

LETTER OF OFFER

"This Document is important and requires your immediate attention"

This Letter of Offer is sent to you as a shareholder(s) of **ANUGRAHA JEWELLERS LIMITED**. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER

By

B.P. JHUNJHUNWALA & OTHERS (HUF)

(hereinafter referred to as "the Acquirer")

having its Registered Address at 1D, Rajagiri Residency, 125 Marshalls Road, Egmore, Chennai: 600 008

Tel. No.: (044) 42134343/44, E-mail: bpjworld@hotmail.com

To the shareholders of

ANUGRAHA JEWELLERS LIMITED

(hereinafter referred to as "AJL" or the "Target Company")

having its Registered Office at 473, Big Bazaar Street, Coimbatore- 641 001

Tel No.: (0422) 2566 263; E-mail: anand_1@hotmail.com

For the acquisition of 11,70,000 (Eleven Lakhs and Seventy Thousand) fully paid up equity Shares of Rs.10/- each representing 26% of total equity and voting share capital of the Target Company, at a price of Rs. 1.70 (Rupees One and Seventy Paise Only) per equity share (the "Offer Price") payable in cash ("Offer" or "Open Offer").

Please Note:

1. This Offer is being made by the Acquirer pursuant to regulation 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.
2. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Offer. However, the Offer would be subject to all-statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price/Size at any time up to three (3) working days prior to commencement of the tendering period viz 29.07.2013 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement dated 19.06.2013 had appeared. If the Offer is withdrawn pursuant to regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement had appeared.
4. **There was no competitive bid.**
5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/ Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
6. The Offer is not subject to a minimum level of acceptance by the shareholders of AJL and is not a conditional offer.
7. The Procedure for acceptance is set out in Para 7 of this LOF. A Form of Acceptance is enclosed with this LOF.
8. The Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at SEBI website www.sebi.gov.in.

	MANAGER TO THE OFFER: VC CORPORATE ADVISORS PRIVATE LIMITED SEBI REGN NO: INM000011096 (Contact Person: Mr. Anup Kumar Sharma 31 Ganesh Chandra Avenue, 2 nd Floor, Suite No -2C, Kolkata-700 013. Phone No : (033) 2225-3940 / 3941 Fax : (033) 2225-3941 Email: mail@vccorporate.com		REGISTRAR TO THE OFFER: CAMEO CORPORATE SERVICES LIMITED SEBI REGN. NO. INR00003752 (Contact Person: Mr. R. D. Ramasamy) Subramanian Building, No.1, Club House Road Chennai- 600 002. Tel No.: (044) 2846 0425 Fax: (044) 2846 0129 E-mail: rdr@cameoindia.com
	OFFER OPENS ON: August 02, 2013		OFFER CLOSES ON: August 19, 2013

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

Activities	Original Date	Original Day	Revised Date	Revised Day
Date of the PA	June 12, 2013	Wednesday	June 12, 2013	Wednesday
Publication of Detailed Public Statement in newspapers	June 19, 2013	Wednesday	June 19, 2013	Wednesday
Last date of a Competing Offer	July 10, 2013	Wednesday	July 10, 2013	Wednesday
Identified Date*	July 19, 2013	Friday	July 19, 2013	Friday
Date by which the Letter of Offer will be dispatched to the shareholders	July 26, 2013	Friday	July 26, 2013	Friday
Last date by which Board of the Target Company shall give its recommendation	July 31, 2013	Wednesday	July 31, 2013	Wednesday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspapers and sending the same to SEBI, Stock Exchanges and Target Company	August 01, 2013	Thursday	August 01, 2013	Thursday
Date of commencement of tendering period	August 02, 2013	Friday	August 02, 2013	Friday
Date of closing of tendering period	August 20, 2013	Tuesday	August 19, 2013	Monday
Date by which communicating rejection/ acceptance and payment of consideration for applications accepted	September 03, 2013	Tuesday	September 02, 2013	Monday

*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and the parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer.

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

1. The Offer involves an offer to acquire 26.00% of the total equity and voting share capital of AJL from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, 2011, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted
2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of AJL whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders for the delay, as may be specified by SEBI.
3. Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
4. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer under the Offer. The Acquirer may not be able to proceed with the Offer in the event the approvals are not received in terms of the regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

5. Risks involved in associating with the Acquirer:

The Acquirer intends to acquire 11,70,000 (Eleven Lakhs Seventy Thousand) fully paid up equity Shares of Rs.10/- each representing 26% of total equity and voting share capital of the Target Company, at a price of Rs. 1.70 (Rupees One and Seventy Paise Only) per equity share, payable in cash under the SEBI (SAST) Regulations, 2011. AJL does not have any partly paid-up equity shares as on the date of PA. The equity shares and documents tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. Post this Offer, the Acquirer will have significant equity ownership & effective management control over the Target Company pursuant to regulation 3(1) & 4 of the SEBI (SAST) Regulations.

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

6. The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
7. The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

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DEFINITIONS/ABBREVIATIONS

Acquirer	B.P. Jhunjunwala & Others (HUF)
Board	The Board of Directors of the Target Company
Book Value per Share	Net Worth/Number of share
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CoSE	Coimbatore Stock Exchange Limited
CIN	Corporate Identity Number
DPS	Detailed Public Statement dated 19.06.2013
ECS	Electronic Clearing Service
Escrow Banker	HDFC Bank Limited
Equity and voting share capital	Rs. 450.00 Lacs divided into 45,00,000 equity shares of Rs.10/- each
FOA or Form of Acceptance	Form of Acceptance – cum – Acknowledgment accompanying this Letter of Offer
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent, All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and Parties to the Share Purchase Agreement and the Share Purchase-cum- Subscription Agreement) are eligible to participate in the Offer any time before the Closure of the Offer
IFSC	Indian Financial System Code
LOF	Letter of Offer
Manager to the Offer	VC Corporate Advisors Private Limited
MSE	Madras Stock Exchange Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	12.06.2013 to 02.09.2013
Offer Price	Rs.1.70 (Rupees One and Seventy Paise Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirer to acquire 11,70,000 equity shares of Rs.10/- each, representing 26% of the total equity and voting share capital at a price of Rs.1.70 (Rupees One and Seventy Paise Only) per equity share
PA	Public Announcement dated 12.06.2013
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of AJL except the Acquirer including person deemed to be acting in concert and parties to the Share Purchase Agreement
RBI	Reserve Bank of India
Registrar to the Offer	Cameo Corporate Services Limited
Return on Net Worth	Profit After Tax/Net Worth
Sale Shares	14,09,399 equity shares of Rs. 10/- each at a price of Rs. 1.35 per equity share forming part of the SPA between the Acquirer and the Sellers
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations/Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
Sellers or Present Promoters	Mr. Hari Loganathan, Mr. Anand Loganathan, Mr. Anandkumar K.R.S., Mr. Mani K.R.S., Mr. Prakash L, Mr. Suresh K.R.S and Mr. Loganathan K.R.
SPA or Agreement	Share Purchase Agreement dated 12.06.2013 entered into between the Acquirer and the Sellers
Target Company / AJL	Anugraha Jewellers Limited

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 EQUITY SHAREHOLDERS OF AJL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 24.06.2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER."

2. DETAILS OF THE OFFER:

2.1 Background of the Offer:

2.1.1 This Open Offer ("Offer") is being made by B.P. Jhunjhunwala & Others (HUF) (hereinafter referred to as the "Acquirer") a Hindu Undivided Family, represented by its karta Mr. B.P. Jhunjhunwala in compliance with regulation 3(1) & 4 of the SEBI (SAST) Regulations, to the shareholders of Anugraha Jewellers Limited (hereinafter referred to as "Target Company" or "AJL") a company incorporated and duly registered under the Companies Act 1956, and having its registered office at 473, Big Bazaar Street, Coimbatore - 641 001.

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

2.1.3 There is no Person Acting in Concert ("PAC") with the Acquirer for the purpose of this Open Offer. Mrs. Mala Jhunjhunwala, wife of the karta of the Acquirer is holding 3,01,000 (6.69%) equity shares of the Target Company, is deemed to be acting in concert with the Acquirer in accordance with provisions of regulation 2(1)(q)(2) of the SEBI (SAST) Regulations, 2011. However, for the purpose of this Open Offer, she is not acting in concert with the Acquirer.

2.1.4 The Acquirer is making an Open Offer to acquire 11,70,000 Equity Shares of Rs. 10/- each representing 26% of total equity and voting share capital of the Target Company, at a price of Rs. 1.70 (Rupees One and Seventy Paise Only) per equity share ("Offer Price") payable in cash ("Offer" or "Open Offer"), subject to the terms and conditions mentioned hereinafter.

2.1.5 The Acquirer has entered into the Share Purchase Agreement dated 12.06.2013 with the present Promoters of the Target Company viz, Mr. Hari Loganathan, Mr. Anand Loganathan, Mr. Anandkumar K.R.S., Mr. Mani K.R.S., Mr. Prakash L, Mr. Suresh K.R.S and Mr. Loganathan K.R. (the "Sellers") to acquire from them in aggregate 14,09,399 (Fourteen Lacs Nine Thousand Three Hundred and Ninety Nine Only) equity shares of Rs. 10/- each representing 31.32% of the fully paid-up equity and voting share capital of the Target Company at a price of Rs. 1.35 per fully paid-up equity share payable in cash ("Negotiated Price") for a total consideration of Rs. 19,02,688.65 (Rupees Nineteen Lacs Two Thousand Six Hundred Eighty Eight and Sixty Five Paise Only). Pursuant to the execution of the SPA, this mandatory Open Offer is being made by the Acquirer in compliance with the Regulation 3(1) & 4 of the SEBI (SAST) Regulations. The details of the sellers are as under:

Name of the Sellers	Address of the Sellers	No. and percentage of Shares/ Voting Rights held before entering into SPA on 12.06.2013	No. and percentage of Shares/ Voting Rights sold through SPA on 12.06.2013
		No. of Shares (%)	No. of Shares (%)
Anand Loganathan	114, 11 th Street Tatabad, Coimbatore 641 012	1,10,600 (2.46%)	1,10,600 (2.46%)
Anandkumar K.R.S.	180, West Ramalingam Road, R.S. Puram, Coimbatore 641 001	101 (0.00%)	101 (0.00%)
Hari Loganathan	P45, 3 rd Main Road, Annanagar, Chennai 600 040	4,70,201 (10.45%)	4,70,201 (10.45%)
Loganathan K.R.	68 Srivari Garden, VKK Menon Road, Coimbatore 641 044	2,78,094 (6.18%)	2,78,094 (6.18%)
Mani K.R.S	180, West Ramalingam Road, R.S. Puram, Coimbatore 641 001	1,74,101 (3.87%)	1,74,101 (3.87%)
Prakash L	2D, 2 nd Block, Sree Rosh Appartments, G.V. Residency, Coimbatore 641 037	3,50,101 (7.78%)	3,50,101 (7.78%)
Suresh K.R.S	180, West Ramalingam Road, R.S. Puram, Coimbatore 641 001	26,201 (0.58%)	26,201 (0.58%)
TOTAL		14,09,399 (31.32)	14,09,399 (31.32)

2.1.6 Apart from 14,09,399 (Fourteen Lacs Nine Thousand Three Hundred and Ninety Nine) fully paid up equity shares which the Acquirer proposes to acquire pursuant to Share Purchase Agreement dated 12.06.2013, the Acquirer does not hold any equity shares/ voting rights of AJL as on date of this LOF. However, Mrs. Mala Jhunjhunwala, wife of the karta of the Acquirer had acquired 3,01,000 equity shares representing 6.69% of the equity and voting share capital of the Target Company on 02.07.2012 at Rs. 1.55. The acquisition detail is as follows:

Date of Transaction	No. and % of Equity Shares acquired	Price (Rs.)	Name of the Seller	Mode
02.07.2012	3,01,000 (6.69%)	1.55	Mr. K. Annamalai	Off Market

She has undertaken that she will not be tendering any shares in the Open Offer. Besides this, no shares have been acquired by her or any other person deemed to be acting in concert with the Acquirer during the fifty-two weeks period prior to the date of the PA i.e., 12.06.2013.

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

2.1.8 The Salient features of the Share Purchase Agreement are as follows:

- The Sellers hold 14,09,399 equity shares of the Target Company aggregating to 31.32% of the present paid up equity and voting share capital of the Target Company.
- The Sellers have agreed to sell and the Acquirer has agreed to acquire in aggregate 14,09,399 fully paid up equity shares of Rs. 10/- each ("**Sale shares**") representing 31.32% of the present paid up equity and voting share capital of the Target Company at a price of Rs. 1.35 per share for cash aggregating to Rs. 19,02,688.65 ("**Purchase Price**").
- The Sale Shares are free from all charges, encumbrances or liens and are not subjects to any lock in period.
- Subject to other conditions as mentioned in the SPA, on the effective date the Acquirer shall pay Rs. 16,22,625/- to the sellers and the sellers shall hand over the share certificates in respect of 10,61,899 shares for shares held in physical form along with duly executed share transfer deeds and undated signed depository instruction slips in respect of 3,47,500 shares in dematerialised form to the Acquirer. The balance amount of Rs. 2,80,063.65 shall be paid to the sellers by the Acquirer upon completion of Open Offer formalities as certified by the Merchant Banker.
- The Acquirer has undertaken to effect transfer of Sale Shares in its favor on completion of Open Offer formalities and in compliance with the applicable provisions of SEBI (SAST) Regulations.
- The Sellers hereby undertake to secure resignations from all the existing Directors of the Target Company on the completion of the Open Offer formalities along with a written authority in favor of the Sellers to deliver them to the Target Company containing a confirmation that the directors have no claim against the Target Company for compensation for loss of office or termination of employment or otherwise whether statutorily or otherwise or for unpaid remuneration, if any.
- That the Acquirer and the Sellers agree to abide by its obligations as contained in the SEBI (SAST) Regulations.
- That in case of non-compliance of any provisions of the SEBI (SAST) Regulations; the Agreement for such sale shall not be acted upon by the Sellers or the Acquirer.

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

2.1.10 Subject to satisfaction of the provisions under the Companies Act, 1956 and/ or any other Regulation(s), the Acquirer intends to make changes in the management of AJL. The Acquirer intends to control over the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof. The Acquirer proposes to appoint their representatives on the Board of the Target Company after the completion of all formalities relating to Open Offer under SEBI (SAST) Regulations, 2011 as they may deem fit.

2.1.11 Pursuant to completion of this Offer, assuming full acceptance to this Offer, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per the Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement. Further the Acquirers undertake that they shall comply with the Listing Agreement for continuous listing of equity shares of the Target Company with BSE and MSE.

2.1.12 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published.

2.2 Details of the proposed Offer:

2.2.1. The Acquirer has made a Detailed Public Statement pursuant to Public Announcement on 19.06.2013 in the following newspapers in accordance with the regulation 14 (3):

Name of the Newspaper:	Publishing Language:	Edition
Financial Express	English	All
Jansatta	Hindi	All
Mumbai Lakshwadeep	Marathi	Mumbai
Dinamani	Malayalam	Kannada

- 2.2.2.** This Open Offer is being made to all the equity shareholders of the Target Company as on 19.07.2013 ("**Identified Date**"), other than parties to the SPA and person deemed to be acting in concert with the Acquirer or Sellers.
- 2.2.3.** The Target Company doesn't have any partly paid up shares.
- 2.2.4.** The Acquirer will accept all the equity shares of AJL those that are tendered in valid form in terms of this Open Offer upto a maximum of 11,70,000 fully paid-up equity shares of Rs. 10/- each representing 26% of the total equity and voting share capital of the Target Company.
- 2.2.5.** Since the date of the PA to the date of this LOF, the Acquirer has not acquired any equity shares of AJL.
- 2.2.6.** This Offer is not conditional upon any minimum level of acceptance in terms of the regulation 19(1) of the SEBI (SAST) Regulations and not a competitive bid in terms of the regulation 20 the SEBI (SAST) Regulations.
- 2.2.7.** This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

2.3 Object of the Offer:

- 2.3.1** The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.
- 2.3.2** The Acquirer intends to make changes in the management of AJL in accordance with the SEBI (SAST) Regulations.
- 2.3.3** The Acquirer proposes to continue the existing business of the Target Company and may diversify its business activities with prior approval of the shareholders. The main purpose of takeover is to expand the Target Company's existing business activities in same line through exercising effective control over the Target Company.
- 2.3.4** The Acquirer does not have any plans to dispose off or otherwise encumber any significant assets of AJL in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

3. BACKGROUND OF THE ACQUIRER - B.P. JHUNJHUNWALA & OTHERS (HUF) ("ACQUIRER"):

- 3.1** B.P. Jhunjunwala & Others (HUF) having its registered address at 1D, Rajagiri Residency, 125 Marshalls Road, Egmore, Chennai: 600 008, Tel. No.: (044) 4213 4343/44, Email-id: bpjworld@hotmail.com, is a Hindu Undivided Family represented by its karta, Mr. B.P Jhunjunwala. The net worth of the Acquirer as on 06.06.2013 Rs. 43.09 Lacs as certified by Mr. A.K. Sultania, Partner of M/s. A.K. Sultania & Co., Chartered Accountants, (Firm Registration No. 011080S & Membership No. 086285), having office at Old No. 52, Sembudoss Street, 2nd Floor, Chennai- 600 001, Tel. No. (044) 2526 4026, Email Id: aksultania@hotmail.com vide certificate dated 06.06.2013.
- 3.2** Apart from 14,09,399 (Fourteen Lacs Nine Thousand Three Hundred and Ninety Nine) fully paid up equity shares which the Acquirer proposes to acquire pursuant to Share Purchase Agreement dated 12.06.2013, the Acquirer does not hold any equity shares/ voting rights of AJL as on date of this LOF. However, Mrs. Mala Jhunjunwala, wife of the karta of the Acquirer had acquired 3,01,000 equity shares representing 6.69% of the equity and voting share capital of the Target Company on 02.07.2012 at Rs. 1.30. Besides this, no shares have been acquired by her or any other person deemed to be acting in concert with the Acquirer during the fifty-two weeks period prior to the date of the PA i.e., 12.06.2013..
- 3.3** Acquirer has complied with the disclosure requirement of Chapter V of SEBI (SAST) 2011 as applicable.
- 3.4** The Acquirer doesn't have any relationship &/or interest in the Target Company including with its Directors, Promoters & key employees. There are no persons on the Board of the Target Company, representing the Acquirer.
- 3.5** The Acquirer has not been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.
- 3.6** The Karta of the Acquirer holds directorship in M/s. Onesouce Ideas Private Limited only.
- 3.7** The Acquirer undertakes that he will not sell the equity shares of the Target Company held by him during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.

4. BACKGROUND OF ANUGRAHA JEWELLERS LIMITED ("AJL" or "TARGET COMPANY")

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

- 4.1** Anugraha Jewellers Limited ("AJL") incorporated on 08.12.1994 under the Companies Act, 1956 in the State of Tamil Nadu and has obtained the certificate of Commencement of Business pursuant to Section 149(3) of the Companies Act, 1956 from the Registrar of Companies, Coimbatore, Tamil Nadu vide certificate dated 14.12.1994. The CIN of AJL is L36911TZ1994PLC005580. The Registered Office of AJL is presently situated at 473, Big Bazaar Street, Coimbatore- 641 001, Tel. No.: (0422) 2566 263, E-mail Id: anand_1@hotmail.com.

- 4.2** The Authorised Share Capital of AJL is Rs. 500 Lacs comprising of 50,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed & Paid-up Capital of the AJL is Rs. 450 Lacs comprising of 45,00,000 fully paid-up equity shares of Rs. 10/- each. AJL has already established its connectivity with both the National Securities Depository Limited ("NSDL") and Central Depositories Services (India) Limited ("CDSL"). The ISIN No of the Target Company is INE344E01016.
- 4.3** As on date the Target Company does not have partly paid-up equity shares. There are no outstanding warrants or option or similar instrument, convertible into equity shares at a later stage. No shares are subject to any lock in obligations.
- 4.4** The Share Capital of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully Paid-up Equity Shares	45,00,000	100.00
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares	45,00,000	100.00
Total voting rights in the Target Company	45,00,000	100.00

- 4.5** The equity shares of AJL are listed at BSE, CoSE and MSE. Based on information available, the equity shares of AJL are currently under suspension for trading at BSE for non-compliance of various clauses of listing agreement since 13.05.2002. According to the information available with us, Target Company has vide letter dated 24.12.2012 had already submitted requisite documents / compliances to BSE for revocation of suspension and the revocation process is currently pending with BSE. CoSE has been derecognized by SEBI vide order dated 04.04.2013. The Scrip Code of the Target Company of 530805 and ANUGRAJEW in BSE and MSE respectively.
- 4.6** As on the date of this LOF, the Board of Directors of AJL is as follows:

Names of Directors	DIN No.	Designation	Date of Appointment
B. Venodhini	00479516	Additional Director	29.05.2013
Sundaram Sankaranarayanan	00975329	Additional Director	29.05.2013
Hariharan Jayaraman Iyer	01313792	Director	03.09.2006
Pramila Hariharan	01364121	Director	28.12.1994
Ashok Bothra	01734863	Additional Director	29.06.2012
Loganathan Ramakrishna	02402152	Director	08.12.1994
Nagarajan Arun Kumar	02402197	Director	08.12.1994

Note: As on the date of the LOF, there are no persons on the Board of Directors of the Target Company, representing the Acquirer.

- 4.7** There has been no merger / demerger or spin off involving AJL during the last 3 years.
- 4.8** The Target Company has no subsidiary.
- 4.9** The Target Company has belatedly complied with provisions of Regulation 8(3) of the SEBI (SAST) Regulations, 1997 and subsequent amendments thereto for the financial year ended 31st March 2005 to 31st March 2011 vide their letter dated 24.12.2012. Further we have not been provided with the any dispatch / submission proof for compliance done under Regulation 8(3) for the financial year ended 31st March 1998 to 31st March 2004 and hence the same may be treated as non compliance by the Target Company. We have already written to BSE and MSE vide our letter reference no. VCC/06/13/64 and VCC/06/13/65 both dated 19.06.2013 respectively to provide us the status of compliance done by AJL under the disclosure requirement of the SEBI (SAST) Regulations, however we have not received any feedback on the same from BSE and MSE. SEBI may take possible actions against the Target Company for the aforesaid delay / non-compliance.

4.10 Financial Information:

Brief audited Financial Information of AJL as per the audited accounts for the year ended to 31.03.2011, 31.03.2012 and 31.03.2013 are as follows:

Profit & Loss Statement		(Rs. in Lacs)		
For the Year Ended	31st March, 2011 (Audited)	31st March, 2012 (Audited)	31st March, 2013 (Audited)	
Income from Operations	9.91	9.61	29.51	
Other Income	4.86	5.26	4.06	
Total Income	14.77	14.87	33.57	
Less: Total Expenditure	8.17	11.89	37.09	
Profit/ (Loss) before Interest, Depreciation and Tax	6.60	2.98	(3.52)	
Less: Depreciation	4.13	2.79	3.07	
Less: Interest	0.54	0.47	0.37	
Profit/ (Loss) before Tax	1.93	(0.28)	(6.96)	
Less: Provision for Tax (including fringe benefit tax)	(0.54)	0.01	0.09	
Profit/ (Loss) after tax	2.47	(0.29)	(7.05)	

Balance Sheet**(Rs. in Lacs)**

As on	31st March, 2011 (Audited)	31st March, 2012 (Audited)	31st March, 2013 (Audited)
Sources of funds			
Paid up share capital	450.00	450.00	450.00
Reserves & Surplus (excluding revaluation reserves)	(234.11)	(234.40)	(241.45)
Net Worth	215.89	215.60	208.55
Secured loans	3.07	1.71	-
Unsecured loans	-	-	-
Deferred Tax Liabilities	4.25	4.26	4.35
Other Long Term Liabilities	9.56	9.62	3.12
Total	232.77	231.19	216.02
Uses of funds			
Net Fixed Assets	133.70	132.72	142.96
Investments	-	-	-
Long Term Loans and Advance	62.65	62.76	62.76
Net Current Assets	36.42	35.71	10.30
Total	232.77	231.19	216.02

Other Financial Data

For the Year Ended	31st March, 2011 (Audited)	31st March, 2012 (Audited)	31st March, 2013 (Audited)
Dividend (%)	0.00	0.00	0.00
Earning Per Share (Rs.)	0.05	(0.01)	(0.16)
Return on Net worth (%)	1.14	0.14	(3.38)
Book Value Per Share (Rs.)	4.80	4.79	4.63

Note:

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

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

Shareholders' Category	Share holding/voting rights Prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter Group:								
(a) Parties to Agreement								
- Anand Loganatha	1,10,600	2.46	(1,10,600)	(2.46)	-	-	-	-
- Anandkumar K.R.S.	101	0.00	(101)	(0.00)	-	-	-	-
- Hari Loganathan	4,70,201	10.45	(4,70,201)	(10.45)	-	-	-	-
- Loganathan K.R.	2,78,094	6.18	(2,78,094)	(6.18)	-	-	-	-
- Mani K.R.S.	1,74,101	3.87	(1,74,101)	(3.87)	-	-	-	-
- Prakash L	3,50,101	7.78	(3,50,101)	(7.78)	-	-	-	-
- Suresh K.R.S.	26,201	0.58	(26,201)	(0.58)	-	-	-	-
(b) Promoters other than (a) above	-	-	-	-	-	-	-	-
TOTAL 1 (a+b)	14,09,399	31.32	(14,09,399)	(31.32)	-	-	-	-
2. Acquirer & Person acting in concert:								
(i) Acquirer:								
B.P. Jhunjhunwala & Other (HUF)	-	-	14,09,399	31.32	11,70,000	26.00	25,79,399	57.32
(ii) Deemed PAC's:								
Mrs. Mala Jhunjhunwala	3,01,000	6.69	-	-	-	-	3,01,000	6.69
TOTAL 2	3,01,000	6.69	14,09,399	31.32	11,70,000	26.00	28,80,399	64.01
3. Parties to Agreement other than 1(a) & 2	-	-	-	-	-	-	-	-
TOTAL (3)	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement and Acquirer)								
a. FIs/MFs/FIIs/Banks/SFIs (Indicate names)								
b. Others:	27,89,601	61.99			(11,70,000)	(26.00)	16,19,601*	35.99*
Total No. of Shareholders in Public Category	2707							
Total (4) (a+b)	27,89,601	61.99	-	-	-	-	-	-
GRANDTOTAL (1+2+3+4)	45,00,000	100.00	-	-	-	-	45,00,000	100.00

*The Post Offer public shareholding has been prepared assuming tender and acceptance of entire offer size of 26%.

5. OFFER PRICE & FINANCIAL ARRANGEMENTS:

5.1 Justification of Offer Price:

5.1.1 The equity shares of AJL are listed with the BSE, CoSE and MSE. CoSE has been derecognized by SEBI vide order dated 04.04.2013. The Scrip code of the Target Company is 530805 and ANUGRAJEW in BSE and MSE respectively. This acquisition of shares is direct acquisition as per the regulation 3(1) of the SEBI (SAST) Regulations, 2011

5.1.2 Based on information available, the equity shares of AJL are currently under suspension for trading at BSE and MSE. Since there has been no trading in the equity shares of the Target Company for the last many years, the equity shares are deemed to be infrequently traded within the meaning of explanation provided in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011 and therefore the Offer Price has been determined taking into account the parameters as set out under regulation 8(2) of the SEBI (SAST) Regulations, 2011, as under:

Sr. No.	Particulars	Price (In Rs. per share)
1.	Negotiated Price under the SPA	Rs. 1.35
2.	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirer or person deemed to be acting in concert during 52 weeks immediately preceding the date of PA	Rs. 1.30
3.	Highest price paid or payable for acquisitions by the Acquirer or person deemed to be acting in concert during 26 weeks immediately preceding the date of PA	Not Applicable
4.	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchanges where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5.	Other Financial Parameters as at 31st March 2013:	
	(a) Return on Net Worth (%)	(3.38%)
	(b) Book Value Per Share	4.63
	(c) Earnings Per Share	(0.16)

Mr. A. Tibrewal, Partner of M/s. Abhishek Tibrewal & Co. (Membership No. 064154), Chartered Accountants, having office at 26, Surendra Nath Banerjee Lane Tati Para, Salkia, Howrah: 711 106, Tel. No. (033) 2655 4318, Fax No. (033) 2655 4318, Email: a.tibrewal@rediffmail.com vide certificate dated 13.06.2013, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the value of the equity shares of AJL is Rs. 1.70 per equity share.

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 1.70 per equity share is justified in terms of regulation 8 (2) of the SEBI (SAST) Regulations.

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

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

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

5.2 Financial arrangements:

5.2.1 The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/ networth and no borrowings from any Bank or Financial Institutions are envisaged. Mr. A. Tibrewal, Partner of M/s. Abhishek Tibrewal & Co. (Membership No. 064154), Chartered Accountants, having office at 26, Surendra Nath Banerjee Lane Tati Para, Salkia, Howrah: 711 106, Tel. No. (033) 2655 4318, Fax No. (033) 2655 4318, Email: a.tibrewal@rediffmail.com has certified vide certificate dated 13.06.2013 that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

5.2.2 The maximum consideration payable by the Acquirer assuming full acceptance of the Offer would be Rs. 19,89,000/- (Rupees Nineteen Lacs Eighty Nine Thousand Only). In accordance with regulation 17 of the SEBI (SAST) Regulations, the Acquirer have opened an Escrow Account under the name and style of "AJL- OPEN OFFER ESCROW ACCOUNT" with HDFC Bank Limited, Central Plaza, 2/6, Sarat Bose Road, Kolkata-700 020 ("Escrow Banker") and made therein a cash deposit of Rs. 5,00,000/- (Rupees Five Lacs Only) being more than 25% of the total consideration payable in the Open Offer, assuming full acceptance.

5.2.3 The Manager to the Offer is authorized to operate the above mentioned Escrow account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

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

6. TERMS AND CONDITIONS OF THE OFFER:

6.1 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of AJL (except the Acquirer including person deemed to be acting in concert and the parties to the SPA) whose name appear on the Register of Members, at the close of business hours on 19.07.2013 ("**Identified Date**").

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

6.3 Accidental omission to dispatch this LOF or the non-receipt or delayed receipt of this LOF will not invalidate the Offer in anyway.

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

6.5 Locked-in Shares:

There are no locked-in shares in AJL.

6.6 Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirer including person deemed to be acting in concert and parties to the SPA) whose names appeared in the register of shareholders on 19.07.2013 at the close of the business hours on 19.07.2013 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

6.7 Statutory Approvals and conditions of the Offer:

6.7.1 As on date, the Offer is not subject to receiving any approval(s), from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto. The Acquirer shall obtain applicable approval(s),

from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto for acquiring equity shares tendered by non-resident shareholders, if any.

- 6.7.2** As on the date of this LOF, there are no other statutory approvals and/ or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.
- 6.7.3** The Acquirer, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has appeared.
- 6.7.4** In case of delay in receipt of any statutory approval, the SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by the SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.
- 6.7.5** No approval is required from any bank or financial institutions for this Offer.
- 6.7.6** The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

- 7.1** The Shareholder(s) of AJL who qualify and who wish to avail of this Offer will have to send their shares to the Registrar to the Offer as mentioned in the Form of Acceptance cum Acknowledgement at the following address:

CAMEO CORPORATE SERVICES LIMITED

SEBI REGN. NO. INR00003752
(Contact Person: Mr. R. D. RAMASAMY)
Subramanian Building,
No.1, Club House Road
Chennai- 600 002.
Tel No.: (044) 2846 0425
Fax: (044) 2846 0129
E-mail: rdr@cameoindia.com

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e. 19.08.2013. Shareholders may send their acceptances by hand accordingly:

Working Days (To be confirmed from Registrar)	Timings	Mode of Delivery
Monday – Friday	10.00 a.m.to 5:00 p.m.	Hand Delivery
Saturday	10.00 a.m.to 1:00 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

- 7.2** Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent.

7.2.1. For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s);
- Original Share Certificates;
- Valid share transfer Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with AJL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LOF.

(ii) Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein.
- Original Share Certificate(s)
- Broker contract note.
- Valid share transfer form(s) as received from the market. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

7.2.2. For equity shares held in Demat Form:

Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.

- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the Special Depository Account (please see below) before the close of the business hours on 19.08.2013.

7.3 The Registrar to the Offer, Cameo Corporate Services Limited has opened a Special Depository Account with Stock Holding Corporation of India Ltd. (Registered with CDSL). The details of the Special Depository Account are as follows: - Shareholders having their beneficiary account in the NSDL have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of the Special Depository Account with CDSL.

DP NAME	STOCK HOLDING CORPORATION OF INDIA LTD.
DP ID	16010100
CLIENT ID	00406646
ACCOUNT NAME	CAMEO CORPORATE SERVICES LTD ESCROW A/C-AJL OPEN OFFER
DEPOSITORY	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

- 7.4** For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement. In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such Demat Shares not credited in favour of the Special Depository Account before the closure of the Offer is liable to be rejected.
- 7.5** The Share Certificate(s), Share Transfer Form, Form of Acceptance cum Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. They should not be sent to the Manager to the Offer or the Acquirer and the Target Company.
- 7.6** In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of AJL. The Public Announcement, Detailed Public Statement, LOF, Form of Acceptance Cum Acknowledgement will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, registered folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 19.08.2013. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of Beneficial Owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no. of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by DP in favour of Special Depository Account, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e. 19.08.2013.
- 7.7** Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions/ orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 7.8** While tendering the equity shares under the Offer, NRIs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserve the right to reject such equity shares tendered. While tendering shares under the Offer, NRI / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.
- 7.9** As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.
- 7.10** No indemnity is needed from the unregistered shareholders, wherever applicable.
- 7.11** The Acquirer shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 02.09.2013. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18 (11) of the SEBI (SAST) Regulations, 2011.
- 7.12** Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders / through ECS mode of payment and will be sent by registered post, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirer in part or in full except in case of joint holders, cheques / demand drafts/ pay orders/ECS Credit, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques/ demand drafts/ pay orders. In order to get payment through ECS mode shareholders are requested to provide their Bank Details like Account Number, Name of the Bank and its address, IFSC Code of Bank etc.
- 7.13** In case the shares tendered in the Offer by the shareholders are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be on proportionate basis which would be determined in consultant with the Manager to the Offer so as to ensure that the basis of acceptance is decided in a fair and equitable manner.

Provided that the acquisition of the equity shares from the shareholders of AJL shall not be less than the minimum marketable lot. The marketable lot for equity shares of AJL is 1 (one) equity share. The rejected Applications/ Documents will be sent by Registered Post.

- 7.14** Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders/ unregistered owners sole risk to the sole / first shareholder. Shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners.
- 7.15** The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form/s on behalf of the shareholders of AJL who have accepted the Offer, till the Cheques/Drafts/ECS credit for the consideration and/or the unaccepted shares/share certificates are dispatched/returned/credited.
- 7.16** In case any person has lodged shares of AJL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 7.6 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct AJL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.
- 7.17** In case any person has tendered his physical shares in AJL for dematerialization and such dematerialization has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialization request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the Special Depository Account on or before the Offer closing date.
- 7.18** In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold. In case the shares were sold directly ("Off-market"), this document may be forwarded to the purchaser of the shares.

8. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue, 2nd Floor, Suite No -2C, Kolkata-700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 12.06.2013 to 02.09.2013.

- i) Memorandum & Articles of Association of AJL along with the Certificate of Incorporation.
- ii) Audited Annual Reports for the financial years ended 31st March 2011, 31st March 2012 and 31st March 2013 of AJL.
- iii) Copy of the letter received from HDFC Bank Limited dated 17th June, 2013 confirming the required amount kept in the escrow account and marked lien in favour of Manager to Offer.
- iv) The copy of Share Purchase Agreement dated 12.06.2013 between the Sellers and the Acquirer, which triggered the Open Offer.
- v) Certificate dated 13.06.2013 from Mr. A. Tibrewal, Partner of M/s. Abhishek Tibrewal & Co. (Membership No. 064154), Chartered Accountants, having office at 26, Surendra Nath Banerjee Lane Tati Para, Salkia, Howrah: 711 106 certifying that sufficient resources are available with the Acquirer for the implementation of the Offer in full out of its own sources / financial commitment under this "Offer" in full.
- vi) Certificate dated 13.06.2013 from Mr. A. Tibrewal, Partner of M/s. Abhishek Tibrewal & Co. (Membership No. 064154), Chartered Accountants, having office at 26, Surendra Nath Banerjee Lane Tati Para, Salkia, Howrah: 711 106 relating to the fair value of the equity shares of the Target Company.
- vii) Copy of the Memorandum of Understanding between the Acquirer & the Manager to the Offer, dated 12.06.2013.
- viii) Copy of the recommendations made by the Committee of Independent Directors of the Target Company.
- ix) Copy of the Public Announcement dated 12.06.2013 and published copy of the Detailed Public Statement dated 19.06.2013.
- x) Copy of SEBI Observation letter no. CFD/DCR1/17233/13 dated 15.07.2013.

9. DECLARATION BY THE ACQUIRER:

The Acquirer accepts full responsibility for the information contained in the LOF and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof and the Acquirer would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

FOR AND ON BEHALF OF Acquirer

**Sd/-
Karta**

**Place: Kolkata
Date: 18.07.2013**

Attached: Form of Acceptance cum Acknowledgement

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
CAMEO CORPORATE SERVICES LIMITED
 Subramanian Building,
 No.1, Club House Road
 Chennai- 600 002

Date:

OFFER	
Opens on	August 02, 2013
Closes on	August 19, 2013

Dear Sir,

Subject: Open Offer by B.P. Jhunjhunwala & Others (HUF), having registered address at 1D, Rajagiri Residency, 125 Marshall Road, Egmore, Chennai- 600 068 ("Acquirer") to the shareholders of M/s. Anugraha Jewellers Limited ("Target Company" or "AJL") to acquire from them 11,70,000 equity shares of Rs. 10/- each representing 26.00% of the total equity and voting share capital of AJL@ Rs. 1.70 per fully paid-up equity share.

I/We refer to the Letter of Offer dated 18.07.2013 for acquiring the equity shares held by us in Anugraha Jewellers Limited.

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

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I/We, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below.

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).		No. of shares
			From	To	
Total number of equity shares					

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

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

I/We note and understand that the Shares would reside with the Registrar to the Offer until the time the Acquirer accepts the Shares Certificates and makes the payment of purchase consideration as mentioned in the LOF.

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

I/We authorize the Acquirer 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 and I/We further authorize the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

I/We authorise the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post as may be applicable at my/our risk, the draft /cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

I/We authorize the Acquirer to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirer to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,
 Signed and Delivered

	Full Names (s) of the holders	Address& Telephone No.	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place:

Date:

FOR EQUITY SHARES IN DEMATERIALIZED FORM

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

DP Name	DP ID	Client ID	ISIN NO.	Beneficiary Name	No. of Shares
Total number of shares					

I/We have done an off market transaction for crediting the Shares to the Special Depository Account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the Special Depository Account opened for the purpose of this Offer until the time the Acquirer accept the Shares and makes the payment of purchase consideration as mentioned in the LOF.

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

I/We authorize the Acquirer 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 and I/We further authorize the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post as may be applicable at my/our risk, the draft /cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

I/We authorize the Acquirer to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirer to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,

Signed and Delivered

	Full Names (s) of the holders	Address & Telephone No.	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place:

Date:

Bank Details

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

I / We permit the Acquirer or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.

Savings/Current/(Others; please specify) : _____

Name of the Bank Branch: _____

Account Number: _____ IFSC Code of Bank _____

The Permanent Account Number (PAN No.) allotted under Income Tax Act, 1961 is as below:

	1 st Shareholder	2 nd Shareholder	3 rd Shareholder
PAN No.			

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

Acknowledgement slip

Ledger Folio No. _____ DP ID _____ Client ID _____ Received from _____ an application for sale of _____ Equity Share(s) of M/s. Anugraha Jewellers Limited together with _____ share certificate(s) bearing Certificate Numbers _____ and _____ transfer deed(s)/ photocopy of Off market delivery instruction duly acknowledged by the DP.

Note: All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned above.

Date of receipt

Signature of the official

INSTRUCTIONS

- i. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.
- ii. The Form of Acceptance cum Acknowledgement should be filled-up in English only.
- iii. Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
- iv. Mode of tendering the Equity Shares Pursuant to the Offer:**
 - (i) The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of AJL.
 - (ii) Shareholders of AJL to whom this Offer is being made, are free to Offer his / her / their shareholding in AJL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.