificates enclosed ..…………… under the Letter of Offer dated ..……………, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of Equity Shares
		From	To	
1.				
2.				
3.				
Total No. of Equity Shares				

Authorised Signatory Stamp
Date

Note: All future correspondences, if any, should be addressed to **Registrar to the Offer**

LINK INTIME INDIA PRIVATE LIMITED
Unit: Welspun Syntex Limited - Open Offer
C-13 Pannalal Silk Mills Compound, LBS Marg,
Bhandup West, Mumbai - 400 078
Contact Person: Mr. Pravin Kasare
Ph.: +91-22-25967878 **Fax:** +91-22-25960329
Email: wsl.offer@linkintime.co.in
SEBI Regn. No.: INR000004058

ACKNOWLEDGEMENT SLIP

SHARES IN DEMATERIALISED FORM

OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF WELSPUN SYNTEX LIMITED (WSL / TARGET COMPANY) BY KRISHIRAJ TRADING LIMITED (ACQUIRER) ALONG WITH WELSPUN MERCANTILE LIMITED (PAC) AS THE PERSON ACTING IN CONCERT, PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Received from Mr. / Ms. ……………………..…………………………………………….................

I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No. of Equity Shares

I/We have done an off-market transaction for crediting the Equity Shares to the depository account with Ventura Securities Limited as the DP in NSDL styled '**LIIPL WSL Open Offer Escrow Demat Account**' whose particulars are:

Depository Participant Name	Ventura Securities Limited
Depository Participant ID	IN303116
Client ID	11056202
Depository	National Securities Depository Limited ("**NSDL**")
Account Name	LIIPL WSL Open Offer Escrow Demat Account

Public Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

Authorised Signatory   Stamp
Date

Note: All future correspondences, if any, should be addressed to **Registrar to the Offer**

LINK INTIME INDIA PRIVATE LIMITED
Unit: Welspun Syntex Limited - Open Offer
C-13 Pannalal Silk Mills Compound, LBS Marg,
Bhandup West, Mumbai - 400 078
Contact Person: Mr. Pravin Kasare
Tel No. : +91-22-25967878 **Fax:** +91-22-25960329
Email: wsl.offer@linkintime.co.in
SEBI Regn. No.: INR000004058