# 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 BLUE CIRCLE SERVICES LIMITED. If you require any clarifications about the action to be taken, you may consult your Stock Broker or investment consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER
By
PRIME CAPITAL MARKET LIMITED (PCML)
having its registered office at 18A, B.J.B Nagar, Bhubaneshwar-751014,Orissa
Phone No (0674) 2314659

to the shareholders of
BLUE CIRCLE SERVICES LIMITED (BCSL)
having its registered office at 106, Sagar Shopping Centre, J.P.Road, Andheri (West), Mumbai-400 058
Ph No (022) 26106617, Fax No (022) 26106618 E-mail:- bluecircl@gmail.com

For the acquisition of 1,49,400 (One Lac Forty Nine Thousand Four Hundred Only) fully paid-up equity shares of Rs.10/- each, representing 20.00 % of the fully paid-up equity and voting share capital at a price of Rs. 14/- per share ("Offer Price") payable in cash, in accordance with regulation 20(2)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof, from the equity shareholders of BCSL .

Please Note:

1. This Open Offer ("Offer") is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").

2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirer would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of BCSL to the Acquirer. There are no other 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 seven working days prior to the date of closure of the Offer viz. 17.12.2009 or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the original Public Announcement dated 27.08.2009 & Corrigendum to Public Announcement dated 28.11.2009 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.

4. 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 23.12.2009 i.e. three working days prior to the closure of the Offer.

5. The Offer is not subject to a minimum level of acceptance by the shareholders of BCSL.

6. No Competitive bid has been announced as on the date of this Letter of Offer.

7. The Procedure for acceptance is set out in Para 8 of this Letter of Offer. A Form of Acceptance and a Form of Withdrawal is enclosed with this Letter of Offer.

The Public Announcement, Corrigendum to Public Announcement and Letter of Offer (including Form of Acceptance cum Acknowledgement and Form of Withdrawal) would also be available at SEBI's website www.sebi.gov.in.

| | MANAGER TO THE OFFER: | | REGISTRAR TO THE OFFER |
|---|---|---|---|
| | VC CORPORATE ADVISORS PRIVATE LIMITED<br><br>SEBI REGN NO: INM000011096<br>(Contact Person: Mr. Tanmay Kumar Saha)<br>31, Ganesh Chandra Avenue,<br>2nd Floor, Suite No. 2C,<br>Kolkata – 700 013<br>Tel: - (033) 2225 3940 / 41,<br>Fax: (033) 2225 3941<br>Email: mail@vccorporate.com | | PURVA SHAREGISTRY (INDIA) PVT. LTD.<br><br>SEBI REGN No : INR000001112<br>(Contact Person: Mr. V.B.Shah)<br>9, Shiv Shakti Industrial Estate<br>J.R.Boricha Marg, Lower Parel (E)<br>Mumbai-400 011<br>Tel: (022) 2301 6761<br>Fax: (022) 2301 2517<br>E-mail: busicomp@vsnl.com |

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

| Activities | Original Date & Day | | Revised Date & Day | |
|---|---|---|---|---|
| | Date | Day | Date | Day |
| Date of Public Announcement | 27.08.2009 | Thursday | 27.08.2009 | Thursday |
| Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent) | 11.09.2009 | Friday | 11.09.2009 | Friday |
| Last Date for a Competitive Bid, if any | 17.09.2009 | Thursday | 17.09.2009 | Thursday |
| Date by which the Letter Of Offer to be Dispatched to the shareholders | 08.10.2009 | Thursday | 05.12.2009 | Saturday |
| Date of Opening of the Offer | 16.10.2009 | Friday | 11.12.2009 | Friday |
| Last date for revising the Offer Price/ Number of Shares | 23.10.2009 | Friday | 17.12.2009 | Thursday |
| Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer | 29.10.2009 | Thursday | 23.12.2009 | Wednesday |
| Date of Closing of the Offer | 04.11.2009 | Wednesday | 30.12.2009 | Wednesday |
| Date of communicating acceptance / rejection and payment of consideration for applications accepted | 19.11.2009 | Thursday | 14.01.2010 | Thursday |

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 20.00 % of the paid up equity and voting share capital of BCSL from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the Regulations, 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 LO. Consequently, the payment of consideration to the public shareholders of BCSL 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 the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI, may, if satisfied that the non-receipt of approval was not due to the willful default or negligence or failure to diligently pursue 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, as may be specified by the SEBI. Further, shareholders should note that after the last date of withdrawal i.e. 23.12.2009, the shareholders who have lodged the shares would not be able to withdraw them even if the acceptance of the 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.

   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 27 of the Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

3. The Acquirer intends to acquire 1,49,400 (One Lac Forty Nine Thousand Four Hundred Only) fully paid-up equity shares of Rs.10/- each, representing 20.00 % of the fully paid-up equity and voting share capital at a price of Rs. 14/- per share under the Regulations. Further, the shares tendered in the Offer in physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities. The Acquirer makes no assurance with respect to the market price of the shares both 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 and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager of the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

   Risks involved in associating with the Acquirer
   The Acquirer proposes to acquire ownership and control of BCSL by direct acquisition of 13.39% of the fully paid up equity & voting share capital of BCSL from seller (promoter) pursuant to Share Purchase Agreement. The Acquirer makes no assurance of the financial performance of the Target Company.

   Risk in the Transaction
   The Share Purchase Agreement (SPA) dated 21.08.2009 contain a clause that it is subject to the provisions of SEBI (SAST) Regulations 1997 and in case of non-compliance with any of the provisions of the Regulations, the Seller or the Acquirer shall not act upon the agreement for such sale.

   The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

INDEX

DEFINITIONS/ABBREVIATIONS

| | |
|---|---|
| Acquirer/ PCML | Prime Capital Market Limited |
| ASE | Ahmedabad Stock Exchange Limited |
| BSE | Bombay Stock Exchange Limited |
| Corrigendum to Public Announcement | Corrigendum to Public Announcement dt. 28.11.2009 |
| ECS | Electronic Clearing System |
| FOA or Form of Acceptance | Form of Acceptance – cum - Acknowledgment accompanying this Letter of Offer |
| FOW or Form of Withdrawal | Form of Withdrawal accompanying this Letter of Offer |
| LO | Letter of Offer |
| Manager to the Offer | VC Corporate Advisors Private Limited |
| MOU | Memorandum of Understanding |
| NRI(s) | Non- Resident Indians |
| Offer Period | 21.08.2009 to 14.01.2010 |
| Offer Price | Rs.14/- payable in cash |
| Offer/Open Offer | Cash Offer being made by the Acquirer to acquire 1,49,400 (One Lac Forty Nine Thousand Four Hundred Only) fully paid-up equity shares of Rs.10/- each, representing 20.00 % of the fully paid-up equity and voting share capital at a price of Rs. 14/- per Equity Share. |
| PA | Public Announcement dt. 27.08.2009 |
| Persons eligible to participate in the Offer | All owners (registered and unregistered) of shares of BCSL except the parties to the SPA. |
| RBI | Reserve Bank of India |
| Registrar to the Offer | Purva Sharegistry (India) Pvt. Ltd. |
| Regulations | Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent Amendments thereof. |
| ROC | Registrar of Companies |
| SEBI | Securities & Exchange Board of India |
| Seller/promoter | Yash Shelters Limited |
| Specified date | Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of BCSL, to whom the Letter of Offer should be sent, i.e. September 11, 2009 |
| SPA | Share Purchase Agreement |
| Target Company / BCSL | Blue Circle Services Limited |

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH 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 DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF BCSL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS 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 05.09.2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILLING OF THIS 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 PROPOSED OFFER.

2. DETAILS OF THE OFFER:

2.1. Background of the Offer:

2.1.1. This Offer is being made by the Acquirer in compliance with Regulation 10 & 12 of the Regulations. The prime object of the Offer by the Acquirer is substantial acquisition of shares and voting rights accompanied with change in control/management of BCSL.

2.1.2. The Acquirer has entered into a Share Purchase Agreement ("SPA") dated 21st August 2009 with Yash Shelters Limited, a public limited company incorporated under the Companies Act 1956 having its registered office at A-5, Jaimangal House, Opp. Sakar-1, Ashram Road, Ahmedabad-380001, Phone No.(079) 2658 4060 (hereinafter referred to as "Seller" or "YSL") to acquire from them 1,00,000 (One Lac Only) fully paid-up equity shares of Rs. 10/- each representing 13.39 % of the fully paid-up equity and voting share capital of BCSL at a price of Rs. 10/- per fully paid up equity share payable in cash ("Negotiated Price"). The total consideration for the equity shares acquired as mentioned above is Rs 10,00,000/- (Rupees Ten Lacs Only). The Seller is the present promoter of the Target Company. The Offer is not as a result of global acquisition resulting in indirect acquisition of BCSL. No compensation either directly or indirectly is being given to the seller apart from the consideration mentioned above.

As on the date of PA, the Acquirer is holding 50,000 equity shares representing 6.69% of the equity & voting share capital of BCSL. The Acquirer has not acquired any equity shares of the Target Company during the twelve months preceding the date of PA except the acquisition of 50,000 equity shares as stated above acquired on 17.08.2009 at a highest and average price of Rs. 10/- per share. Subsequent to entering into SPA, the Acquirer shall be holding 1,50,000 equity shares representing 20.08% of the equity & voting share capital of the Target Company and that resulted the triggering of the Regulations.

2.1.3. As on the date of PA, the Manager to the Offer does not hold any equity share in the Target Company. They declare and undertake not to deal in the shares of BCSL during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

2.1.4. The Salient features of SPA are as follows:

a) The Seller holds 1, 52,000 equity shares of Rs. 10/- representing 20.35% of the subscribed equity & voting share capital of the Target Company.

b) That the Seller subject to the terms and conditions hereinafter have agreed to sell, transfer and assign 1,00,000 fully paid up equity shares of Rs. 10/- each representing 13.39% of the equity & voting share capital of BCSL to the Acquirer @ Rs 10.00 (Rupees Ten only) per fully paid up equity share payable in cash.

c) That the Acquirer shall release full amount of consideration of Rs. 10,00,000/- to the seller within 7 working days from the completion date.

d) The sale Shares along with duly executed transfer deeds shall be delivered to the Acquirer with in 7 working days from the completion date on the payment of the entire purchase consideration of Rs. 10,00,000/- ( Rupees Ten Lacs Only) by the Acquirer.

e) That the Seller agrees to abide by its obligations as contained in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, as amended from time-to-time.

f) That the Acquirer shall comply with all the requirements of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

g) That in case of non-compliance of any provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997, the agreement for such sale shall not be acted upon by the Seller and the Acquirer.

2.1.5. The proposed change in control is consequent to the SPA whose salient features are described in 2.1.4 above.

2.1.6. The Acquirer, Seller and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act except ex-parte interim order dt. 29.09.2005 passed against the Acquirer u/s 11B and 11(4) of SEBI Act, 1992 suspending the trading in equity shares of Acquirer till further direction. Subsequently SEBI vide its final order dated 12th January 2006 confirmed that the above mentioned interim order shall remain in force till the deletion of the name of the Acquirer from the list of vanishing companies as appeared in the Public Notice dated October 14, 2005 issued by the Ministry of Company Affairs. The CSE resumed trading in the equity shares of the Acquirer on its submission of letter bearing no. ROC/STA/TSVC/1957 dated 5th July 2007 issued by Ministry of Corporate Affairs confirming the deletion of the name of the Acquirer from the list of vanishing companies.

2.1.7. The Offer will result in change in control of BCSL and a change in the Board of Directors of BCSL is contemplated by the Acquirer, consequent to this acquisition. As on the date of Public Announcement, Mr. Dhruva Narayan Jha, Director of the Acquirer is on the Board of Target Company. He has not /will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

2.2. Details of the proposed Offer:

2.2.1. The Public Announcement dated 27.08.2009, Corrigendum to Public Announcement dated 28.11.2009 in respect of the Offer was made in Business Standard (English Daily) all editions, Business Standard (Hindi Daily) all editions, and Lakshwadeep (Marathi Daily) in compliance with Regulation 15(1) of the Regulations. The Public Announcement made on 27.08.2009, Corrigendum to Public Announcement dated 28.11.2009 is available on the SEBI web-site at www.sebi.gov.in

2.2.2. The Acquirer proposes to acquire from the existing equity shareholders of BCSL (other than the parties to the SPA) 1,49,400 (One Lac Forty Nine Thousand Four Hundred Only) fully paid-up equity shares of Rs.10/- each, representing 20.00 % of the fully paid-up equity and voting share capital at a price of Rs. 14/- per share ("Offer Price") payable in cash. BCSL does not have any partly paid up shares.

2.2.3. The shares will be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all the rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

2.2.4. The Offer is not subject to any minimum level of acceptances. The Acquirer will accept all equity shares of BCSL in terms of this Offer upto a maximum of 1,49,400 equity shares constituting 20.00% of the paid up equity and voting share capital of the Target Company.

2.2.5. Since the date of the PA to the date of this LO, the Acquirer has not acquired any shares of BCSL.

2.2.6. No competitive bid has been received as on date of LO.

2.3. Object of the Offer:

2.3.1. The Offer has been made pursuant to regulation 10 & 12 and other provisions of the Chapter III and in compliance with the Regulations.

2.3.2 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.

2.3.3. The Acquirer intends to improve the operational performance of the Target Company and depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of Target Company and all applicable laws, rules and regulations, the Board of Directors of BCSL will take appropriate business decisions from time to time in this regard. Through this acquisition, the Acquirer also intends to reap the benefits available to a Company listed on the Stock Exchange having pan India presence.

3. BACKGROUND OF THE ACQUIRER:

3.1. Acquirer – PRIME CAPITAL MARKET LIMITED ("PCML")

3.1.1. PCML having registered office at 18A, B.J.B Nagar, Bhubaneshwar-751014, Orissa Tel No. (0674) 2314659 and corporate office at P-27, Princep Street, Kolkata-700 072, Phone No (033) 2234 9915/ 6715 Fax No (033) 2234 9915 , E-mail : primecap@hotmail.com was originally incorporated in the name and style of 'Prime Securities Limited' on 28.06.1994 under the Companies Act, 1956 in the State of Orissa. The name of the Company was subsequently changed to 'Prime Capital Market Limited' pursuant to resolution passed under Section 21 of the Companies Act, 1956 and a fresh certificate of incorporation consequent to change of name was obtained from Registrar of Companies, Orissa on 24th March, 1995. The Corporate Identification number of the Company is L67120OR1994PLC003649.

3.1.2. PCML is presently engaged in the business of Investment in shares and securities and providing Loans & Advances. PCML is a Non-banking finance company registered with Reserve Bank of India vide Registration No. 04.00007 dated 06.03.1998.

3.1.3. M/s Zenser Mercantile Private Ltd., M/s Bhuwania Vinimay Private Ltd. & Mr. Bimal Kumar Joshi are the present promoters of the Company. The present Directors of PCML are Shri Sushil Kumar Purohit, Shri Bimal Kumar Joshi & Shri Dhruva Narayan Jha. The Acquirer doesn't belong to any group.Mr. Rajendra Kumar Kothari & Mr. Sandip Ray are the present directors and promoters of M/s Zenser Mercantile Private Limited & M/s Bhuwania Vinimay Private Limited.

3.1.4. The Acquirer till date has duly complied with the compliances under Chapter II of the Regulations, wherever applicable.

3.1.5. For the purpose of this Open Offer, there are no persons acting in concert as per the provisions of Regulation 2(1)(e) of the SEBI (SAST) Regulations. However pursuant to provisions of Regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, Mr. Sushil Kumar Purohit, Mr. Bimal Kumar Joshi & Mr. Dhruva Narayan Jha, all the existing directors of PCML may be deemed to be persons acting in concert with the Acquirer.

3.1.6. Name and residential address of the Board of directors of PCML are as follows:

| Names of Directors | Residential Address | Experience | Qualification | Designation | Date of Apptt. |
|---|---|---|---|---|---|
| Shri Sushil Kumar Purohit | 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025 | More than 25 Years of experience as a Tax Consultant and practitioner. | B.Com, LLB | Chairman & Managing Director | 08.06.2007 |
| Shri Bimal Kumar Joshi | 115, Cotton Street, 4th Floor Kolkata-700007 | More than 10 Years of Experience in Finance and investment activities. | B.Com | Whole time Director | 27.03.2000 |
| Shri Dhruva Narayan Jha | P-27, Princep Street, 3rd Floor, Kolkata-700072 | More than 20 Years of experience in Audit, Finance and Taxation matters. | B.Com (Hons) | Independent Director | 01.07.2006 |

As on the date of PA, Mr. Dhruva Narayan Jha, Director of the Acquirer is on the Board of BCSL. He has not/ will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

3.1.7. The shares of PCML are presently listed at the Calcutta Stock Exchange Limited (CSE) and Bhubaneshwar Stock Exchange Limited (BhSE). The Shares of PCML are not traded in permitted category on any other Stock Exchange.

3.1.8. As on the date of PA, the Authorized Share Capital of PCML is Rs. 11,00,00,000/- comprising of 1,10,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Equity Share Capital is Rs.10,00,01,000/- comprising of 1,00,00,100 fully paid up equity shares of Rs.10/- each. The market price of Shares of PCML on CSE as on 27.08.2009 i.e the date of Public Announcement was Rs. 278.80 Per share.

3.1.9. Financial Information:

The financial details of PCML as per the audited accounts for the last three financial years ended March 31, 2009 is as follows:

Profit & Loss Statement ( Rs. in lacs)

| For the year ended | 31st March, 2007 (Audited) | 31st March, 2008 (Audited) | 31st March, 2009 (Audited) |
|---|---|---|---|
| Income from Operations | 4.04 | 4.55 | 8.29 |
| Other Income | - | - | - |
| Total Income | 4.04 | 4.55 | 8.29 |
| Total Expenditure | 3.53 | 3.67 | 5.77 |
| Profit/(Loss) before Interest, Depreciation & Tax | 0.51 | 0.88 | 2.52 |
| Depreciation | - | - | - |
| Interest | - | - | - |
| Profit/(Loss) before Tax | 0.51 | 0.88 | 2.52 |
| Provision for Tax (including deferred tax) | 0.17 | 0.30 | 0.73 |
| Profit/(Loss) after tax | 0.34 | 0.58 | 1.80 |

Balance Sheet

| As on | 31st March, 2007 (Audited) | 31st March, 2008 (Audited) | 31st March, 2009 (Audited) |
|---|---|---|---|
| Sources of funds | | | |
| Paid up share capital | 1,000.01 | 1,000.01 | 1,000.01 |
| Share Application Money | - | - | - |
| Reserves & Surplus (Excluding revaluation reserves) | 117.36 | 117.95 | 119.74 |
| Less : Miscellaneous Expenditure not written off | 11.41 | 11.41 | 11.41 |
| Net Worth | 1,105.96 | 1,106.54 | 1,108.34 |
| Secured Loans | - | - | - |
| Unsecured Loans | - | - | - |
| Total | 1,105.96 | 1,106.54 | 1,108.34 |
| Uses of Funds | | | |
| Net Fixed Assets | - | - | - |
| Investments | 892.25 | 896.85 | 671.67 |
| Deferred Tax Assets (Net) | 2.60 | 2.60 | 2.60 |
| Net Current Assets | 211.11 | 207.10 | 434.07 |
| Total | 1,105.96 | 1,106.54 | 1,108.34 |

Other Financial Data

| For the year ended | 31st March 2007 (Audited) | 31st March 2008 (Audited) | 31st March 2009 (Audited) |
|---|---|---|---|
| Dividend (%) | - | - | - |
| Earning per Share (Rs.) | 0.00 | 0.01 | 0.02 |
| Return on Networth (%) | 0.03 | 0.05 | 0.16 |
| Book Value per Share (Rs.) | 11.06 | 11.07 | 11.08 |

Note:

(i) EPS = Profit after tax / number of outstanding equity shares at the close of the year.

(ii) Return on Net Worth = Profit after Tax /Net Worth

(iii) Book Value per Share = Net Worth / No. of equity shares

(iv) Source: Audited Annual Reports of PCML

Reason for fall/rise in Total Income, Expenditure and PAT in the relevant year if applicable: - Year wise reason for the fall in the Total Income, Expenditure & PAT is cited below: -

1. Reason for change in Total Income, Expenditure and PAT for the year ended 31st March 2009 over year ended 31st March 2008:

   Total Income for the year ended 31st March 2009 was Rs. 8.29 Lacs as compared to Rs. 4.55 Lacs for the year ended 31st March 2008. The increase in total income was mainly due to increase in Commission received to Rs. 6.42 Lacs for the year ended 31st March 2009 as against Nil for the year ended 31st March 2008. However there was a fall in Profit from Trading in Shares to Rs. 0.64 Lacs for the year ended 31st March 2009 as against Rs. 3.12 Lacs for the year ended 31st March 2008. The total expenditure increased from Rs. 3.67 Lacs for the year ended 31st March 2008 to Rs. 5.77 Lacs for the year ended 31st March 2009 mainly on account of increase in Administration Expenses to Rs. 4.15 Lacs for the year ended 31st March 2009 as against Rs. 2.17 Lacs for the year ended 31st March 2008. The increase was mainly due to increase in Listing & Depository Fees to Rs. 1.50 Lacs as compared to Rs. 0.62 Lacs, Legal & Professional Charges to Rs. 0.24 Lacs as against Rs. 0.08 Lacs, Bank Charges to Rs. 0.62 Lacs as against Rs. 0.14 Lacs for the year ended 31st march 2009 as against for the year ended 31st March 2008, respectively. PAT for the year ended 31st March 2009 was of Rs. 1.80 Lacs as compared to a PAT of Rs. 0.58 Lacs for the year ended 31st March 2008.

2. Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2008 over year ended 31st March 2007: -

   Total Income for the year ended 31st March 2008 was Rs. 4.55 Lacs as compared to Rs. 4.04 Lacs for the year ended 31st March 2007. The increase in total income was mainly due to increase in Profit from Trading in shares to Rs. 3.12 Lacs for the year ended 31st March 2008 as against Nil for the year ended 31st March 2007 and increase in Dividend to Rs. 0.79 Lacs for the year ended 31st March 2008 as against Nil for the year ended 31st March 2007. However, Commission received decreased to Nil for the year ended 31st March 2008 as against Rs. 3.92 Lacs for the year ended 31st March 2007. The total expenditure increased from Rs. 3.53 Lacs for the year ended 31st March 2007 to Rs. 3.67 Lacs for the year ended 31st March 2008 mainly on account of increase in Administration Expenses to Rs. 5.77 Lacs for the year ended 31st March 2008 as against Rs. 3.53 Lacs for the year ended 31st March 2007. PAT for the year ended 31st March 2008 was of Rs. 0.58 Lacs as compared to a PAT of Rs. 0.34 Lacs for the year ended 31st March 2007.

3. Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2007 over year ended 31st March 2006: -

   Total Income for the year ended 31st March 2007 was Rs. 4.04 Lacs as compared to Rs. 139.45 Lacs for the year ended 31st March 2006. The decrease in total income was mainly due to decrease in Long Term Capital Gain to Nil for the year ended 31st March 2007 as against Rs. 139.35 Lacs for the year ended 31st March 2006 and decrease in Dividend to Nil for the year ended 31st March 2007 as against Rs. 0.10 Lacs for the year ended 31st March 2006. However there was Nil Commission received for the year ended 31st March 2006 as against Rs. 3.92 Lacs for the year ended 31st March 2007. The total expenditure decreased from Rs. 14.50 Lacs for the year ended 31st March 2006 to Rs. 3.53 Lacs for the year ended 31st March 2007 mainly on account of decrease in Bank Charges to Rs. 0.03 Lacs as against Rs. 1.69 Lacs, Salary to Rs. 1.51 Lacs as against Rs. 7.20 Lacs, Staff welfare Expenses to Nil as against Rs. 0.44 and Company Expanses to Rs. 0.57 Lacs as against Rs. 1.87 Lacs for the year ended 31st march 2007 as against for the year ended 31st March 2006, respectively. PAT for the year ended 31st March 2007 was of Rs. 0.34 Lacs as compared to a PAT of Rs. 124.95 Lacs for the year ended 31st March 2006.

3.1.10. PCML doesn't have any contingent liabilities as on March 31, 2009.

Source- Audited Annual Report for the year ended 31.03.2009

3.1.11. PCML has not promoted any Company.

3.1.12. Corporate Governance :

Mr. Saral Kumar Ganguly, Proprietor of M/s Saral Kumar Ganguly, Chartered Accountants, the Statutory Auditor of the company, vide their report on Corporate governance dated 30.06.2009 which formed part of the Annual report for the year ended 31.03.2009, Confirmed that:

(a) the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement.

(b) no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

(c) Such compliance is neither as assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

3.1.13. Pending Litigations

As per the Annual Report of PCML for the financial year ended dated 31.03.2009; there are no pending Litigations /claims against the PCML contingent in nature. There are no pending litigations in PCML as on the date of the Letter of Offer.

3.1.14. Compliance Officer:

Shri Bimal Kumar Joshi , Director is acting as the Compliance Officer and his address is P-27, Princep Street, 3rd Floor, Kolkata-700072. Phone No (033) 2234 6715/ 6937 Fax No (033) 2234 9915, email: primecap@hotmail.com

3.1.15. Details of Merger / Demerger / spin off involving the acquirer

There has been no merger/demerger/spin off involving the acquirer in last 3 years.

3.1.16. Shareholding Pattern as on 27.08.2009 i.e date of public announcement.

| Category of shareholder | Total no. of Shares | Total shareholding as a % of total no. of shares |
|---|---|---|
| Promoters | | |
| Bimal Kumar Joshi | 32600 | 0.32 |
| Zenser Mercantile Pvt. Ltd. | 250000 | 2.50 |
| Bhuwania Vinimay Pvt. Ltd. | 207751 | 2.08 |
| SUB TOTAL | 490351 | 4.90 |
| Public Shareholding | | |
| MF/UTI/ Insurance Companies | - | - |
| FIs/Banks/FIIs | - | - |
| Bodies Corporate | 2015699 | 20.16 |
| Individuals | 7494050 | 74.94 |
| Others | - | - |
| SUB TOTAL | 9509749 | 95.10 |
| TOTAL | 10000100 | 100.00 |

3.2. Disclosures in terms of Regulation 16(ix) of the Regulations & Acquirer's future plans for BCSL

3.2.1. 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.

3.2.2. The Acquirer intends to improve the operational performance of the Target Company and depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of Target Company and all applicable laws, rules and regulations, the Board of Directors of BCSL will take appropriate business decisions from time to time in this regard. Through this acquisition, the Acquirer also intends to reap the benefits available to a Company listed on the Stock Exchange having pan India presence.

3.2.3. 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 BCSL. It is proposed to induct new Directors on the Board of BCSL by the Acquirer. The likely changes in the management /taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including dispatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

3.2.4. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of BCSL in the next two years except in the ordinary course of business of BCSL and /or for the purposes of entering into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of BCSL, subject to applicable shareholders approval.

3.2.5. The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.

4. OPTION IN TERMS OF REGULATION 21(2)

Assuming full acceptances, the Offer would not reduce the public shareholding below the minimum limit prescribed by SEBI. After this Offer, public shareholding will be 59.92% of the paid up capital of the Target Company. Hence, pursuant to this Offer, the Acquirer will not exercise the delisting option.

5. BACKGROUND OF THE TARGET COMPANY – BCSL

5.1. Brief History and Main Areas of Operations:

5.1.1. Blue Circle Services Limited ("BCSL") having its Registered & Corporate Office at 106, Sagar Shopping Centre, J.P.Road, Andheri (West) Mumbai-400055, Ph No. (022) 26106617, Fax No. (022) 26106618, E-mail:- bluecircl@gmail.com was originally incorporated in the name and style of "Blue Circle Industrial Services Limited" on 22.02.1983 under the Companies Act, 1956 in the State of Maharashtra and a Certificate of Commencement of Business was obtained from Registrar of Companies, Maharashtra on 19.03.1983. The name of the Company was subsequently changed to "Blue Circle Services Limited" and a fresh certificate of Incorporation consequent to change of name was obtained from Registrar of Companies, Maharashtra on 17.06.1996. The Registered Office of the Company was changed from The Nest, 6th Road, Santacruz (E), Mumbai-400 055 to its present location w.e.f 01.10.2009. The CIN of the Target Company is L74140MH1983PLC029378.

5.1.2. BCSL was incorporated with the main object to carry on either alone or jointly with one or more person, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish; equip, develop, dismantle, pull dawn, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, taste, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist and to act as civil engineer, architectural engineer, interior decorator, consultant, adviser, agent, broker, supervisor, administrate, contractor, sub-contractor, turnkey, contractor and manager of all types of electrical, mechanical, constructions developmental work in all its branches such as roads, ways, culverts, dams, bridges, railways, tram-ways, water-tanks, reservoirs, canals, wharves, warehouses, factories, buildings, structures, drainage and sewage work, land development, water distribution and filtration systems, docks, marine, ship breaking, harbors, piers, irrigation works, foundation works, flyovers, airports, runways, rock drilling, aqueducts, stadiums, hydraulic units, sanitary work, power supply works, power station, hotels, hospitals, multistory colonies, complexes, housing projects and other similar works and for the purpose to acquire, handover, purchase, sell, own, cut to size, develop, distribute, or otherwise to deal in all source of lands and buildings, real estate, land development, and to carry on all or any of the foregoing activities for building materials, goods, plants, machineries, equipments, accessories, parts, tools, fittings, articles, materials and facilities of whatsoever. Since incorporation, the Company was only engaged in Industrial consultancy services. BCSL could not carry out any business activities till 31.03.2009 due to the lack of adequate financial resources & proper business opportunities. BCSL has earned Rs. 14.26 lacs by way of other income during year ended 31.03.2009.

5.1.3. As on the date of PA, the Authorized Share Capital of the Target Company is Rs. 10,00,00,000/- comprising of 1,00,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up capital of the Target Company is Rs. 74,70,000/- comprising of 7,47,000 fully paid-up Equity Shares of Rs. 10/- each. BCSL does not have any partly paid-up Equity Shares. The share capital structure of the Target Company is as follows:

Share Capital Structure of the Target Company

| Paid up Equity Shares of Target Company | No. of Shares / Voting Rights | % of Shares / Voting Rights |
|---|---|---|
| Fully Paid up Equity Shares | 7,47,400 / 7,47,000 | 100% / 100% |
| Partly Paid up Equity Shares | NIL / NIL | NIL / NIL |
| Total Paid up Equity Shares | 7,47,400 / 7,47,000 | 100% / 100% |
| Total voting rights in the Target Company | 7,47,400 / 7,47,000 | 100% / 100% |

5.1.4. Current capital structure of the Target Company has been built up since inception as per the details given below:

| Date of allotment | Shares Issued | | Cumulative paid up capital | Mode of allotment | Identity of allottees | Compliance status |
|---|---|---|---|---|---|---|
| | Number | % | | | | |
| 22.02.1983 | 70 | 0.01 | 700 | Cash | Subscribers to Memorandum | Complied |
| 30.01.1984 | 98,930 | 13.24 | 9,90,000 | Further Issue in cash | Promoters & Associates | Complied |
| 09.02.1984 | 1,50,000 | 20.08 | 24,90,000 | Public Issue in cash | Public | Complied |
| 02.07.1996 | 4,98,000 | 66.67 | 74,70,000 | Bonus Issue | Shareholders | Complied |
| TOTAL | 747000 | 100.00 | | | | |

5.1.5. We confirm that the Target Company has complied with the provisions of the Listing Agreement with BSE. However, the trading in the equity shares of the Target Company on BSE has been suspended w.e.f 18.02.2002 due to non-compliance of various clauses of Listing Agreement in the past. Other than what has been mentioned above, no punitive action has been taken against the Target Company by BSE & ASE .We have already written to the Stock Exchanges vide our letter dt.27.08.2009 and reminder letter dt.02.09.2009 requesting them to provide us the information of compliance of the Listing agreement and also compliances under Regulations made by BCSL along with any suspension/disciplinary/ penal action taken by them against the Target Company. We have not received anything from any Stock Exchange till date. The Target Company vide its letter dated 13.07.2009 has submitted the pending documents as informed to them by BSE in respect of revocation of suspension of the equity shares from BSE. BSE vide its e-mail dated 12.11.2009 further informed the Company about the pending compliances as per their record. The Target Company vide its letter dated 16.11.2009 has submitted the required documents with the BSE. The Company has established the connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and the ISIN number is INE526K0105. As per the letter dt 18.11.2009 received from the Registrar of the Company, we state that no investors grievances are pending as on date. Further BCSL has paid upto date listing fees to BSE except for ASE.

5.1.6. As on the date there are no outstanding convertible instruments such as warrants/FCDs/PCDs etc. There are no partly paid up shares as on the date of the Submission of Letter of Offer.

5.1.7. The promoter seller of the Target Company have complied with the relevant provisions of the Chapter II of the Regulations except compliances of Regulation 7(1) of the Regulations applicable to them at the time of acquiring Substantial Acquisition & Management control of the Target Company pursuant to Share Purchase Agreement dtd. 13.11.2006 entered by them with erstwhile promoter group. Further as per submissions and information made available to us, we state that major shareholders of the Target Company have complied with the applicable provisions under Chapter II of the Regulations. BCSL has duly complied with the applicable provisions of Chapter II of the Regulations since 1997 till date in time except for the year ended 31.03.1999, when there was a delay of 1 day in compliance of Regulation 8(3). For non-compliance/delayed compliance, SEBI may initiate suitable action against the Promoter seller & Target Company, as applicable.

5.1.8. BSCL has:
a) Paid up to date Listing Fees to BSE. However the same payable to ASE is still due.
b) Belatedly Complied with the Listing Agreement requirements of the Stock Exchanges in the past in some of the cases. However no punitive actions have been taken against it by any of the stock exchange till date except as already mentioned in para 5.1.5 above.

5.1.9. The Board of Directors of BCSL as on the date of the PA is as follows:

| SI. No | Name of Directors | Designation | DIN No. | Date of Appointment | Qualification | Residential Address | Experience | NO. & % or shares of BCSL held as on date of SPA. i.e. 21.08.2009 | No. & % of shares sold through SPA dated 21.08.2009 |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | (Equit/ Voting) | (Equity/ Voting) |
| 1. | Biren Shah | Chairman & Managing Director | 114952 | 19.02.2002 | B.Com | 201, Sujay Apartments, Opp. AMA, IIM Road, Vastrapur, Ahmedabad. | 12 Years in Areas Of Trading & Construction | Nil | Nil |

| Sl. No | Name of Directors | Designation | DIN No. | Date of Appointment | Qualification | Residential Address | Experience | NO. & % or shares of BCSL held as on date of SPA. i.e. 21.08.2009 (Equit/ Voting) | No. & % of shares sold through SPA dated 21.08.2009 (Equity/ Voting) |
|---|---|---|---|---|---|---|---|---|---|
| 2. | Darshan Bhagat | Independent Director | 115011 | 19.02.2002 | B.Com | AJ7, Flowerkunj Society, Opp. St. Xavier Ladies Hostel, Nr Swastik Cross Road, Navrangpura, Ahmedabad. | 5 Years in Areas of Accounts & Taxation | Nil | Nil |
| 3. | Ashok Bothra | Independent Director | 1734863 | 15.05.2009 | B.Com | A-2/302, Tirupati Darshan, Balaji Nagar, Bhayandar (W), Dist. Thane-401 101 | 15 Years in Areas of Accounts & Stock Market Activities | Nil | Nil |
| 4. | Dhurva Narayan Jha | Independent Director | 1286654 | 10.08.2009 | B.Com | P-27, Princep Street, 3rd Floor, Kolkata-700072 | 18 Years in Areas of Accounts, Taxation & CS related works | Nil | Nil |

As on the date of PA, Mr. Dhruva Narayan Jha, Director of the Acquirer is on the Board of BCSL. He has not/ will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

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

5.2. Financial Information:
The financial information of BCSL for the last 3 financial years ending 31.03.2009 is as follows:

Profit & Loss Statement (Rs. in Lacs)

| For the Year Ended | 31st March 2007 (Audited) | 31st March, 2008 (Audited) | 31st March,2009 (Audited) |
|---|---|---|---|
| Income from Operations | - | - | - |
| Other Income | 0.63 | 0.99 | 14.26 |
| Total Income | 0.63 | 0.99 | 14.26 |
| Total Expenditure | 0.53 | 0.89 | 0.42 |
| Profit/(Loss) before Interest, Depreciation and Tax | 0.10 | 0.10 | 13.84 |
| Depreciation | 0.02 | 0.01 | 0.05 |
| Interest | - | - | - |
| Profit/(Loss) before Tax | 0.09 | 0.09 | 13.79 |
| Provision for Tax (including deferred tax) | 0.01 | 0.05 | 4.50 |
| Profit/(Loss) after tax | 0.08 | 0.05 | 9.29 |

Balance Sheet (Rs. in Lacs)

| As on | 31st March 2007 (Audited) | 31st March, 2008 (Audited) | 31st March,2009 (Audited) |
|---|---|---|---|
| Sources of funds | | | |
| Paid up share capital | 74.70 | 74.70 | 74.70 |
| Share Application Money | - | - | - |
| Reserves & Surplus (excluding revaluation reserves) | 17.34 | 17.39 | 26.68 |
| Less: Miscellaneous Expenditure not written off | - | - | - |
| Net Worth | 92.04 | 92.09 | 101.38 |
| Secured loans | - | - | - |
| Unsecured loans | - | - | - |
| Total | 92.04 | 92.09 | 101.38 |
| Uses of funds | | | |
| Net Fixed Assets | 0.06 | 0.05 | - |
| Investments | 33.91 | 33.91 | 33.91 |
| Net Current Assets | 58.07 | 58.13 | 67.47 |
| Total | 92.04 | 92.09 | 101.38 |

Other Financial Data

| For the Year Ended | 31st March 2007 (Audited) | 31st March, 2008 (Audited) | 31st March,2009 (Audited) |
|---|---|---|---|
| Dividend (%) | - | - | - |
| Earning Per Share (Rs.) | 0.01 | 0.01 | 1.24 |
| Return on Networth (%) | 0.08 | 0.05 | 9.16 |
| Book Value Per Share (Rs.) | 12.32 | 12.33 | 13.57 |

Note:

(I) EPS = Profit after tax / number of outstanding equity shares at the close of the year.
(ii)Return on Net Worth = Profit after Tax /Net Worth
(iii)Book Value per Share = Net Worth / No. of equity shares.
(iv)Source: Audited Annual Reports
(v)Reason for fall/rise in Total Income, Expenditure and PAT in the relevant years: - last 3 financial years ending 31.03.2009 are as follows:

1. Reason for change in Total Income, Expenditure and PAT for the year ended 31st March 2009 over year ended 31st March 2008:

   Total Income for the year ended 31st March 2009 was Rs. 14.26 Lacs as compared to Rs. 1.00 Lac for the year ended 31st March 2008. The increase in Total Income was mainly due to increase in other income (Consultancy Income) from Rs. 0.98 Lacs for the year ended 31st March 2008 to Rs. 14.26 Lacs for the year ended 31st March 2009. The total expenditure decreased from Rs. 0.89 Lacs for the year ended 31st March 2008 to Rs. 0.42 Lacs for the year ended 31st March 2009 mainly due to decrease in Salary to Staff to NIL as against Rs. 0.42 Lacs, Staff Welfare Expenses to NIL as against Rs. 0.08 Lacs and Conveyance Expenses to Rs. 0.01 Lacs as against Rs. 0.18 Lacs for the year ended 31st March 2009 as against for the year ended 31st March 2008, respectively. However Legal & Professional Fees increased to Rs. 0.23 Lacs for the year ended 31st March 2009 as against NIL for the year ended 31st March 2008. Consequently, PAT for the year ended 31st March 2009 was Rs. 9.29 Lacs as compared to Rs. 0.05 Lacs for the year ended 31st March 2008.

2. Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2008 over year ended 31st March 2007: -

   Total Income for the year ended 31st March 2008 was Rs. 1.00 Lacs as compared to Rs. 0.63 Lacs for the year ended 31st March 2007. The increase in Total Income was mainly due to increase in other income (Consultancy Income) from Rs. 0.62 Lacs for the year ended 31st March 2007 to Rs. 0.98 Lacs for the year ended 31st March 2008. The total expenditure increased from Rs. 0.53 Lacs for the year ended 31st March 2007 to Rs. 0.89 Lacs for the year ended 31st March 2008 mainly due to increase in Administrative & General Expenses, which was on account of increase in Conveyance expenses to Rs. 0.18 Lacs for the year ended 31st March 2008 as against Nil for the year ended 31st March 2007. Consequently, PAT for the year ended 31st March 2008 was of Rs. 0.05 Lacs as compared to Rs. 0.08 Lacs for the year ended 31st March 2007.

3. Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2007 over year ended 31st March 2006: -

   Total Income for the year ended 31st March 2007 was Rs. 0.63 Lacs as compared to Rs. 0.04 Lacs for the year ended 31st March 2006. The increase in Total Income was mainly due to increase in other income (Consultancy Income) from Nil for the year ended 31st March 2006 to Rs. 0.62 Lacs for the year ended 31st March 2007. The total expenditure decreased from Rs. 0.65 Lacs for the year ended 31st March 2006 to Rs. 0.53 Lacs for the year ended 31st March 2007 mainly due to decrease in Administrative Expenses . Consequently, PAT for the year ended 31st March 2007 was Rs. 0.08 Lacs as compared to Net Loss of Rs. 0.63 Lacs for the year ended 31st March 2006.

5.3. Pre and Post-Offer Shareholding Pattern of BCSL (based on Issued, Subscribed & Paid-up Equity Share and Voting 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 Regulation | | 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 SPA | 152000 | 20.35 | (100000) | (13.39) | - | - | 52000 | 6.96 |
| b) Promoter other than (a) above | - | - | - | - | - | - | - | - |
| TOTAL 1 (a + b) | 152000 | 20.35 | (100000) | (13.39) | - | - | - | ** |
| 2. Acquirer: Prime Capital Market Limited | 50000 | 6.69 | 100000 | 13.39 | 149400 | 20.00 | 299400 | 40.08 |
| TOTAL 2 | 50000 | 6.69 | 100000 | 13.39 | 149400 | 20.00 | 299400 | 40.08 |
| 3. Public Share Holding [other than 1(a) & (2)]* | | | | | | | | |
| a) FIs/Banks | - | - | - | - | | | | |
| b) NRIs | - | - | - | - | | | | |
| c) MF's/ Insurance Company | - | - | - | - | | | | |
| d) Others | 545000 | 72.96 | - | - | | | | |
| Total 3 (a+b+c+d) | 545000 | 72.96 | - | - | (149400) | (20.00) | 447600 | 59.92 |
| GRANDTOTAL (1+2+3) | 747000 | 100.00 | - | - | - | - | 747000 | 100.00 |

*The total number of shareholders in Public category is 127 as on 30.09.2009.

** Remaining Shareholding if any of the erstwhile Promoter will be forming part of the Public Shareholding on completion of Open Offer.

5.4. There was no trading of the shares of BCSL as on 27.08.2009 i.e. the date of Public Announcement at BSE & ASE.

5.5. The details of the buildup of the Promoter shareholding in the Target Company is as follows;

| Shareholdings | | | Purchase / Inter se Transfer/ transmission made during the year | Sale / Inter se /Transfer/ transmission made during the year | Mode of allotment / acquisition | Shareholdings | | | Status of compliance with SEBI (SAST) Regulations, other regulations under SEBI Act, 1992 & statutory requirements as applicable |
|---|---|---|---|---|---|---|---|---|---|
| As on | No. of Shares | % | | | | As on | No. of Shares | % | |
| | 492000 | 65.86 | - | - | - | 31.03.07 | 492000 | 65.86 | YES |
| 01.04.07 | 492000 | 65.86 | - | - | - | 31.03.08 | 492000 | 65.86 | N.A. |
| 01.04.08 | 492000 | 65.86 | - | - | - | 31.03.09 | 492000 | 65.86 | N.A. |
| 01.04.09 | 492000 | 65.86 | - | 440000 (58.90%) | *340000 (direct ) (45.51%) 100000 (13.39%) (through SPA) on 21.08.09 | 21.08.09 | 52000 | 6.96 | YES |

on 29.07.2009, 100000 equity shares have been sold to Mr. Johar Pal Singh.

* on 17.08.2009, 50000, 75000 & 50000 equity shares have been sold to M/s Prime Capital Market Limited ( Acquirer), Mr. Ashish Kedia & Mr. Jaikishan Bhagchandka. The 50,000 equity shares were acquired by PCML @Rs. 10/- per share.

* 65000 equity shares have been sold to various other parties.

Note:

The seller , who is also the promoter of the Target Company had acquired the controlling stake in the Target Company pursuant to the Share Purchase Agreement dated 13.11.2006 for acquisition of 484500 equity shares constituting 64.86 % of the equity & voting share capital entered into with a group of shareholders who were part of the then promoter group. Pursuant to the aforesaid Share Purchase Agreement, an Open Offer was made to the shareholders of the BCSL for acquisition of 1,49,400 equity shares from the public shareholders constituting 20% of the equity & voting share capital of the Target Company. However the Acquirer received only 7500 equity shares in the Open Offer from the Public Shareholders. After the completion of the Open Offer, the equity shareholding of the Acquirer increased to 492000 equity shares constituting 65.86% of the equity & voting share capital of BCSL.

5.6. Corporate Governance

Mr. Pradeep Gupta (Membership No. 048979), Proprietor of M/s Pradeep Gupta, Chartered Accountants, the Statutory Auditor of the Target Company, vide their report on Corporate Governance dated 29.06.2009 which formed part of the Annual report of BCSL for the year ended 31.03.2009, Confirmed that:

(a) the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement.

(b) no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

(c) Such compliance is neither as assurance as to the future viability of the company now the efficiency or effectiveness with which the management has conducted the affairs of the Company.

As per the Annual Report of BCSL for the financial year ended dated 31.03.2009; there are no pending Litigations /claims against the target company contingent in nature.

5.7. Compliance Officer:

Mr. Praveen Tukaram Sawant, is acting as the Compliance Officer, and his address is 105, Sagar Shopping Centre, J P Road, Andheri (W), Mumbai-400 058 Mobile No. 9833912195 E-mail bluecircl@gmail.com

6. OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

6.1.1. The Equity Shares of BCSL are presently listed at BSE & ASE. The shares of the Target Company are not traded under permitted category on any other stock exchanges.

6.1.2. The Annualized trading turnover during the preceding six calendar months ended July 2009 in BSE & ASE is as follows:

| Name of Stock Exchange | Total no of shares traded during the 6 calendar months prior to the month in which PA was made | Total No. of listed Shares | Annualized Trading Turnover (in terms of % to total listed shares) |
|---|---|---|---|
| BSE | NIL | 7,47,000 | NA |
| ASE | NIL | 7,47,000 | NA |

6.1.3. As the Annualized Trading Turnover (by number of shares) is less than 5% of the total number of listed shares of BCSL at BSE and ASE, the equity shares of BCSL are infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters: -

| | | | |
|---|---|---|---|
| a) | Negotiated Price under the SPA | : | Rs. 10/- per fully paid-up equity share |
| b) | Highest Price paid by the Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of Public Announcement | : | Rs. 10/- per fully paid-up equity share |
| c) | Other Parameters | | Based on Audited Accounts for the year ended 31.03.2009 |
| | Return on Net worth (%) | : | 9.16% |
| | Book Value per share (Rs) | : | 13.57 |
| | Earning per Share (Rs) | : | 1.24 |
| | Industry Average P/E Multiple* | : | 16.80 |
| | Offer price P/E Multiple** | : | 11.29 |

*(Source: Capital Market Journal Vol XXIV/10 July 13-26, 2009, Industry - Miscellaneous). The Industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies which have varied and different businesses compared to BCSL and also vary widely in terms of financial parameters with BCSL.

**Offer price/EPS

6.1.4. Based on the above financial parameters and in the opinion of the Manager to the Offer and the Acquirer, the offer price of Rs.14/- per share is justified in terms of regulation 20(5) of the Regulations.

6.1.5. BCSL doesn't have any partly paid up shares as on date of this PA.

6.1.6. The Offer is not as a result of global acquisition resulting in indirect acquisition of BCSL.

6.1.7. The Acquirer would be responsible for ensuring compliance with the Regulations for the consequences arising out of the acquisition of shares, if any, made after the date of Public Announcement i.e. 27.08.2009 in terms of Regulation 20(7) of the Regulations. However, no such acquisition shall be made by the Acquirer during 17.12.2009 to 30.12.2009.

6.1.5. It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirer for any acquisition of shares of the BCSL from the date of Public Announcement upto 7 working days prior to the closure of the offer viz. 17.12.2009.

6.2. Financial arrangements:

6.2.1. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources / networth and no borrowings from any Bank and / or Financial Institution are envisaged. Mr. Sunil Dokania, (Membership No. 062097), Proprietor of M/s Dokania Sunil & Co., Chartered Accountants, having Office at 7/1A, Grant Lane , 2nd Floor, Room No-205, Kolkata-700 012 Ph: (033) 2234 5998 Fax No. (033) 2211 0299 e-mail vedantsunil1@indiatimes.com vide their certificate dated 21st August 2009 has certified that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

6.2.2. The maximum consideration payable by the Acquirer assuming full acceptance of the Offer would be Rs. 20,91,600/- (Rupees Twenty Lacs Ninety One Thousand Six Hundred Only). In accordance with regulation 28 of the Regulations, the Acquirer has opened an Escrow Account in HDFC Bank, IDBI House, 3A, Gurusaday Road Branch, Kolkata-700 019 ("Escrow Banker") and made therein a cash deposit of Rs. 5,25,000/- (Rupees Five Lacs Twenty Five Thousand Only) being more than 25% of the consideration payable in the Open Offer.

6.2.3. The Manager to the Offer i.e. VC Corporate Advisors Private Limited is authorized to operate the above-mentioned Escrow Account to the exclusion of all others and to instruct the Escrow Banker to issue cheques / pay orders / demand drafts / ECS credit, if required , in accordance with the Regulations.

6.2.4. Based on the aforesaid financial arrangements and based 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 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.

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of BCSL (except parties to the Agreement) whose name appear on the Register of Members at the close of business hours on 11.09.2009 ("Specified Date").

7.2. All the owners of the shares, registered or unregistered (except parties to the agreement) are eligible to participate in the Offer as per the procedure set out in Para 8 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.

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

7.4. Subject to the conditions governing this Offer, as mentioned in the LO, 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.

7.5. Locked-in Shares:

There are no locked-in shares in BCSL.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the parties to the agreement) whose names appeared in the register of shareholders on 11.09.2009 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

7.7.1. The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any.

7.7.2. As on the date of PA, to the best of the knowledge of the Acquirer, 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.

7.7.3. In case of non receipt of any approval, SEBI may, if satisfied that non 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 22(12) of the Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

7.7.4. No approval is required from any bank or financial institutions for this Offer to the best of the knowledge of the Acquirer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

8.1. The Shareholder(s) of BCSL 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 at the following address:

| |
|---|
| PURVA SHAREGISTRY (INDIA) PVT. LTD. |
| (Contact Person:- Mr. V.B Shah) |
| 9, Shiv Shakti Industrial Estate |
| J R Boricha Marg, Lower Parel (E) |
| Mumbai-400 011 |
| Phone No: (022) 2301 6761 |
| Fax: (022) 2301 2517 |
| E-mail: busicomp@vsnl.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. 30.12.2009. Shareholders may send their acceptances by hand accordingly:

| Working Days | Timings | Mode of Delivery |
|---|---|---|
| Monday – Saturday | 11.00 a.m. to 5.00 p.m. | Hand Delivery |

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

8.2. 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.

8.2.1. 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 BCSL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

(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.

8.3. The Share Certificate(s), Share Transfer Form, Form of Acceptance, Form of Withdrawal 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 or the Target Company.

8.4. 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 BCSL. The Public Announcement, LO, Form of Acceptance Cum Acknowledgement and Form of Withdrawal 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, regd. 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. 30.12.2009. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid.

8.5. Non resident shareholders should also enclose copy of permission received from RBI for the shares held by them in BCSL and 'no-objection' certificate / tax clearance certificate from the Income Tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.

8.6. The Acquirer shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 14.01.2010. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirer for payment of consideration to shareholders subject to the Acquirer agreeing to pay interest to the shareholders for delay in payment of consideration beyond 14.01.2010.

8.7. The payment of consideration for the applications so accepted in the Offer, if any, shall be given within 15 days from the date of closure of the Offer. Credit for the consideration will be paid to the shareholders who have tendered shares in the Open Offer, by ECS, Direct Credit or Crossed account payee cheques / pay order / demand drafts, RTGS and NEFT. It is desirable that the shareholders provide bank details in the Form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the cheque / demand draft / pay order.

.

8.8. In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be in accordance with Regulation 21(6) of the Regulations, on a proportionate basis. The marketable lot of BCSL is 50(Fifty) Equity Shares.

8.9. 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.

8.10. The Registrar will hold in trust the share certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of BCSL who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

8.11. In case any person has lodged shares of BCSL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 8.4 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct BCSL 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.

8.12. 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.

8.13. The 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, i.e. on or before 23.12.2009 in terms of Regulation 22(5A).

8.14. The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 23.12.2009. The withdrawal option can be exercised by submitting the form of withdrawal.

8.15. In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.

8.16. The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

## 9. 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 11.12.2009 to 30.12.2009.

I) Memorandum & Articles of Association of Prime Capital Market Limited along with Certificate of Incorporation.

ii) Audited Annual Reports for the financial year ended March 31, 2007, March 31, 2008 & March 31, 2009 of Prime Capital Market Limited.

iii) Audited Annual Reports for the financial year ended March 31, 2007, March 31, 2008 & March 31, 2009 of Blue Circle Services Limited.

iv) Certificate dated 21.08.2009 from Mr. Sunil Dokania, Proprietor of Dokania Sunil & Co., Chartered Accountants (Membership No. 062097) having office at 7/1A, Grant Lane , 2nd Floor, Room No-205, Kolkata-700 012 that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

v) Letter of HDFC Bank Limited, 3A, Gurusaday Road Branch, Kolkata-700 019 dated 26.08.2009, confirming the amount kept in the Escrow Account and authorization in favour of VC Corporate Advisors Private Limited, the Manager to the Offer to operate the Escrow Account.

vi) The copy of Share Purchase Agreement dated 21.08.2009 between the Seller and the Acquirer which triggered the open offer.

vii) Copy of the Public Announcement for the Offer dated 27.08.2009 & Corrigendum to Public Announcement dated 28.11.2009.

viii) Copy of the Memorandum of Understanding between the Acquirer & the Manager to the Offer, dated 21.08.2009.

ix) Undertaking dated 21st August received from Prime Capital Market Limited ("PCML")

x) Copy of SEBI letter no. CFD/DCR/TO/SA/183048/09 dated 13.11.2009 issued in terms of proviso to the regulation 18(2) of the regulations.

## 10. DECLARATION BY THE ACQUIRER:

The Acquirer and its directors accept full responsibility for the information contained in this letter of Offer and also for their obligations as laid down in Regulation No 22(6) of the Regulations.

For Prime Capital Market Limited

Sd/-
Director

Place: Kolkata
Date: 28.11.2009

Attached: Form of Acceptance cum Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

Date:

To,
PURVA SHAREGISTRY INDIA PVT. LTD.
No. 9, Shiv Shakti Industrial Estate
Gr. Floor, J.R.Boricha Marg
Lower Parel, Mumbai-400 011

| OFFER | |
|---|---|
| Opens on | December 11, 2009 |
| Closes on | December 30, 2009 |
| Last date of Withdrawal | December 23, 2009 |

Dear Sir,

Subject: Open Offer by M/s Prime Capital Market Limited having Registered Office at 18A, B.J.B Nagar, Bhubaneshwar-751014 Orissa Tele Fax No. (0674) 2314659 email : primecap@hotmail.com (hereinafter referred to as "Acquirer" or "PCML") to the shareholders of Blue Circle Services Limited ("Target Company" or "BCSL") to acquire from them 1,49,400 equity shares of Rs. 10/- each aggregating 20% of the paid up Equity & voting share capital of BCSL @ Rs. 14/- per fully paid up equity share.

I/We refer to the Letter of Offer dated 28.11.2009 for acquiring the equity shares held by me / us in BLUE CIRCLE SERVICES LIMITED.
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES 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 |
|---|---|---|---|---|
| | | | | |
| 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 in the special account opened for the purpose of this Offer until the time the Acquirer accepts the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.
I/We confirm that the equity shares of BLUE CIRCLE SERVICES 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/UCP as may be applicable at my/our risk, the draft/cheque/warrant/ECS Credit, 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 are 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 | 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 thw 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_____________________________________________

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

Acknowledgement slip

Ledger Folio No. _________________________________________Received from _______________________________ ___________an application for sale of

__________Equity Share(s) of BLUE CIRCLE SERVICES LIMITED together with ________share certificate(s) bearing Certificate Numbers

_________________________ and _______transfer deed(s).

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

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

| OFFER | |
|---|---|
| Opens on | December 11, 2009 |
| Closes on | December 30, 2009 |
| Last date of Withdrawal | December 23, 2009 |

From:
Name:
Address:

Tel. No.
Fax No.
E-mail:

To,
PURVA SHAREGISTRY INDIA PVT. LTD.
No. 9, Shiv Shakti Industrial Estate
Gr. Floor, J.R.Boricha Marg
Lower Parel, Mumbai-400 011

Dear Sir,

Subject: Open Offer by M/s Prime Capital Market Limited having Registered Office at 18A, B.J.B Nagar, Bhubaneshwar-751014 Orissa Tele Fax No. (0674) 2314659 email : primecap@hotmail.com (hereinafter referred to as "Acquirer" or "PCML") to the shareholders of Blue Circle Services Limited ("Target Company" or "BCSL") to acquire from them 1,49,400 equity shares of Rs. 10/- each aggregating 20% of the paid up Equity & voting share capital of BCSL @ Rs. 14/- per fully paid up equity share.

I/We refer to the Letter of Offer dated 28.11.2009 for acquiring the equity shares held by me/us in BLUE CIRCLE SERVICES 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, hereby consent 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 share certificate(s)/ share(s) 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 this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.23.12.2009.
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 shares held in physical form.
I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents and signatures.

SHARE HELD IN PHYSICAL FORM

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

| Sr. No. | Ledger folio No. | Certificate No. | Distinctive No. | | No. of Shares |
|---|---|---|---|---|---|
| | | | From | To | |
| | | | | | |
| | | | | | |
| Total number of shares | | | | | |

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

Yours faithfully,

Signed and Delivered

| | Full Names (s) of the holders | Address | Signature |
|---|---|---|---|
| First/Sole Holder | | | |
| Joint Holder 1 | | | |
| Joint Holder 2 | | | |
| Joint Holder 3 | | | |

Note: In case of joint holdings, all shareholders must sign. A corporate body must sign under its official name. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance cum Acknowledgement. Applicants are requested to clearly mark the envelope with the words "BLUE CIRCLE SERVICES LIMITED Open Offer" while sending the documents to the Registrar to the Offer. All future correspondence, if any, should be sent to the Registrar to the Offer, Purva Sharegistry (India) Pvt. Ltd. (unit: BLUE CIRCLE SERVICES LIMITED), at their aforesaid address.

Place: Date:

-------------------------------------------------------------------------------- TEAR HERE--------------------------------------------------------------------------------

ACKNOWLEDGEMENT RECEIPT

Received Form of Withdrawal from Mr./ Mrs./Ms. ----------------------------------------------------------------------------------------------------------

Folio No.-------------------------------

Number of shares tendered -----------------------------------

Number of share withdrawn ----------------------------------------

Stamp of Registrar Signature of official Date of Receipt

BOOK POST

If undelivered, please return to :
PURVA SHAREGISTRY ( INDIA ) PVT. LTD.
9, Shiv Shakti Industrial Estate
J.R.Boricha Marg, Lower Parel (E)
Mumbai-400 011