LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as Shareholder(s)/Beneficial Owner(s) holding Equity Shares in Dematerialized form, of **Bhilwara Spinners Limited (BSL)**. If you require any clarification about the action to be taken, you may consult your Stock Broker or Investment consultant or Manager to the Offer/Registrar to the Offer. In case you have sold your Equity Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement, Form of Withdrawal and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

SHRI. ASHOK KUMAR PARMAR

residing at Shraddha, Plot No. 6, Sujay Garden, Mukund Nagar, Gultekdi, Pune 411 037
Tel No. (020) 24260779 , E Mail ID: aparmar06@yahoo.com

(hereinafter referred to as "the Acquirer")

MAKES A CASH OFFER AT RS. 15/- (RUPEES FIFTEEN ONLY) PER FULLY PAID EQUITY SHARE

to acquire

13,52,226 Equity Shares of Rs. 10/- each, representing 20 % of the
Paid Up and Voting Equity Share Capital of

the Target Company

BHILWARA SPINNERS LIMITED

Regd. Office: 26, Industrial Area, Bhilwara, Rajasthan 311 001
Tel No. (01482) 246600 to 246603, Fax No (01482) 246101, E Mail ID: bhilspin@sancharnet.in
Corporate Office: Bhilwara Towers, A-12 Sector I, Noida - 201301 (NCR Delhi), India
Tel. No. (0120)4390300, 2541810, Fax No. (0120)2531648, 2531745, E mail: molfin@lnjb.com
Website : www.lnjbhilwara.com

Notes:

- This Offer is made pursuant to and in compliance with Regulations 10 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof.
- This Offer is not conditional on any minimum level of acceptance.
- This is not a competitive bid.
- There has been no revision of Offer price, till the date of this Letter of Offer
- As on the date of this Letter of Offer, no Statutory approvals are required to acquire the Equity Shares that are tendered pursuant to this Offer. However, the Offer would be subject to all Statutory approvals that may become applicable at a later date.
- **Shareholders who have accepted the offer by tendering the requisite documents in terms of the Public announcement/ Letter of Offer, can withdraw the same upto 3 working days prior to the date of closure of the Offer. The Last date for such withdrawal is Wednesday, January 21, 2009.**
- The Acquirer can revise the Offer Price upto 7 working days prior to the date of closure of the Offer. The last date for such revision is Thursday, January 15, 2009. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same Newspapers where the original Public Announcement had appeared.
- **Consideration at the same rate will be paid for all Equity Shares tendered anytime during the Offer period**.
- Details of Competitive bids , if any : **There is no competitive bid**
- **If there is a competitive bid; the public offers under all the subsisting bids will close on the same date. As the Offer price cannot be revised during 7 working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly**
- The Registration of all the Intermediaries associated with the Offer, viz. Fedex Securities Ltd, Manager to the Offer and Sharex Dynamic (India) Pvt. Ltd, Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.
- A copy of this Letter of Offer (including the Form of Acceptance and Acknowledgement, Form of Withdrawal) & the Public Announcement are available on SEBI's website: www.sebi.gov.in

MERCHANT BANKER TO THE OFFER

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers
Service Road, Adj. Western Express Highway
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460/61
Fax No. (022) 2618 6966
E Mail: fedex@vsnl.com
Contact Person: Shri. R. Ramakrishnan

REGISTRAR TO THE OFFER

SHAREX DYNAMIC (INDIA) PVT.LTD.
SEBI Regn. No. INR000002102
17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle
Fort, Mumbai-400001
Tel. Nos. (022) 22702485 / 22641376
Fax. No. (022) 22641349
Email : sharexindia@vsnl.com
Contact Person: Shri. B S Baliga

The Schedule of activities is as follows:

Activity	Date
Public Announcement (PA)	Tuesday, November 18, 2008
Specified date	Friday, December 05, 2008
Last date for a competitive bid	Tuesday, December 09, 2008
Date by which Letter of Offer will be despatched to Shareholders	Wednesday, December 31, 2008
Offer opening date	Thursday, January 08, 2009
Last date for revision of Offer price/number of shares.	Thursday, January 15, 2009
Last date for withdrawal by Shareholders	Wednesday, January 21, 2009
Offer closing date	Tuesday, January 27, 2009
Date by which acceptance /rejection would be intimated and the corresponding payment for the acquired Shares and/or the Share Certificate for the rejected Shares will be despatched	Wednesday, February 11, 2009

Specified 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 and all owners (registered or unregistered) of Equity Shares of Bhilwara Spinners Limited anytime before the closure of the Offer, are eligible to participate in the Offer

Risk Factors relating to the transaction and probable risks involved in associating with the Acquirer

A. Relating to the transaction

1. The Acquirer intends to acquire Equity Shares of the Target Company without taking control. The Control of the Target Company will continue to be with the present promoters even after the Offer.
2. Assuming full acceptance of this Offer, the post Offer holding of the Acquirer shall be 34.87% of the paid up and voting Capital.

B. Relating to the proposed Offer

1. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration as the Acquirer has 15 days time from date of closure of offer to make payment of consideration. Further, they will not be able to take advantage of any favorable price movements in the market.
2. As on date of this Letter of Offer no Statutory approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all Statutory approvals that may become applicable at a later date. The despatch of consideration can be delayed beyond 15 days from date of closure of Offer, in case any statutory approval which becomes so applicable on a later date is not received. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of Offer.

C. Probable Risks in associating with the Acquirer

1. The Acquirer does not have any experience in Yarn manufacturing or marketing, the activity of the Target Company.
2. Association of the Acquirer as a major Shareholder with BSL do not warrant any assurance with respect to the future financial performance of BSL.

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DEFINITIONS/ABBREVIATIONS

1	BSL/Target Company	Company whose Equity Shares are proposed to be acquired viz. Bhilwara Spinners Ltd
2	Acquirer	Shri. Ashok Kumra Parmar, who is offering to acquire Shares through this Offer
3	PAC/Person acting in Concert	Person who is acting in concert with the Acquirer in connection with the open Offer, in this case none.
4	RBI	Reserve Bank of India
5	SEBI/Board	Securities and Exchange Board of India
6	Merchant Banker/ Manager to the Offer	Fedex Securities Limited
7	Registrar to the Offer	Sharex Dynamic (India) Pvt. Ltd
8	PA/ Public Announcement	Announcement of the Offer made on behalf of the Acquirer, published in the dailies on Tuesday, November 18, 2008.
9	Offer	Cash offer being made by the Acquirer to the Shareholders of the Target Company, to acquire upto 13,52,226 Equity Shares at a price of Rs.15/- per Equity Share.
10	Shares	Equity Shares
11	EPS	Earnings Per Equity Share, for the period under reference and annualized
12	Book Value	Book Value of each Equity Share as on the date referred to
13	Regulations/ Takeover Regulations/ SEBI(SAST) Regulations	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date
14	NAV	Net Asset Value per Equity Share
15	Persons not eligible to participate in the Offer	The Acquirer
16	Persons eligible to participate in the Offer	All Equity Shareholders of the Target Company, other than the Acquirer. Both registered and unregistered Shareholders can participate in the Offer
17	BSE	Bombay Stock Exchange Ltd
18	RNW	Return on Net Worth
19	FIIs	Foreign Institutional Investors
20	NRIs	Non Resident Indians and persons of Indian origin residing abroad
21	FIs	Financial Institutions
22	PAT	Profit After Tax
23	PE Ratio	Price Earnings Ratio
24	CSE	Calcutta Stock Exchange Association Ltd
25	UTI	Unit Trust of India
26	JSE	Jaipur Stock Exchange Ltd
27	DSE	Delhi Stock Exchange Association Ltd
28	ASE	Ahmedabad Stock Exchange Assn. Ltd

LETTER OF OFFER

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF BHILWARA SPINNERS LIMITED (BSL), THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. FEDEX SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 1, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER, DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2. DETAILS OF THE OFFER

2.1 Background of the Offer

2.1.1. This Offer is in compliance with Regulations 10 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the “Regulations”).

2.1.2. Shri. Ashok Kumar Parmar, residing at Shraddha, Plot No. 6, Sujay Garden, Mukund Nagar, Gultekdi, Pune 411 037 (Tel No. (020) 24260779 E Mail ID: aparmar06@yahoo.com) (hereinafter referred to as “ the Acquirer”), is making an Open Offer to the Equity Shareholders of Bhilwara Spinners Limited (“BSL”, “the Target Company”) to acquire 13,52,226 Equity Shares of Rs. 10/- each representing 20.00 % of paid up & voting Capital of BSL (“the Offer”), at a price of Rs. 15/- (Rupees Fifteen only) (“the Offer Price”), payable in cash, subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

2.1.3. There is no Person acting in Concert (PAC) with the Acquirer.

2.1.4. The Acquirer has not entered into any agreement with any person/entity to acquire Equity Shares of the Target Company.

2.1.5. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken against him by SEBI.

2.1.6. The Acquirer is not on the Board of Directors of BSL. There is no person in the Board of the Target Company, representing or having interest in the Acquirer.

2.1.7. The Acquirer does not intend to make changes in the management of BSL, consequent to this Offer. The Acquirer do not intend to induct new Directors on the Board of BSL

2.1.8. If the number of Equity Shares offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis and taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. The market lot for the Equity Shares of BSL is 1(one) only.

2.2 **Details of the proposed Offer**

2.2.1. A Public Announcement, as per Regulation 15 (1) of the Regulations, was made in all editions of one English national daily with wide circulation, one Hindi national daily with wide circulation and having circulation at the place where the Registered Office of the Target Company is situated and one Marathi daily published at Mumbai, the place where the equity Shares of the Target Company is most actively traded. The details of Public Announcement is given below:

Newspaper	Language	Editions	Date of PA
Business Standard (covers all editions)	English	Mumbai, Delhi, Kolkata, Bangalore, Chennai, Hyderabad, Lucknow, Bhubaneshwar, Chandigarh, Kochi, Pune & Ahmedabad editions	Tuesday, November 18, 2008
Prathkaal (covers all editions)	Hindi	Mumbai, Udaipur, Jaipur & New Delhi editions	Tuesday, November 18, 2008
Mumbai Lakshadweep	Marathi	Mumbai	Tuesday, November 18, 2008

The Public Announcement is also available at SEBI's Website: www.sebi.gov.in

2.2.2 The Offer is to acquire 13, 52,226 Equity Shares of Rs. 10/- each, representing 20% of the paid up and voting Equity Capital of BSL.

2.2.3 The consideration will be paid in Cash. There is no differential price since entire consideration is payable in cash.

2.2.4 The Offer price is Rs. 15/- (Rupees Fifteen only) per each fully paid up Equity Share. There are no partly paid Equity Shares.

2.2.5 This is not a competitive bid.

2.2.6 This Offer is not conditional on any minimum level of acceptance.

2.2.7 The Acquirer presently holds 10, 05,591 Equity Shares constituting 14.873 % of the paid up and voting Equity Share Capital of BSL. During 12 months period preceding the Public Announcement, the Acquirer has acquired 5, 81,627 Equity Shares of BSL. The highest price paid for such acquisition is Rs. 31/55 and average price Rs. 24/20. The Acquirer has not acquired any Equity Shares of BSL during the 26 weeks preceding the Public Announcement. The Acquirer has not acquired any equity Shares of BSL after the date of PA.

2.2.8 Details of competitive bids, if any : **There is no competitive bid**

2.2.9 Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. In compliance with Reg. 24(5A), they shall not deal in the Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the Offer.

2.2.10 The Acquirer has not acquired any Equity Share of BSL after the date of PA. In the event of any further acquisition of Equity Shares from the date of P.A. till 7 working days prior to date of closure of the Offer by the Acquirer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, he shall not be acquiring any Equity Shares of BSL during the period of 7 working days prior to the date of closure of the Offer.

3. **OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO BSL**

3.1 The objects of the acquisition are substantial acquisition of Shares of BSL without taking control of

BSL. The Acquirer is not proposing to takeover control of BSL.

3.2 The Offer will not result in change in control of BSL. The Acquirer does not intend to make any changes in the Board of Directors of BSL, consequent to this Offer.

3.3 The Acquirer is not taking over control and as such does not have any future plans with respect to the Target Company. The Acquirer has no plans to dispose off or encumber any Assets of the Target Company.

4. **BACKGROUND OF THE ACQUIRER**

4.1.1 The Acquirer is an individual.

4.1.2 Shri. Ashok Kumar Parmar, S/o. Shri. Bhabutmalji Gimaji Parmar, aged 57 years, B. Com, residing at Shraddha, Plot No. 6, Sujay Garden, Mukund Nagar, Gultekdi, Pune 411 037 (Tel. No. (020) 24260779, E Mail ID: aparmar06@yahoo.com), after completing Graduation entered service and worked with various entities for 8 years and in the year 1979, he left service from Advani Orleikon Ltd. After leaving service, started construction business at Pune and discontinued the activity in 2003. From 2003, is actively investing in Shares. At present he is an Investor.

4.1.3 There is no Person Acting in Concert with the Acquirer.

4.1.4 There is no agreement by the Acquirer with any other person/entity, in connection with this Offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

4.1.5 As per Certificate dated 10-11-2008, from Shri. Jayesh Baheti, Chartered Accountant (Membership No. 111154) Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg. Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 (Tel No. (020) 32901440 Fax No (020) 25467467, website: www.bandindia.com) the Net Worth as on 10-11-2008 of Shri. Ashok Kumar Parmar is Rs. 1483.48 Lacs.

4.1.6 Shri. Jayesh Baheti, Chartered Accountant, (Membership No. 111154) Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg, Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 (Tel No. (020) 32901440 Fax No (020) 25467467, website: www.bandindia.com) has, vide certificate dated 10-11-2008, certified that the Acquirer has adequate liquid resources to meet the funds requirements of the Offer. The liquid resources available with the Acquirer are Bank Deposits Rs. 60.19 Lacs and Quoted Investments Rs. 1242.03 Lacs.

4.1.7 The applicable provisions of Regulation 7(1) of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 has been complied with, by the Acquirer with respect to his earlier acquisition of Equity Shares in BSL.

4.1.8 The Acquirer has not promoted any listed or unlisted Company nor has control over any listed or unlisted Company. The Acquirer is not on the Board of Directors of any listed or unlisted Company.

4.1.9 The Acquirer does not belong to any Group.

4.1.10 The Acquirer is not on the Board of Directors of BSL. There is no person on the Board of the Target Company, representing or having interest in the Acquirer.

4.1.11 There are no pending litigations against the Acquirer.

4.1.12 No action has been taken by SEBI or Stock Exchanges against the Acquirer.

4.1.13 The Acquirer is not registered with SEBI as a market intermediary.

4.1.14 The Acquirer does not intend to appoint himself/his nominees on the Board of Directors of the Target Company.

4.2.1. BRIEF DETAILS OF THE ACQUIRER AS ON DATE OF LETTER OF OFFER IS TABULATED BELOW:

Date(s) of allotment/ Acquisition/ Transfer	No. of Shares allotted/ acquired	% to paid up and voting Capital	Cumulative Share holding of Acquirer	% to paid up and Voting Capital	Mode of Acquisition	Status of compliance with SEBI (SAST) Regulations/other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
27-06-2007	7950	0.118	7950	0.118	Market	Not Applicable
28-06-2007	5200	0.077	13150	0.194	Market	Not Applicable
29-06-2007	12881	0.191	26031	0.385	Market	Not Applicable
02-07-2007	4117	0.061	30148	0.446	Market	Not Applicable
12-07-2007	3262	0.048	33410	0.494	Market	Not Applicable
13-07-2007	3669	0.054	37079	0.548	Market	Not Applicable
16-07-2007	5000	0.074	42079	0.622	Market	Not Applicable
17-07-2007	9525	0.141	51604	0.763	Market	Not Applicable
18-07-2007	2230	0.033	53834	0.796	Market	Not Applicable
19-07-2007	9022	0.133	62856	0.930	Market	Not Applicable
20-07-2007	5918	0.088	68774	1.017	Market	Not Applicable
23-07-2007	300	0.004	69074	1.022	Market	Not Applicable
25-07-2007	2304	0.034	71378	1.056	Market	Not Applicable
26-07-2007	9044	0.134	80422	1.189	Market	Not Applicable
27-07-2007	1100	0.016	81522	1.206	Market	Not Applicable
30-07-2007	1751	0.026	83273	1.232	Market	Not Applicable
31-07-2007	549	0.008	83822	1.240	Market	Not Applicable
01-08-2007	2000	0.030	85822	1.269	Market	Not Applicable
02-08-2007	5753	0.085	91575	1.354	Market	Not Applicable
03-08-2007	9380	0.139	100955	1.493	Market	Not Applicable
06-08-2007	6575	0.097	107530	1.590	Market	Not Applicable
07-08-2007	2505	0.037	110035	1.627	Market	Not Applicable
08-08-2007	11800	0.175	121835	1.802	Market	Not Applicable
09-08-2007	3347	0.050	125182	1.851	Market	Not Applicable
10-08-2007	2050	0.030	127232	1.882	Market	Not Applicable
13-08-2007	2400	0.035	129632	1.917	Market	Not Applicable
14-08-2007	6550	0.097	136182	2.014	Market	Not Applicable
16-08-2007	3322	0.049	139504	2.063	Market	Not Applicable
17-08-2007	3925	0.058	143429	2.121	Market	Not Applicable
20-08-2007	9774	0.145	153203	2.266	Market	Not Applicable
21-08-2007	7250	0.107	160453	2.373	Market	Not Applicable
22-08-2007	13950	0.206	174403	2.579	Market	Not Applicable
23-08-2007	17843	0.264	192246	2.843	Market	Not Applicable
24-08-2007	5999	0.089	198245	2.932	Market	Not Applicable
27-08-2007	5575	0.082	203820	3.015	Market	Not Applicable
28-08-2007	1700	0.025	205520	3.040	Market	Not Applicable

29-08-2007	7275	0.108	212795	3.147	Market	Not Applicable
30-08-2007	550	0.008	213345	3.155	Market	Not Applicable
31-08-2007	3988	0.059	217333	3.214	Market	Not Applicable
03-09-2007	1000	0.015	218333	3.229	Market	Not Applicable
04-09-2007	4525	0.067	222858	3.296	Market	Not Applicable
05-09-2007	4225	0.062	227083	3.359	Market	Not Applicable
06-09-2007	2399	0.035	229482	3.394	Market	Not Applicable
07-09-2007	4445	0.066	233927	3.460	Market	Not Applicable
10-09-2007	16660	0.246	250587	3.706	Market	Not Applicable
11-09-2007	3275	0.048	253862	3.755	Market	Not Applicable
12-09-2007	2125	0.031	255987	3.786	Market	Not Applicable
13-09-2007	6655	0.098	262642	3.885	Market	Not Applicable
14-09-2007	8700	0.129	271342	4.013	Market	Not Applicable
17-09-2007	700	0.010	272042	4.024	Market	Not Applicable
18-09-2007	4600	0.068	276642	4.092	Market	Not Applicable
19-09-2007	28970	0.428	305612	4.520	Market	Not Applicable
20-09-2007	11700	0.173	317312	4.693	Market	Not Applicable
21-09-2007	10307	0.152	327619	4.846	Market	Not Applicable
16-10-2007	1856	0.027	329475	4.873	Market	Not Applicable
18-10-2007	2840	0.042	332315	4.915	Market	Not Applicable
19-10-2007	900	0.013	333215	4.928	Market	Not Applicable
22-10-2007	1250	0.018	334465	4.947	Market	Not Applicable
23-10-2007	3967	0.059	338432	5.006	Market	Reported under Reg. 7(1) of SEBI(SAST) Regulations
24-10-2007	5595	0.083	344027	5.088	Market	Not Applicable
25-10-2007	4300	0.064	348327	5.152	Market	Not Applicable
26-10-2007	6574	0.097	354901	5.249	Market	Not Applicable
29-10-2007	4075	0.060	358976	5.309	Market	Not Applicable
30-10-2007	5350	0.079	364326	5.389	Market	Not Applicable
31-10-2007	11076	0.164	375402	5.552	Market	Not Applicable
01-11-2007	7110	0.105	382512	5.658	Market	Not Applicable
02-11-2007	1425	0.021	383937	5.679	Market	Not Applicable
05-11-2007	7675	0.114	391612	5.792	Market	Not Applicable
06-11-2007	13720	0.203	405332	5.995	Market	Not Applicable
07-11-2007	3000	0.044	408332	6.039	Market	Not Applicable
08-11-2007	3441	0.051	411773	6.090	Market	Not Applicable
12-11-2007	2423	0.036	414196	6.126	Market	Not Applicable
13-11-2007	90	0.001	414286	6.127	Market	Not Applicable
14-11-2007	3553	0.053	417839	6.180	Market	Not Applicable
15-11-2007	2075	0.031	419914	6.211	Market	Not Applicable
16-11-2007	4050	0.060	423964	6.271	Market	Not Applicable

19-11-2007	4548	0.067	428512	6.338	Market	Not Applicable
20-11-2007	1900	0.028	430412	6.366	Market	Not Applicable
21-11-2007	450	0.007	430862	6.373	Market	Not Applicable
26-11-2007	6545	0.097	437407	6.469	Market	Not Applicable
27-11-2007	1000	0.015	438407	6.484	Market	Not Applicable
28-11-2007	2250	0.033	440657	6.518	Market	Not Applicable
29-11-2007	1500	0.022	442157	6.540	Market	Not Applicable
30-11-2007	9063	0.134	451220	6.674	Market	Not Applicable
03-12-2007	4985	0.074	456205	6.747	Market	Not Applicable
04-12-2007	5650	0.084	461855	6.831	Market	Not Applicable
05-12-2007	1327	0.020	463182	6.851	Market	Not Applicable
06-12-2007	27530	0.407	490712	7.258	Market	Not Applicable
07-12-2007	7210	0.107	497922	7.364	Market	Not Applicable
10-12-2007	14252	0.211	512174	7.575	Market	Not Applicable
11-12-2007	20100	0.297	532274	7.873	Market	Not Applicable
12-12-2007	21219	0.314	553493	8.186	Market	Not Applicable
13-12-2007	14935	0.221	568428	8.407	Market	Not Applicable
17-12-2007	13550	0.200	581978	8.608	Market	Not Applicable
18-12-2007	30904	0.457	612882	9.065	Market	Not Applicable
19-12-2007	50000	0.740	662882	9.804	Market	Not Applicable
20-12-2007	11766	0.174	674648	9.978	Market	Reported under Reg. 7(1) of SEBI(SAST) Regulations
24-12-2007	2764	0.041	677412	10.019	Market	Not Applicable
26-12-2007	5950	0.088	683362	10.107	Market	Not Applicable
27-12-2007	7545	0.112	690907	10.219	Market	Not Applicable
28-12-2007	12009	0.178	702916	10.396	Market	Not Applicable
08-01-2008	3475	0.051	706391	10.448	Market	Not Applicable
09-01-2008	16741	0.248	723132	10.695	Market	Not Applicable
10-01-2008	19798	0.293	742930	10.988	Market	Not Applicable
11-01-2008	20849	0.308	763779	11.297	Market	Not Applicable
14-01-2008	6448	0.095	770227	11.392	Market	Not Applicable
15-01-2008	6300	0.093	776527	11.485	Market	Not Applicable
16-01-2008	6893	0.102	783420	11.587	Market	Not Applicable
17-01-2008	1436	0.021	784856	11.608	Market	Not Applicable
18-01-2008	5324	0.079	790180	11.687	Market	Not Applicable
21-01-2008	5000	0.074	795180	11.761	Market	Not Applicable
23-01-2008	4000	0.059	799180	11.820	Market	Not Applicable
24-01-2008	15765	0.233	814945	12.053	Market	Not Applicable
25-01-2008	11522	0.170	826467	12.224	Market	Not Applicable
28-01-2008	6950	0.103	833417	12.327	Market	Not Applicable

29-01-2008	3081	0.046	836498	12.372	Market	Not Applicable
30-01-2008	6530	0.097	843028	12.469	Market	Not Applicable
31-01-2008	3900	0.058	846928	12.526	Market	Not Applicable
01-02-2008	3617	0.053	850545	12.580	Market	Not Applicable
04-02-2008	3303	0.049	853848	12.629	Market	Not Applicable
05-02-2008	701	0.010	854549	12.639	Market	Not Applicable
06-02-2008	6625	0.098	861174	12.737	Market	Not Applicable
07-02-2008	6484	0.096	867658	12.833	Market	Not Applicable
08-02-2008	5881	0.087	873539	12.920	Market	Not Applicable
11-02-2008	4501	0.067	878040	12.987	Market	Not Applicable
12-02-2008	18750	0.277	896790	13.264	Market	Not Applicable
13-02-2008	3150	0.047	899940	13.310	Market	Not Applicable
14-02-2008	21000	0.311	920940	13.621	Market	Not Applicable
15-02-2008	8000	0.118	928940	13.739	Market	Not Applicable
18-02-2008	1627	0.024	930567	13.763	Market	Not Applicable
19-02-2008	2038	0.030	932605	13.794	Market	Not Applicable
20-02-2008	5077	0.075	937682	13.869	Market	Not Applicable
21-02-2008	8729	0.129	946411	13.998	Market	Reported under Reg. 7(1) of SEBI(SAST) Regulations
27-02-2008	9039	0.134	955450	14.132	Market	Not Applicable
28-02-2008	3650	0.054	959100	14.185	Market	Not Applicable
29-02-2008	7238	0.107	966338	14.293	Market	Not Applicable
04-03-2008	2806	0.042	969144	14.334	Market	Not Applicable
05-03-2008	21097	0.312	990241	14.646	Market	Not Applicable
07-03-2008	10500	0.155	1000741	14.801	Market	Not Applicable
10-03-2008	850	0.013	1001591	14.814	Market	Not Applicable
11-03-2008	4000	0.059	1005591	14.873	Market	Not Applicable

4.4 OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO BSL

4.4.1 The objects of the acquisition is substantial acquisition of Shares of BSL without taking control of BSL. The Acquirer is not proposing to take control of the Target Company.

4.4.2 The Offer will not result in change in control of BSL. The Acquirer does not have any proposal to induct new Directors representing the Acquirer, on the Board of BSL.

4.4.3 The Acquirer is not taking over control and as such does not have any future plans with respect to the Target Company. The Acquirer has no plans to dispose off or encumber any Assets of the Target Company.

5. COMPLIANCE WITH REGULATION 21(2) & CLAUSE 40A OF THE LISTING AGREEMENT

The acquisition of 20% of the paid up and voting capital of the Target Company by the Acquirer under this Offer together with the Equity Shares presently held by him will not result in public shareholding falling below 25 % of the listed Equity Share Capital, the level required for continued Listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall continue to be 53.96% of the paid up and voting Capital. The Acquirer will continue to be a Public Shareholder.

6 BACKGROUND OF THE TARGET COMPANY

6.1.1 BSL was originally incorporated on 07-06-1980 as a private limited Company, in the then Union Territory of Delhi, under the Companies Act, 1956, in the name and style “Bhilwara Texturisers Private Limited”. The name of the Company was changed to “Bhilwara Builders Private Limited” vide fresh certificate of incorporation consequent to change of name issued by the Registrar of Companies, Rajasthan on 07-12-1981. The name of the Company was changed further, to “Bhilwara Spinners Private Limited”, consequent to necessary resolution passed in terms of section 21 of the Companies Act and necessary approval of Central Government and fresh certificate to this effect was issued by the Registrar of Companies, Delhi and Haryana on 04-02-1983. The Company was then changed to a public limited Company consequent to Special Resolution by members on 20-01-1983 and certificate to this effect was issued by the Registrar of Companies, Delhi and Haryana on 11-02-1983. The Registered office of the Company was shifted to the State of Rajasthan from the Union Territory of Delhi, consequent to a Special resolution by the members and confirmed by the Company Law Board, Northern Region Bench, New Delhi, on 08-02-1994. The Registrar of Companies, Rajasthan, on 11-04-1994, issued fresh certificate of registration, consequent to this shifting of registered Office. BSL made its Initial Public Offer of Equity Shares in April-May 1993 and got its Shares listed at the Stock Exchanges at Delhi, Ahmedabad, Mumbai, Kolkatha and Jaipur. BSL is engaged in manufacture of viscose, synthetic and blended yarns

6.1.2 The main objects of the Company, as set out in the memorandum of Association of BSL are “(1) To carry on the business of manufacturers, producers, combers, bleachers, finishers, processors, dyers, spinners, weavers, knit wears, laminators, bails and pressers, importers, exporters, buyers, seller, of and dealers in all kinds of Texturized yarns and fibres, whether synthetic or artificial like nylon, polyester, acrylics, rayon, silk, artificial silk and any other fibres or fibrous materials including jute, hemp silk, cotton wool, mesta, nylon, terrene, terelyne, staple fibre or other synthetic fibre allied products, by products and substitutes for all or any of them and utilize any waste arising from any such manufacture, production of process.(2) To carry on the business of manufacturers, producers, processors, importers, exporters buyers, sellers and dealers in and as brokers, agents, stockiest, distributors and suppliers of all kinds of ready made garments and other products, goods, articles and things as are made from or with cotton, nylon, silk, polyester, acrylics and other kinds of fiber by whatever name called or made under any process, whether natural or artificial and by mechanical or other means. (3) To manufacture, buy, sell, exchange, barter, ship, import, export, make advances upon and otherwise deal in whether as principals, agents, stockiest, distributors, brokers, wholesale and retail dealers or otherwise, either for ready or forward transactions in silk, art silk, artificial and synthetic filaments, tents, durries, newar, parachutes, carpets, rugs, and other fibrous substances as well as in namads, worsted stuff manufacturers, including waste, residual b and by products thereof whether textile, felted, netted or looped.

6.1.3 BSL belongs to the Bhilwara Group promoted by Shri. L N Jhunjunwala. The Group has interest in Textiles, Graphite Electrodes, Power and IT Services. The other listed Companies belonging to the Group are RSWM Ltd, HEG Ltd, Maral Overseas Ltd and BSL Ltd.

6.1.4 The Registered Office and Factory is situated at 26, Industrial Area, Bhilwara, Rajasthan 311001((01482) 246600 to 246603, Fax No (01482) 246101, E Mail ID: bhilspin@sancharnet.in)

6.1.5 The Corporate Office is at Bhilwara Towers, A-12 Sector I, Noida - 201301 (NCR Delhi), India, ((0120)4390300, 2541810, Fax No. (0120)2531648, 4390300, E Mail ID: molfin@lnjb.com, Website : www.lnjbhilwara.com)

6.1.6 BSL belongs to the Bhilwara Group promoted by Shri. L.N. Jhunjhunwala.

6.1.7 As per audited results published by BSL, the Fixed Assets held as on 31.03.2008 are Leasehold Land, Roads and Buildings, Plant and Machinery, Electrical fittings, Furniture and Fixtures, Power Division equipments, Water supply installations, Office equipments and Vehicles.

6.1.8 In the preceding three years, BSL, has sold surplus land admeasuring 44 Bigha, 4 Biswa at Bhilwara for a consideration of Rs. 2201 Lacs(approx.)

6.1.9 The Directors of BSL are Shri. L.N. Jhunjhunwala (Chairman Emeritus) Shri. Ravi Jhunjhunwala (Chairman), Shri. R. N. Gupta (Managing Director, Non Promoter, Executive) Shri. B.P. Singh (Independent, Non Executive), Shri. B N Fitkariwala (Independent, Non Executive) and Shri. Ravindra Bhandari (Independent, Non Executive).

6.1.10 The Authorized Capital of BSL is Rs. 1250 Lacs; divided into 1, 24, 90,000 Equity Shares of Rs 10/- each & 1000 redeemable preference Shares of Rs. 100/- each. The paid up Equity Share

Capital (Net of Shares forfeited) is 67, 61,130 Equity Shares of Rs. 10/- each aggregating to Rs. 676.11 Lacs. All the Equity Shares are fully paid up, listed and admitted for trading. There are no outstanding Warrants, options or instruments convertible into Equity Shares at a later stage. No Equity Shares are subject to lock in.

6.1.11 As on date of the Public Announcement, the promoters/persons in control hold 31,12,700 Equity Shares, constituting 46.04 % of the paid up & listed Capital.

6.1.12 BSL has signed agreement with both the Depositories for offering Shares in dematerialized form and is traded in compulsory demat mode. The ISIN Number is INE436C01014.

6.1.13 BSL is engaged manufacture of viscose, synthetic and blended yarns. As on 31.03.2008, the Company has 21232 Spindles.

6.1.14 BSL has no Subsidiaries.

6.1.15 BSL has not declared Dividend in the last 3 years.

6.1.16 None of the Directors of BSL represent the Acquirer.

6.1.17 The Marketable lot for the Shares of BSL for the purpose of this Offer is 1 (One only).

6.1.18 The Equity Shares of BSL are at present listed only at The Bombay Exchange Ltd, Mumbai (BSE). The Equity Shares were listed at Jaipur Stock Exchange Ltd (JSE), Delhi Stock Exchange Association Ltd(DSE), Ahmedabad Stock Exchange Association Ltd (ASE) and Calcutta Stock Exchange Association Ltd (CSE), but were delisted from these Stock Exchanges consequent to resolution adopted by members on September 25, 2003. At the time of notifying the delisting, Calcutta Stock Exchange Association Ltd (CSE), had, on 28-07-2008, indicated that the Shares may be traded under "Permitted Category". All the outstanding issued Equity Shares of BSL are listed and admitted for trading. There are no partly paid Equity Shares or outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage.

6.1.19 The Target Company has made filings under Regulation 6(2) & 6(4) as on 20-02-1997 under SEBI Regularization Scheme 2002 on 29-03-2003. Filing under Regulation 8(3) for 1998 and from year 2000 to year 2007 were made in time. These details are provided based on available information from public sources due to the nature of this Offer. The details of filings under Reg. 8(3) for 1999 and 2008 could not be ascertained from any public source. Similarly, details of filings under Reg. 7 by the Target Company could not be ascertained from any public source. The details of compliance under Chapter II of the Regulations by the Promoters/promoter group and major shareholders (other than the Acquirer) could not be ascertained from any public source. The Acquirer has complied with reporting requirements under Reg. 7(1) of Chapter II of the Regulations in time.

6.1.20 BSL has no arrears of listing fee to Stock Exchange.

6.1.21 BSL is complying with the provisions of Clause 49 of the listing agreement.

6.1.22 BSL is not a Sick Company and is not referred to BIFR.

6.1.23 There are a few pending litigations against BSL. They are (1) The Public Health Engineering Dept, Rajasthan has filed a suit vide No. 236/97, in the ACJM (West), Bhilwara Court. The subject matter of the suit is arrears against demand made by the Dept. for the period April 1980 to December 1983, being minimum charges as per the contract. BSL challenged the demand before the High Court which was finally decided vide order dated 12-4-1996 partially allowing the petition of BSL. BSL preferred appeal in the Division Bench. BSL was, on 19-11-1996 directed to deposit actual amount payable within 1 month and BSL deposited requisite amount. Meanwhile, the Dept. raised fresh bill for Rs. 3,79,049/- inclusive of interest after deducting actual amount paid. BSL made an injunction suit before Civil Judge, Bhilwara. Injunction was granted. The Dept. is contesting the same. Last posted for hearing on 10-12-2008 (2) Smt. Geeta Devi, W/o. Late Shri. Pokhar Balal has vide case no. 5/2003, filed a case at WCC, Bhilwara. She has claimed compensation for the death of her husband who got electrocuted - and expired while under treatment- from Rajasthan State Electricity Board High Tension Wires. He was supplying water through water tankers to the mill on behalf of contractor. The claimant has sought compensation from the contractor as well the Company. The suit was last posted for 15-12-2008. (3) Shri. Ram Sharan Sharma, a former Finishing Master at the factory of BSL, has, vide Case No. 25/04 at the ADJ No. 1, Bhilwara has sought superannuation benefits and interest thereon. He was a member of BSL's Superannuation Scheme and had resigned from service and according BSL, he is not entitled to the benefits as per the Scheme and hence the suit. Posted for 17-01-2009. Further, there are a few demands (total 7) from the Department of Central Excise and Customs relating to various demands by these Departments , which are at various stages of hearing & disposal. None of the above suits and demands will have any impact, monetary or otherwise, on the present Offer.

6.1.24 BSL has no overdue liabilities to Banks/FIs , Deposit holders or Debenture holders.

6.1.25 There has not been any merger or demerger or spin off of activity in the preceding 3 years.

6.1.26 The Compliance Officer of BSL is Shri. P S Puri, Chief Financial Officer who will be available at the Corporate Office address of BSL and shall attend to all investor grievances.

6.2 Equity Share Capital History

6.2.1 Equity Share Capital Structure of BSL as on Tuesday, November 18, 2008 the date of Public Announcement

Paid up Equity Shares of BSL	**No. of Shares**	**% of Shares**	**Voting Rights**	**% of voting rights.**
Fully paid up Equity Shares	67,61,130	100	67,61,130	100
Partly paid up Equity Shares	0	0	0	0
Total paid up Equity Shares	67,61,130	100	67,61,130	100
Total voting rights in Target Company	67,61,130	100	67,61,130	100

6.2.2 Build up of Current Paid up Equity Share Capital

Date of allotment	**No. of Shares Issued**	**Cumulative paid up capital (Shares)**	**Mode of allotment**	**Identity of allottees (e.g.- promoters /others**
On incorporation	20	20	For cash	Promoters/Promoter Group
25-03-1983	4,50,000	4,50,020	For consideration other than cash	Promoters/Promoter Group
02-05-1988	2,75,000	7,25,020	For consideration other than cash	Promoters/Promoter Group
02-05-1988	7,20,000	14,45,020	For Cash	Promoters/Promoter Group
12-03-1991	2,65,000	17,10,020	For consideration other than cash	Promoters/Promoter Group
30-09-1992	8,55,010	25,65,030	Bonus Issue	Then existing Shareholders
As part of Public Issue	5,00,000	30,65,030	For Cash	Promoters/Promoter Group
As part of Public Issue	37,50,000	68,15,030	For Cash	Public
26-04-2005 Reduction	-54,000	67,61,030	Forfeiture of Shares	----
23-06-2006	100	67,61,130	Reinstated forfeited Shares	Since one Public Shareholder had actually paid allotment money, whose Shares were also forfeited. Now rectified.

Notes: The above allotment details are sourced from the Prospectus issued by BSL in connection with the Public Issue of Equity Shares, which opened for subscription on 28-04-1993. The actual date of allotment of Shares in the Public Issue is not available. The details regarding reduction in capital on account of forfeiture is as provided by BSL.

6.2.3 Change in Equity Share Capital holding of promoters of BSL

As on	No. of Shares held	% to paid Up Capital	Change from previous. Year (No.)	Change from previous. Year (%)	Remarks, if any
Holding as on 20-02-1997	3075130	45.12	-	-	-
31-03-1998	3076130	45.14	1000	0.014	
31-03-1999	3076130	45.14	0	0.00	
31-03-2000	3076130	45.14	0	0.00	
31-03-2001	3076130	45.14	----	----	
31-03-2002	3076330	45.14	200	0.003	
31-03-2003	3087980	45.31	11650	0.17	
31-03-2004	3088000	45.31	20	Negligible	
31-03-2005	3121100	45.80	33100	0.49	
31-03-2006	3112700	46.04	-8400	-0.12	
31-03-2007	3112700	46.04	0	0	
31-03-2008	3112700	46.04	0	0	

Note: The details from 31-03-2001 disclosed above, are based on the information available at BSE's site www.bseindia.com. Details prior to 31-03-2001 is based on filings made by the Target Company under Chapter II of SEBI(SAST) Regulations. Individual details of any allotment/purchase or sale is not available. On an year to year basis, the changes are not in excess of the limits under Reg. 11(1) or require reporting under Reg. 7(1A).

6.3 There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later date.

6.4 All the present issued Equity Shares of BSL are listed and admitted for trading.

6.5 SEBI/Stock Exchanges have not taken any action against the Target Company.

6.6.1 Board of Directors as on Tuesday, November 18, 2008, the date of PA

Name	Date of appointment	Designation
Shri. L.N. Jhunjhunwala	Not available	Chairman Emeritus
Shri. Ravi Jhunjhunwala	Not available	Chairman
Shri. R. N. Gupta	Not available	Managing Director
Shri. B.P. Singh	27-07-2007	Director
Shri. B N Fitkariwala	17-07-2006	Director
Shri. Ravindra Bhandari	27-07-2007	Director

6.6.2 There has been the following changes (Other than reappointments) in Board of Directors in the last three years (Based on information from Report on Corporate Governance & BSE Website)

Name	Date of change	Nature of change
Shri. A R Garde	22-12-2005	Appointed
Shri. M K Doogar	27-12-2005	Resigned
Shri. B N Fitkariwala	17-07-2006	Appointed
Shri. A R Garde	30-10-2006	Resigned
Shri. B P Singh	27-07-2007	Appointed
Shri. Ravindra Bhandari	27-07-2007	Appointed
Shri. Shekhar Agarwal	30-07-2008	Resigned

6.7 There has not been any mergers/demergers involving the Target Company nor was there any spin off of activity during the last three years.

6.8. **Brief Audited Financial data for the last three years are given hereunder:**

(Rs. In Lacs)

Profit & Loss Statement	**31.03.08**	**31.03.07**	**31.03.06 (6 months)**
Income from Operations (Net of Excise Duty)	8409.47	9183.68	5432.47
Other Income	54.07	302.13	36.21
Increase in stocks	27.42	0.00	0.00
Total Income	**8490.96**	**9485.81**	**5468.68**
Expenditure			
Purchase & materials consumed	5664.80	6251.37	3578.62
Decrease in Stock	0.00	163.55	186.36
Operating, Administrative & Other Expenses	2136.11	2431.67	1425.36
Profit before Depreciation, Interest and Tax	690.05	639.22	278.34
Depreciation	307.45	323.09	165.85
Interest & Fin charges	283.45	290.06	212.42
Profit Before Tax (Loss in brackets)	99.15	26.07	(99.93)
Less: Provision for Current Taxes	15.00	6.17	78.89
Deferred Tax	(14.79)	30.92	(31.45)
Profit After Tax for the year (Loss in brackets)	98.94	(11.02)	(147.37)

(Rs. In Lacs)

Balance Sheet Statement	**31.03.08**	**31.03.07**	**31.03.06**
Sources of funds			
Paid up Equity Share Capital	676.11	676.11	676.10
Amount held in Paid Up Capital Account, being amount originally paid up on forfeited Shares	2.70	2.70	2.70
Reserves & Surplus (Net of accumulated losses)	312.93	220.31	231.32
Net Worth	**991.74**	**899.12**	**910.12**
Secured Loans	1976.95	1925.00	2934.61
Unsecured Loans	900.00	700.00	600.00
Deferred Tax liabilities	274.59	292.64	261.72
Total Source of funds	**4143.28**	**3816.76**	**4706.45**

Uses of funds			
Net Fixed Assets (Incl. Capital Work in progress, if any)	2560.38	2905.22	3338.21
Investments	7.72	0.00	0.01
Net Current Assets	1575.18	911.54	1368.23
Total	**4143.28**	**3816.76**	**4706.45**

Other Financial Data			
Dividend (%)	NIL	NIL	NIL
Earnings per Share (Rs.) (Fully diluted, annualized). (Negative figure in brackets)	1.46	(0.16)	(4.36)
Return on Net Worth (%) (Annualized) (Profit after Tax X100/Net Worth) (Negative figure in brackets)	9.98	(1.23)	(32.38)
Book Value Per Share (Rs.) (Net Worth/No. of Shares)	14.67	13.30	13.46

Particulars	31.03.08	31.03.07	31.03.06
Rent Received	20.14		
Insurance Claim receipts	1.23	10.95	2.22
Sundry Credit balance written back	6.39		
Liabilities no longer required, written back	0.91	8.29	4.04
Income from non trade Investments	0.31		
Miscellaneous Income	25.09	42.89	20.91
Profit on sale of Fixed Assets		240.00	9.04
Total	**54.07**	**302.13**	**36.21**

Notes:

- In the year 2005-06, BSL changed its accounting period to end as on 31st March as against 30th September in the preceding year (which covered a period of 18 months). In view of this, the Financial data given above for the year ended March 3, 2006 is for a period of 6 months only and consequently the EPS and Return on Net Worth for the year has been annualized.
- There is no change in accounting policies during the above period
- There is no Revaluation Reserve.
- The Investments outstanding as on 31.3.2008 is 185 Equity Shares of State Bank of Bikaner & Jaipur (Quoted), of value Rs. 7.71 Lacs, and National Savings Certificate (Unquoted) of value Rs.0.01 Lacs. The Investments outstanding as on 31.3.2006 is National Savings Certificate (unquoted) of value Rs. 0.01 Lacs.
- **Significant Accounting policies as on 31-03-2008, date of last audit:**
  a. The Company follows the Mercantile System of Accounting and recognizes Income and Expenditure on accrual basis. However, Interest charged in Invoices, Overdue interest on late payments and Medical reimbursement to employees are accounted on cash basis
  b. The Accounts are prepared on historical cost basis as a going concern.
  c. Finished goods are valued at lower of cost and net realizable value. In case of diminution in value other than temporary, the carrying amount is reduced to recognize the decline. Stock in process is valued at lower of cost and net realizable value, waste at net estimated realizable value, Raw materials at lower of cost and net realizable value and Stores & Spares at cots or below, cost being arrived at weighted average method
  d. Long Term Investments are stated at cost. In case of diminution in value other than temporary, the carrying amount is reduced to recognize the decline
  e. Fixed Assets are stated at cost. Capital work in progress is carried at cost.
  f. Depreciation is provided at Straight Line method at the rates and manner specified under Schedule XIV of the Companies Act 1956. Depreciation on Assets costing upto Rs. 5000/- is fully provided in the year of Acquisition.

- **Contingent Liabilities not provided for, as on 31.03.2008**

Particulars	Amount (Rs. in Lacs)
Income tax demand raised by IT Authorities, pending appeal	70.92
Other matters	4.89

- There are no significant qualifications by Auditors as on 31. 03. 2008.
- **Brief Unaudited results as on 30-09-2008**

(Rs. in Lacs)

Details	Amount
Net Sales/Interest Earned/Operating Income	3463
Other Income	17
Total Income	3480
Expenditure	3655
Interest	115
Depreciation	141
Profit before Tax	431
Tax	114
Net Profit after Tax (Loss in Brackets)	(317)
Equity Share Capital	676.11
EPS (annualized) (Negative figure in brackets)	(9.38)

6.9. Pre and Post- Offer Share holding pattern of BSL shall be as follows:

Shareholders' category	Shareholding prior to the agreement/ Acquisition and offer. (A)		Shares to be acquired which triggered off the Regulations (B)		Shares to be Acquired in Open Offer (Assuming full acceptances) (C)		Share holding after the acquisition and Offer. (D)	
	No	%	No	%	No	%	No	%
1.Promoter group	31,12,700	46.04	0	0	0	0	31,12,700	46.04
Total (1)	**31,12,700**	**46.04**	**0**	**0**	**0**	**0**	**31,12,700**	**46.04**
2. Acquirer								
Shri. Ashok Kumar Parmar	10,05,591	14.87	0	0	13,52,226	20	23,57,817	34.87
Total (2)	**10,05,591**	**14.87**	**0**	**0**	**13,52,226**	**20**	**23,57,817**	**34.87**
3 Public Holding								
a. Indian Public (other than Acquirer)	26,40,039	39.05	0	0	0	0	12,90,613	19.09
a. Mutual Funds/UTI	2,800	0.04						
Total (3) (a+b)	**26,42,839**	**39.09**	**0**	**0**	**0**	**0**	**12,90,613**	**19.09**
Total (1+2+3)	**67,61,130**	**100**					**67,61,130**	**100**

Notes:

a. There are no partly paid Equity Shares.

b. There are no warrants, options or convertible instruments, convertible at a later stage.

c. No Shares are subject to lock in

d. The Acquirer has not acquired any Shares from the date of the Public Announcement till date of this Letter of Offer.

e. The number of Shareholders under Public Category (excluding the Acquirer), i.e. under 3 above, on the Specified Date is 8913.

f. The Acquirer belongs to the Public Category. Post Offer, the holding of the Acquirer will be clubbed with Public holding.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer price

7.1.1 The Equity Shares of BSL are listed at The Bombay Stock Exchange Ltd. (BSE). The Shares are admitted as permitted Security at Calcutta Stock Exchange Assn. Ltd (CSE).

7.1.2 The annualized trading turnover of Shares of BSL at the Stock Exchanges during the preceding 6 calendar months prior to the month in which Public Announcement was made (i.e. during the months May 2008 to October 2008) is given below :

Name of stock exchange(s)	Total no. of Shares traded during the 6 calendar months prior to the month in which the P A was made.	Total No. of listed Shares	Annualized Trading turnover (in terms of % to total listed Shares)
The Bombay Stock Exchange Ltd (BSE)	2,00,714	67,61,130	5.937
The Calcutta Stock Exchange Assn Ltd (listed for part of the period & permitted security thereafter)	0	67,61,130	0

The trading volume data in respect of BSE has been taken from the BSE's website www.bseindia.com.

The Equity Shares are thus not infrequently traded in terms of Regulation 20 (5), explanation (i) at BSE.

7.1.3 Since the Equity Shares of the Target Company is thus not infrequently traded as per explanation (i) to Regulation 20(5) at the BSE during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer price has been justified, taking into account, the following parameters, as set out under Regulations 20(4).

1	Negotiated price paid by the Acquirer or persons acting in concert under any Agreement referred to in sub regulation (1) of Regulation 14.	N.A.
2	Highest price paid by the Acquirer for acquisition including by way of allotment in a Public or Rights issue, if any, during the twenty-six week period prior to the date of PA	N.A
3	The price at which any preferential allotment of Equity Shares is made to the Acquirer in the 26 weeks preceding the date of Public Announcement.	N.A.
4	The average of the weekly high and low of the closing prices at BSE in the 26 weeks preceding the date of Public Announcement.	Rs. 12.63
5	The average of the daily high and low of the traded prices at BSE in the 2 weeks preceding the date of Public Announcement	Rs. 11.62
6	Offer Price	Rs. 15.00

7.1.3.1 Trading data at Bombay Stock Exchange Limited (BSE)

a. The Weekly High and Low of the closing prices of the Equity Shares of BSL at the Bombay Stock Exchange Limited during the 26 Weeks preceding the date of the Public Announcement is as under:

(Price in Rs.)

Week Nos.	Week ended	High	Low	Average	Volume
1	26-May-08	15.30	15.05	15.18	74
2	02-Jun-08	15.20	14.74	14.97	15552
3	09-Jun-08	14.75	13.95	14.35	5431
4	16-Jun-08	13.80	13.11	13.46	10801
5	23-Jun-08	13.75	13.00	13.38	4639
6	30-Jun-08	13.00	12.35	12.68	6326
7	07-Jul-08	11.80	10.69	11.25	8127

8	14-Jul-08	12.14	10.20	11.17	2186
9	21-Jul-08	11.51	10.50	11.01	7982
10	28-Jul-08	11.64	11.25	11.45	9176
11	04-Aug-08	12.00	11.10	11.55	2058
12	11-Aug-08	13.37	11.20	12.29	4328
13	18-Aug-08	13.00	12.16	12.58	6311
14	25-Aug-08	12.95	12.00	12.48	7033
15	01-Sep-08	12.00	11.26	11.63	1861
16	08-Sep-08	12.70	12.00	12.35	4396
17	15-Sep-08	13.11	12.00	12.56	20223
18	22-Sep-08	12.60	12.21	12.41	11572
19	29-Sep-08	14.25	12.94	13.60	18060
20	06-Oct-08	13.40	12.73	13.07	2999
21	13-Oct-08	12.78	12.01	12.40	13920
22	20-Oct-08	13.25	12.59	12.92	12569
23	27-Oct-08	13.91	12.74	13.33	8664
24	3-Nov-08	13.30	12.90	13.10	1942
25	10-Nov-08	12.36	11.20	11.78	1952
26	17-Nov-08	12.05	10.88	11.47	2325
	Total	**339.92**	**316.76**	**328.34**	**190507**
Average Price			**12.6285**	**12.63**	

(Source: BSE Website : www.bseindia.com)

b. The daily High and Low of the traded prices of BSL at the Bombay Stock Exchange Limited in the two Weeks preceding the date of the Public Announcement is as under:

(Price in Rs.)

Sl. No.	Date	High	Low	Average	Volume
1	Tuesday, November 04, 2008	12.36	12.36	12.36	325
2	Wednesday, November 05, 2008	12.00	12.00	12.00	533
3	Thursday, November 06, 2008	11.42	11.42	11.42	300
4	Friday, November 07, 2008	11.20	11.05	11.13	272
5	Monday, November 10, 2008	11.76	11.45	11.61	522
6	Tuesday, November 11, 2008	12.00	11.35	11.68	1200
7	Wednesday, November 12, 2008	12.05	12.05	12.05	1000
8	Thursday, November 13, 2008	No Trading			
9	Friday, November 14, 2008	11.45	11.45	11.45	100
10	Monday, November 17, 2008	10.88	10.88	10.88	25
	Total	**105.12**	**104.01**	**104.57**	**4277**
	Average Price		**11.6183**	**11.62**	

(Source: BSE Website: www.bseindia.com)

7.1.3.2 The Equity Shares of BSL were delisted w.e.from July 28, 2008 from CSE, i.e. within 6 months preceding the date of PA. As per information available, the Equity Shares were infrequently traded as per explanation (i) to Regulation 20(5) at CSE during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer price has been justified, taking into account, the following parameters, as set out under Regulations 20(5)©:

1	Negotiated price paid by the Acquirer under the any Agreement referred to in sub regulation (1) of Regulation 14.	N.A.
2	Highest price paid by the Acquirer for acquisition including by way of allotment in a Public or Rights issue or preferential allotment, if any, during the twenty-six week period prior to the date of Public Announcement.	N.A.
3	Book Value of the Equity Shares as on 31.03.2008 (audited)	Rs. 14.67
4	Earnings Per Share (EPS) as on 31.03.2008	Rs.1.46
5	Return on Net Worth during the preceding Financial year ended 31.03.2008 (based on Audited results)	9.98%
6	EPS (annualized) based on unaudited results for 6 months ended 30-09-2008	-9.38
7	Return on Net Worth (annualized) for 6 months ended 30-09-2008 (unaudited)	-93.96%
8	Offer Price	Rs. 15.00

7.1.4. This is not an indirect acquisition/control.

7.1.5 Non Compete Fee: There is no non-compete agreement for payment to any person.

7.1.6 The Offer price is justified in terms of Regulation 20 (11) of the Regulations. The Offer price of Rs. 15/- per Equity Share (fully paid up) is higher than the average of the weekly high and low of the closing prices as quoted at BSE, during the 26 weeks preceding the date of the Public Announcement and also higher than the average of the daily high and low of the traded prices at BSE during the 2 weeks preceding the date of the Public Announcement. With respect to CSE, where the Equity Shares of BSL were listed for a part of the preceding 6 calendar months from the date of PA and were infrequently traded, the Offer Price has been justified taking into account the EPS, Book Value, Return on Net Worth etc. The Offer Price is higher than the Book Value as on 31-03-2008, date of last audit. BSL has returned losses in the half year ended 30-09-2008 i.e. since date of last audit. There are no partly paid Equity Shares.

7.1.7 In the event of any further acquisition of Equity Shares by the Acquirer upto 7 working days prior to the closure of the Offer at a price higher than the Offer price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirer shall not be acquiring any Equity Shares of BSL during the period of 7 working days, prior to the date of closure of the Offer.

7.2 Financial arrangements

7.2.1 The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs/others or Foreign sources such as NRIs is envisaged.

7.2.2 Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 2,02,83,390/- (Rupees Two Crores Two Lacs Eighty three Thousand Three Hundred and Ninety only).

7.2.3 In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has on 17-11-2008 deposited Rs. 50, 71,000/- (Rupees Fifty Lacs Seventy One Thousand only), which is more than 25 % of the total consideration payable under the Offer, towards Escrow Account, with The Federal Bank Ltd, Vasai West, Mumbai 401 202 and a lien has been marked on the said account in favor of Fedex Securities Ltd., Manager to the Offer.

7.2.4 The Acquirer has authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

7.2.5 As per Certificate dated 10-11-2008, from Shri. Jayesh Baheti, Chartered Accountant (Membership No. 111154) Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg. Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 (Tel No. (020) 32901440 Fax No (020) 25467467, website: www.bandindia.com) the Net Worth as on 10-11-2008 of Shri. Ashok Kumar Parmar is Rs. 1483.48 Lacs.

7.2.6 Shri. Jayesh Baheti, Chartered Accountant, (Membership No. 111154) Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg, Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 (Tel No. (020) 32901440 Fax No (020) 25467467, website: www.bandindia.com) has, vide certificate dated 10-11-2008, certified that the Acquirer has adequate liquid resources to meet the funds requirements of the Offer. The liquid resources available with the Acquirer are Bank Deposits Rs. 60.19 Lacs and Quoted Investments Rs. 1242.03 Lacs.

7.2.7 Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF THE OFFER

8.1

a. This Offer will open on Thursday, January 8, 2009 and will close on Tuesday, January 27, 2009.

b. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.

c. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.

d. The Specified date for this Offer is Friday, December 5, 2008.

e. Specified date is only for the purpose of determining the names of the Shareholders/ beneficial owners holding Shares in dematerialized form as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of BSL anytime before the closure of the Offer are eligible to participate in the Offer.

f. BSL has signed agreement with both the Depositories for offering Shares in dematerialized form and is traded in compulsory demat mode. The ISIN Number is INE436C01014

g. The Marketable lot for the Shares of BSL for the purpose of this Offer shall be 1 (one only).

8.2 **Locked in Shares:** There are no Equity Shares, which are subject to Lock in.

8.3. Eligibility for accepting the Offer

8.3.1 The Letter of Offer shall be mailed to all Equity Shareholders/beneficial owners holding Equity Shares in dematerialized form (except the Acquirer) whose names appear in register of Target Company as on Friday, December 5, 2008, the Specified Date.

8.3.2 This Offer is also open to persons who own Equity Shares in BSL but are not registered Shareholders as on the “Specified date”.

8.3.3 All Equity Shareholders /beneficial owners (except the Acquirer) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

8.3.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 (Tel. Nos. (022) 22702485/ 22641376, Fax. No. (022) 22641349, Email: sharexindia@vsnl.com) (**Contact person: Shri. B S Baliga**) between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period the Offer is open.

8.3.5 The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

8.3.6 Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.

8.3.7 The acceptance of this Offer by the Equity Shareholders of BSL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

8.3.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of BSL.

8.3.9 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms, Withdrawal Form, Share Transfer Deed etc.

during transit and the Equity Shareholders of BSL are advised to adequately safeguard their interest in this regard.

8.3.10 The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

8.3.11 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.

8.3.12 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.

8.3.13 For any assistance please contact Fedex Securities Limited, Manager to the Offer or the Acquirer or the Registrar to the Offer.

8.4 **Statutory Approvals :**

8.4.1 As on the date of this Letter of Offer, no Statutory approvals are required for the Offer/to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

8.4.2 Barring unforeseen circumstances, the Acquirer would endeavor to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirer fails to obtain requisite Statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

8.4.3 No approval is required to be obtained from Banks/Financial Institutions for the Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 ACCEPTANCE OF THE OFFER

9.1.1 Name and Address of the persons (Registrars to the Offer) to whom the Equity Shares along with documents required to be submitted therewith, should be sent.

Registrars to the Offer	Working days and timings	Mode of delivery
SHAREX DYNAMIC (INDIA) PVT.LTD. SEBI Regn. No. INR000002102 17/B, Dena Bank Bldg, 2nd Floor Horniman Circle Fort, Mumbai-400001 Tel. Nos. (022) 22702485 / 22641376 Fax. No. (022) 22641349 Email : sharexindia@vsnl.com **Contact Person: Shri. B S Baliga**	**Monday to Friday** 11.00 a. m. to 4.00 p.m. **Saturday** 11.00 a. m. to 2.00 p m	By Post/Courier/ Hand delivery

9.1.2 Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 (Tel. Nos. (022) 22702485 / 22641376, Fax. No. (022) 22641349, Email ID: sharexindia@vsnl.com) (**Contact person: Shri. B S Baliga**)either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Tuesday, January 27, 2009 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with BSL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by BSL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of

Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

9.1.3 Beneficial owners (holders of shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off –market" mode or counterfoil of the delivery instruction in "Off –market" mode, duly acknowledged by the Depository Participant (DP) in favor of a Special Depository account opened by the Registrar to the Offer, in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance-cum-acknowledgement. The details of the Special Depository Account is given below:

DP Name	ARCADIA SHARE & STOCK BROKERS PRIVATE LIMITED
DP ID	12034400
Client Name	BSL OPEN OFFER-OPERATED BY SHAREX DYNAMIC (INDIA) PVT. LTD
Client Id	00490571

For the attention of Beneficial Owners holding Shares in dematerialized form: Please note that the above account is maintained with Central Depository Service (India) Limited (CDSL)

9.1.4 Shareholders having their beneficiary account with National Securities Depository Limited (NSDL) must use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with CDSL.

9.1.5 The Acceptance Form along with Share Certificates/copy of delivery instruction to DP and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.

9.2. Procedure for acceptance of the Offer by unregistered Shareholders/owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

9.2.1. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way.

9.2.2 In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of BSL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the date of closure of the Offer.

9.2.3 In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the Special Depository account, so as to reach the Registrar to the Offer on or before the date of closure of the Offer.

9.2.4 In case the Share Certificate(s) and Transfer Deeds are lodged with BSL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by BSL /its Share Transfer Agent, for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of Memorandum & Articles of Association shall also be sent.

9.2.5 Unregistered owners holding Equity Shares in physical Form should enclose

a. Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates.

b. Original Share Certificates.

c. Original broker contract note of a registered broker of a recognized Stock Exchange

d. Valid Share transfer form as received from the market. The details of the buyer should be left blank.

If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for acceptance.

9.3 The Acquirer shall accept all valid fully paid up Shares tendered (except those which are withdrawn, within the date specified for withdrawal).

9.4 If the number of Equity Shares offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis and taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. It will also be ensured that the acceptance from a Shareholder is not less than marketable lot or the entire holding, if it is less than the marketable lot..The market lot for BSL's Shares is 1(one only).

9.5 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 15 days from the date of closure of offer, for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of the Offer.

9.6 The Equity Shares Certificate(s) and the transfer form (s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pays the Offer Price.

9.7 In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner(s) in the form of acceptance cum acknowledgement.

9.8 Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A).

9.9 The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Wednesday, January 21, 2009.

9.10 The Withdrawal option can also be exercised by making an application on plain paper along with the following details:

a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form

b. Name, Address, DP Name, DP ID, Beneficiary Account/Client ID No. of the Account from where Shares were tendered, photocopy of the delivery instruction in " Off Market Mode" duly acknowledged by the DP in favor of the Special Depository Account in the name of Registrar and number of Shares tendered /withdrawn.

9.11. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

9.12 SETTLEMENT/ PAYMENT OF CONSIDERATION

9.12.1 The Acquirer shall arrange to pay the consideration on or before Wednesday, February 11, 2009.

9.12.2 Consideration for Equity Shares accepted will be paid as given hereinafter: Acceptors of this Offer, having their Bank accounts at any of the 15 Centres where Clearing Houses are managed by the Reserve Bank of India (RBI) will get payment of consideration through Electronic Credit Service (ECS), except where the acceptor is otherwise disclosed as eligible to get payments through direct credit or Real Time Gross Settlement (RTGS). In case of other applicants, the consideration of value up to Rs. 1,500/- will be despatched "Under Certificate of Posting" and those of Rs. 1,500 and above by Registered Post or Speed Post, by Demand Drafts/Banker's Pay Order. Applicants to whom payments are made through Electronic transfer of funds will be sent a letter (Payment advice) "Under Certificate of Posting" intimating them about the mode of credit/payment within 15 days from the date of closure of the Offer. The Registrars to the Offer shall ensure despatch of Consideration/ payment advice, if any, "Under Certificate of Posting" or Registered Post or Speed Post or Electronic Clearing Service or Direct Credit or RTGS, only in the name of the Sole or First shareholder and all communication will be addressed to the person whose name appears on Acceptance Form within 15 days of the date of Closure of the Offer and adequate funds for making payments as per the mode(s) disclosed above shall be made available to the Registrar by the Acquirer. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at B- Shraddha, Plot No. 6, Sujay Garden, Mukund Nagar, Gultekdi, Pune 411 037, the place of residence of the Acquirer. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.

1. Copy of Certificate dated 10-11-2008, from Shri. Jayesh Baheti, Chartered Accountant, Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg. Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 certifying the Net Worth as on 10-11-2008 of Shri. Ashok Kumar Parmar.
2. Copy of Certificate dated 10-11-2008, from Shri. Jayesh Baheti, Chartered Accountant, Partner, Baheti & Somani, Chartered Accountants, B&S House, 29/8, Sharad Hsg. Soc., Opp. Bhartiya Vidya Bhavan, Off. Senapati Bapat Road, Pune 411016 certifying the adequacy of liquid resources with the Acquirer to meet the funds requirements of the Offer.
3. Copy of Memorandum & Articles of Association of BSL, the Target Company.
4. Audited Balance Sheet, Profit and Loss Account, Report of Auditors, Directors etc. of BSL as on 31.03.2006, 31.03.2007 and 31.03.2008.
5. Copy of unaudited results published by BSL, as downloaded from BSE website: www.bseindia.com
6. Copy of Fixed Deposit Receipt No. C 777093, A/c No. 15440400006962, dated November 17, 2008 of The Federal Bank Ltd, Vasai West Branch for Rs. 50,71,000/- being Escrow Account created.
7. Copy of Letter dated November 20, 2008 from The Federal Bank Ltd, Vasai West Branch, certifying opening of Escrow Account and noting of lien in favour of Fedex Securities Ltd, Manager to the Offer.
8. Copy of Letter from the Acquirer, authorizing Fedex Securities Ltd, to realize the value of Escrow Account, in terms of the Regulations.
9. Published Copies of the Public Announcement made in newspapers on November 18, 2008.
10. Copy of MOU dated November 14, 2008 between the Acquirer and Manager to the Offer.
11. Copy of MOU dated November 17, 2008 between the Acquirer and the Registrar to the Offer.
12. Copy of the Client Master Copy with respect to opening of Special Depository Account.
13. Due Diligence Certificate dated December 1, 2008 submitted to SEBI by Fedex Securities Ltd., Manager to the Offer
14. SEBI Observation letter No. CFD/DCR/TO/HB/148415/2008 dated December 24,2008

11. DECLARATION

The Acquirer accepts full responsibility for the information contained in this Letter of Offer and Form of Acceptance. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirer shall be responsible for ensuring compliance of the Regulations.

The Acquirer

Shri. Ashok Kumar Parmar

Place : Pune

Date: 24-12-2008

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal
3. Share Transfer Deed

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	Thursday, January 08, 2009
Offer closes on	Tuesday, January 27, 2009

From:

Unique identification No. under MAPIN, if applicable __________

To

SHAREX DYNAMIC (INDIA) PVT.LTD.
17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle, Fort
Mumbai-400001
Tel. Nos. (022) 22702485 / 22641376
Contact Person: Shri. B S Baliga

Tear Here

Dear Sir,

Sub: Open Offer to acquire 13,52,226 Equity Shares representing 20 % of the paid up and voting Equity Capital of Bhilwara Spinners Limited

by

Shri. Ashok Kumar Parmar

I/We refer to the Letter of Offer dated 24-12-2008 for acquiring the Equity Shares held by me/us in Bhilwara Spinners 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, hold Equity Shares of Bhilwara Spinners Limited in physical form, 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:

(In the case of Shares in Physical Form)

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers From	To

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Bhilwara Spinners 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 note and understand that the original Share certificate(s) and valid Share transfer deed will be held in trust for me/us by the Registrars to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

I/We hold the following Equity Shares of Securities Bhilwara Spinners Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares.

I/We have done an Off market transaction for crediting the Shares to the Special Depository Account noted below:

DP Name	ARCADIA SHARE & STOCK BROKERS PRIVATE LIMITED
DP ID	12034400
Client Name	BSL OPEN OFFER-OPERATED BY SHAREX DYNAMIC (INDIA) PVT. LTD
Client Id	00490571

For the attention of Beneficial Owners holding Shares in dematerialized form: Please note that the above account is maintained with Central Depository Service (India) Limited (CDSL)

I/We note and understand that the Shares transferred to the above Special Depository Account will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

I/We confirm that the Equity Shares of Bhilwara Spinners Limited which are transferred 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, specifying the reasons thereof. I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the payment/payment advice as the case may be, in settlement of the amount to the sole/first holder at the address mentioned below:

Name	
Address	
Pin Code	

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under

	PAN / GIR No.
1st Shareholder	
2nd Shareholder	
3rd Shareholder	
4th Shareholder	

Yours faithfully

Signed and delivered

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	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place: ——————

Date: ——————

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS/RTGS etc, the applicants are requested to provide details of Bank account of the sole/first Shareholder .

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	
Payment through RTGS	
IFSC Code of the Branch	
MICR Code of the Branch	

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Acknowledgement Receipt

Received from Mr./Ms./M/s ______________________________Form of acceptance cum acknowledgement in connection with open offer to Shareholders of **Bhilwara Spinners Limited**

Ledger Folio No. ________________ No. of Share Certificates /Copy of Delivery instructions to DP for ___________Shares of Bhilwara Spinners Limited.

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares
	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

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Note : All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

SHAREX DYNAMIC (INDIA) PVT.LTD.

17/B, Dena Bank Bldg, 2nd Floor

Horniman Circle

Fort, Mumbai-400001

Tel. Nos. (022) 22702485 / 22641376

Fax. No. (022) 22641349

Email : sharexindia@vsnl.com

Contact Person: Shri. B S Baliga

FORM OF WITHDRAWAL

Offer opens on	Thursday, January 08, 2009
Offer closes on	Tuesday, January 27, 2009

From:

Unique identification No. under MAPIN, if applicable __________

To

SHAREX DYNAMIC (INDIA) PVT.LTD.
17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle, Fort
Mumbai-400001
Tel. Nos. (022) 22702485 / 22641376
Contact Person: Shri. B S Baliga

Dear Sir,

Sub: Open Offer to acquire 13,52,226 Equity Shares representing 20 % of the paid up and voting Equity Capital of Bhilwara Spinners Limited

by

Shri. Ashok Kumar Parmar

I/We refer to the Letter of Offer dated 24-12-2008 for acquiring the Equity Shares held by me/us in Bhilwara Spinners Limited

I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirer to return to me/us, the tendered Equity Shares at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer/ Manager to the Offer/Registrar to the Offer.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirer will return the original Share Certificate(s) , Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents .

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

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Acknowledgement Receipt

Received from Mr./Ms./M/s______________________________ Form of withdrawal.

Ledger Folio No. _______________ No. of Share Certificates /photocopy of delivery instructions to DP for ______________ Shares of **Bhilwara Spinners Limited**

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares
	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP is submitted with the withdrawal form

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(In the case of Shares in physical form)

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers From	To

The Shares held in Dematerialized Form were transferred to Special Depository account noted below

DP Name	ARCADIA SHARE & STOCK BROKERS PRIVATE LIMITED
DP ID	12034400
Client Name	BSL OPEN OFFER-OPERATED BY SHAREX DYNAMIC (INDIA) PVT. LTD
Client Id	00490571

The Shares proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sl. No	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Bhilwara Spinners Limited, which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place:—————

Date :—————

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Note : All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

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Fax. No. (022) 22641349
Email : sharexindia@vsnl.com
Contact Person: Shri. B S Baliga