THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of **Brilliant Securities 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, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER

By

Mr. K. Bhaskara Reddy

157/A/1, MLA's Colony, Road No.12, Banjara Hills, Hyderabad – 500 034. Tel.: 040-23394100

Mrs. K. Uma

157/A/1, MLA's Colony, Road No.12, Banjara Hills, Hyderabad – 500 034. Tel.: 040-23394100

Shri. Venkat S Meenavalli

Plot No.1144, Road No.58, Jubilee Hills, Hyderabad-500 033. Tel.: 040-23542787

Mrs. M. Usha Rani

Plot No.1144, Road No.58, Jubilee Hills, Hyderabad-500 033. Tel.:040-23542787

KBR Holdings Private Limited

Regd. Off. : 157/A/1, MLA's Colony Road No. 12, Banjara Hills, Hyderabad – 500 034 Tel.:040-23394100

To acquire upto 10,21,460 equity shares of Rs. 10/- each representing 20% of the voting capital at a price of Rs. 109-/- per share ('Offer Price'), of

BRILLIANT SECURITIES LIMITED (BSL)

Regd. Off.: TGV Mansion, 6-2-1012, II Fl., Khairatabad, Hyderabad – 500 004.

Tel. : 040-23315320,23395582 23395580 Fax.: 040-23313875

These shares will be acquired in cash, in accordance with regulation 20 (2)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as 'Regulations') from the existing shareholders of BSL.

This Offer is being made in compliance with regulation 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.

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 necessary approvals from RBI will be obtained by the Acquirers. The proposed offer is also subject to approval from SEBI under Regulation 6A(1)(C) of the SEBI (Stock Brokers & Sub-Brokers) Regulations 1992 regarding change in control of the Target Company. There are no other statutory approvals required to acquire equity shares that are tendered pursuant to this Offer.

Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to three working days prior to the date of Closure of the Offer i.e. on or before July 3, 2008 (Thursday)

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 i.e. June 27, 2008 (Friday) 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 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.

The Offer is not conditional and not subject to any minimum level of acceptance from Shareholders.

There was no Competitive Bid.

- **As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offers, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price and tender their acceptance accordingly.**

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ASHIKA Growing & Sharing with You **Ashika Capital Limited** 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400021; Tel: 022-66111700;Fax:022-66111710 E-Mail: mbd@ashikagroup.com **Contact Person: Mr. Niraj Atul Kothari**	**Venture Capital and Corporate Investments Private Limited,** 12-10-167, Bharat Nagar,Hyderabad-500 018; Tel.:040- 23818475; Fax: 040-23868024; E-mail: info@vccilindia.com **Contact Person: Mr. ESK Prasad**

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

Activities	Original Date & Day	Revised Date & Day
Public Announcement	January 23, 2008 (Wednesday)	January 23, 2008 (Wednesday)
Specified Date (for the purpose of determining the names of the shareholders to whom the Letter of Offer would be sent)	February 2, 2008 (Saturday)	February 2, 2008 (Saturday)
Last Date for a Competitive Bid, if any	February 13, 2008 (Wednesday)	February 13, 2008 (Wednesday)
Corrigendum to Public Announcement	--	June 11, 2008 (Wednesday)
Date by which the Letter of Offer to be Despatched to the shareholders	March 3, 2008 (Monday)	June 16, 2008 (Monday)
Date of Opening of the Offer	March 14, 2008 (Friday)	June 19, 2008 (Thursday)
Last date for revising the Offer Price/ Number of Shares	March 24, 2008 (Monday)	June 27, 2008 (Friday)
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	March 28, 2008 (Friday)	July 3, 2008 (Thursday)
Date of Closing of the Offer	April 2, 2008 (Wednesday)	July 8, 2008 (Tuesday)
Date by which communicating acceptance /rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	April 17, 2008 (Thursday)	July 23,2008 (Wednesday)

RISK FACTORS:

Relating to the Transaction:

1. The Share Purchase Agreement (Agreement) contains a clause that it is subject to the provisions of the Regulations and in case of non-compliance with any of the provisions of the Regulations, the Agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

Relating to the Offer:

2. The Offer involves an offer to acquire upto 10,21,460 equity shares of Rs. 10/- each representing 20% of voting capital of BSL from its shareholders. In case of oversubscription in the Offer, as per the Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

3. The Shares tendered in the Offer in demat form will lie to the credit of a designated escrow A/c and the shares tendered in the physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities. The Acquirers 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.

Relating to the Acquirers:

4. The Acquirers makes no assurance with respect to the future financial performance of the Target Company or with respect to their investment/divestment relating to their proposed shareholding in the Target Company.

The risk factors set forth above, pertain to the offer and not in relation to the present or future business or operations of BSL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the offer. Shareholders of BSL are advised to consult their stockbrokers or investment consultants, if any for further risk with respect to their participation in the offer.

TABLE OF CONTENTS

1. ABBREVIATIONS / DEFINITIONS

Acquirers	Mr. K Bhaskara Reddy, Mrs. K Uma, Mr. Venkat S Meenavalli, Mrs. M. Usha Rani and KBR Holdings Private Limited
BSE	Bombay Stock Exchange Limited, Mumbai
HSE	Hyderabad Stock Exchange Limited, Hyderabad
BgSE	Bangalore Stock Exchange Limited, Bangalore
ASE	Ahmedabad Stock Exchange Limited, Ahmedabad
Eligible Persons for the Offer	All owners of shares registered or unregistered of BSL (who own shares at any time prior to the Closure of the Offer) except Parties to the Agreement
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance	Form of Acceptance cum Acknowledgement
Form of Withdrawal	Form of Withdrawal cum Acknowledgement
LOO or Letter of Offer	Offer Document
Manager to the Offer	Ashika Capital Limited
Negotiated Price	Rs. 12.19 per share
Offer	Cash Offer being made by the Acquirers to acquire upto 10,21,460 equity shares of Rs. 10/- each representing 20% of voting capital of BSL
Offer Price	Rs. 109/- per share
PA / Public Announcement	Announcement of the Offer made by Acquirers on January 23, 2008 and June 11, 2008
Promoters Sellers	TGV Projects and Investments Limited, Brilliant Industries Limited, TG Venkatesh, TG Bharat, TG Rajyalakshmi
BSL/Target Company	Brilliant Securities Limited
RBI	Reserve Bank of India
Registrar to the Offer/ Registrar	Venture Capital and Corporate Investments Pvt. Ltd.
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof
Specified Date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of BSL, to whom the Letter of Offer will be sent, i.e. February 2, 2008

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF BRILLIANT SECURITIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS 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 THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 05, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1. Background of the Offer

a) This Open Offer ('Offer') is being made by the **Mr. K. Bhaskara Reddy, Mrs. K Uma, Mr. Venkat S Meenavalli, Mrs. M. Usha Rani and KBR Holdings Private Limited** (hereinafter collectively referred to as 'Acquirers') pursuant to regulation 10 & 12 of the Regulations with the prime object to have substantial acquisition of shares/voting rights accompanied with the change of control and management of the company.

b) The Acquirers have entered into a Share Purchase Agreement ('Agreement') on 21st January 2008 with the Promoter Group of BSL (hereinafter referred to as 'Sellers') to acquire in aggregate 21,75,200 fully paid-up equity shares of Rs. 10/- each, representing 42.59% of subscribed and voting capital of BSL, at a price of Rs. 12.19/- per share, payable in cash and the details are as under:

S. No.	Name of the Acquirer(s)	Name(s) and Address(s) of the Seller(s)	No. of Shares	% of Subscribed & Voting Capital
1	K. Bhaskara Reddy	TGV Projects and Investments Limited C-4, Industrial Estate, Sanath Nagar, Hyderabad	3,00,000	5.87
		Brilliant Industries Limited C-4, Industrial Estate, Sanath Nagar, Hyderabad	2,00,200	3.92
2	KBR Holdings Private Limited	TGV Projects and Investments Limited C-4, Industrial Estate, Sanath Nagar, Hyderabad	1,00,000	1.96
3	K. Uma	TG Venkatesh 40/417, Eswar Nagar, Kurnool – 518 004.	2,00,000	3.92
4	Venkat S Meenavalli	TG Bharat 40/417, Eswar Nagar, Kurnool – 518 004.	7,75,000	15.17

5	M. Usha Rani	TG Rajyalakshmi 40/417, Eswar Nagar, Kurnool – 518 004.	6,00,000	11.75
		TOTAL	**21,75,200**	**42.59**

c) **Salient features of the Agreement are mentioned below**:

i. The Sellers have agreed to sell to the Acquirers 21,75,200 Equity shares aggregating to 42.59% of voting capital of the Company, at a price of Rs.12.19/- per share, and the Acquirers have agreed to purchase the said transaction shares.

ii. That the shares under Agreement are free from all charges, encumbrances or liens and are not subject to any lock in period.

iii. The Acquirers had paid a sum of Rs.1,56,39,688-/- (Rupees One Crore Fifty Six Lakh Thirty Nine Thousand Six Hundred Eighty Eight only) to the Sellers on execution of the Agreement and the balance amount of Rs. 1,08,76,000-/- (Rupees One Crore Eight Lakh Seventy Six Thousand only) would be paid to the Sellers at the time of completion of Takeover of the Company.

iv. That the Sellers agree to abide by their obligations as contained in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, as amended from time-to-time.

v. The sale and purchase of the Sale Shares shall be subject to compliance with the provisions of the Takeover Regulations. In case of non-compliance of any provisions of the Regulations, the agreement for such sale will not be acted upon by the Sellers or the Acquirers.

d) The proposed change in control is consequent to the Agreement whose salient features are described in 3.1 (c) above.

e) The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under SEBI Act. No action has been taken by SEBI against the Acquirers, Target Company, and its Promoters/Directors under SEBI Act or under any of the Regulations made under the SEBI Act.

f) For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the regulation 2(1)(e) of the Regulations.

g) The Acquirers have not entered into any separate non-compete agreement with the Sellers. There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made by the Acquirers as non-compete fee.

h) After completion of all formalities relating to the acquisition and after complying with formalities required by the Regulations, the Board of Directors might be reconstituted to include nominee(s) of Acquirers.

i) The shares acquired under the offer shall be free from lien, charges and encumbrances of any kind whatsoever.

j) The offer is unconditional and not subject to any minimum level of acceptance.

k) This is not a competitive bid.

l) Except the 21,75,200 shares agreed to be acquired through SPA, the Acquirers do not hold any Equity Shares of BSL as on date of PA. The Acquirers have not acquired either directly or through any other person any Shares of BSL during 12 months preceding the date of PA.

m) Irrespective of the outcome of the Agreement, the Acquirers would complete the Offer formalities under the Regulations.

3.2. Details of the Proposed Offer

a) The Acquirers made a Public Announcement of the Offer, which was published in all Editions of **Business Standard** (English), **Hindi Milap** (Hindi), **Andhra Prabha** (Telugu) and **Nav Shakti** (Marathi) on January 23, 2008 in compliance with regulation 15 (1) of the Regulations. A Corrigendum to PA was also published in the same Newspapers on June 11, 2008. The Public Announcement as well as Corrigendum to PA is also available on SEBI's website at www.sebi.gov.in.

b) The Acquirers propose to acquire 10,21,460 equity shares of Rs. 10/- each, from the existing shareholders of BSL (other than parties to the Agreement), at a price of Rs. 109/- per share ("Offer Price") representing 20% of its voting capital, payable in cash.

c) The Offer is not subject to any minimum level of acceptances. The Acquirers will acquire all Equity Shares of BSL that are tendered in terms of this Offer up to a maximum of 10,21,460 equity shares.

d) The Manager to the Offer i.e. Ashika Capital Limited does not hold any shares in the Target Company as on date. It declares and undertakes that it 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 15 days from the date of closure of Offer.

e) The Acquirers have not acquired any shares of BSL after the date of Public Announcement and up to the date of this Letter of Offer.

3.3. Object of the Offer

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

b) The prime object of the Offer is to have substantial acquisition of shares/ voting rights accompanied with the change of control and management of the company.

c) The Acquirers, by virtue of their managerial expertise and experience in the financial, capital markets and its related activities, intend to enter into the business of stock broking as well as other financial services such as investments, advisory services, distribution of financial products, etc. The existing Object Clause of the Target Company includes inter-alia to carry on the business of shares and stock brokers/dealers, securities brokers/dealers, investment brokers/ dealers and also other advisory services for Investment Counselling, Investment Planning etc. The acquisition of an existing listed company shall facilitate the Acquirers to induct a professional corporate structure in the business.

d) The Acquirers do not currently intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertakes not to sell, dispose off 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. BACKGROUND OF THE ACQUIRERS

4.1. Information about Acquirers:

a) **Mr. K Bhaskara Reddy,** son of late K Swamy Reddy, aged about 51 years, is residing at 157/A/1, MLA's Colony, Road No.12, Banjara Hills, Hyderabad - 500034.Tel. No.040-23394100 Fax No.040-23544628 He is a Commerce Graduate from Andhra University. He is having around 25 years of experience in the areas of Finance and Capital Markets. His networth as on 31st December 2007 as certified by Shri AV Ramana Reddy (Membership No.024329) partner of M/s AM Reddy & Co., Chartered Accountants, having office at 10-5-6/ B, My Home Plaza, 103, 2nd Floor, Masab Tank, Hyderabad -500028; Tel No.040-23316426, vide his certificate dated 21.1.2008 is Rs. 10113.93 Lakhs.

b) **Mrs. K Uma**, wife of Shri K Bhaskara Reddy, aged about 42 years, is residing at 157/A/1, MLA's Colony, Road No.12, Banjara Hills, Hyderabad – 500034. Tel. No.040-23394100 Fax No.040-23544628 She is an undergraduate. She is having around 5 years of experience in the areas of capital market. She is a Director of Social Media India Limited. Her networth as on 31st December 2007, as certified by Shri AV Ramana Reddy (Membership No.024329) partner of M/s AM Reddy & Co., Chartered Accountants, having office at 10-5-6/ B, My Home Plaza, 103, 2nd Floor, Masab Tank, Hyderabad -500028; Tel No.040-23316426, vide his certificate dated 21.1.2008 is Rs.7491.00 Lakhs.

c) **Mr. Venkat S Meenavalli,** son of Shri M. Krishna Mohan aged about 37 years, is residing at Plot No.1144, Road No.58, Jubilee Hills, Hyderabad -500033. Tel. No. 040-23542787 Fax No.040-23544628. He is MS in Computer Science from Suffield University , Australia and is certified as a Novell Certified Engineer (CNE), Microsoft Certified Systems Engineer (MCSE) and Microsoft Certified Systems Engineer+Internet (MCSE+I). He is having around 12 years of experience in the areas of Information Technologies, Finance and Capital Markets. His networth as on 31st December 2007, as certified by Shri G. Purnachandra Rao (Membership No. 023024.) Proprietor of M/s. G.P. Rao & Co., Chartered Accountants, having office at 303, 3rd Floor, Silver Oaks Complex, Masab Tank, Hyderabad-500028; Tel No.:040-2331 0490, vide his certificate dated 21.01.2008, is Rs. 19685 Lakhs.

d) **Mrs. M. Usha Rani,** wife of Venkat S Meenavalli aged about 41 years, is residing at Plot No.1144, Road No.58, Jubilee Hills, Hyderabad-500033. Tel. No.040-23542787 Fax No.040-23544628 She is a Science Graduate from Andhra University. Her networth as on 31st December 2007, as certified by Shri G. Purnachandra Rao (Membership No. 23024.) Proprietor of M/s. G.P. Rao & Co., Chartered Accountants, having office at 303, 3rd Floor, Silver Oaks Complex, Masab Tank, Hyderabad-500028; Tel No.:040-2331 0490, vide his certificate dated 21.01.2008, is Rs. 19663 Lakhs.

e) **KBR Holdings Private Limited,** a Company incorporated under the Companies Act, 1956 having its registered office at 157/A/1, MLA's Colony Road No. 12, Banjara Hills, Hyderabad – 500 034.

The company is not listed on any of the Stock Exchanges. The Company is not a Sick Industrial Company.

As on date, the Authorised Share Capital of KBR is Rs. 25.00 Lakhs comprising of 2,50,000 equity shares of Rs.10/-each and Issued, Subscribed & Paid up Equity Share Capital is Rs. 20.00 Lakhs comprising of 2,00,000 fully paid up equity shares of Rs.10/- each.

The company is promoted by Mr. K Bhaskara Reddy and Mrs. K Uma and is engaged in the business of investments. The shareholding pattern of the company is as under:

Shareholder's Category	No. of Equity Shares	%
Promoters and their associates	2,00,000	100.00
TOTAL	**2,00,000**	**100.00**

The Names and Addresses of the Board of Directors of KBR Holdings Pvt. Ltd as on 31.12.2007 are as follows:

S. No.	Name	Residential Address	Qualification	Experience	Date of Appointment
1.	K Uma	8-2-293/157A, MLA's Colony, Road No 12, Banjara Hills, Hyderabad-34.	Undergraduate	5 Years experience in the field of Capital Market	12.11.1998

2.	Ganesham Subbareddy	8-3-898/163, First Floor, Nagarjuna Nagar, Yellareddyguda, Hyderabad.	BE – Mechanical Engg	Working as a Director in Arunachala Logistics Pvt. Ltd. since 1994	06.08.2004

Brief audited financials of the company for the last 3 Years and un-audited but certified financials for the period ended 31.12.2007 are as follows:

Profit and Loss Statement

(Rs. in Lakhs)

For the Year ended	31.12.2007	31.03.2007	31.03.2006	31.03.2005
Income:				
Sale Proceeds of Shares	24.24	64.32	63.51	26.29
Other Income	36.42	0.83	0.85	0.24
Total Income	**60.66**	**65.15**	**64.36**	**26.53**
Total Expenditure	28.05	62.17	62.28	24.52
Profit before Interest, Depreciation & Tax	32.61	2.98	2.08	2.01
Profit/(Loss) after Tax	**32.47**	**1.85**	**-0.37**	**1.01**

Balance Sheet Statement

(Rs. in Lakhs)

As at	31.12.2007	31.03.2007	31.03.2006	31.03.2005
Sources of funds:				
Equity Share Capital	20.00	20.00	20.00	20.00
Reserves & Surplus	34.53	2.06	0.21	0.57
Preliminary Expenses	0.00	-0.02	-0.03	-0.04
Networth	**54.53**	**22.04**	**20.18**	**20.53**
Secured Loans	0.00	0.00	2.06	0.02
Unsecured Loans	0.00	0.00	3.00	0.00
Total	**54.53**	**22.04**	**25.24**	**20.55**
Application of funds:				
Fixed Assets	6.89	6.96	7.79	3.32
Investments	1.76	2.35	2.35	2.25
Net Current Assets	46.40	13.26	15.66	14.57
Deferred Tax asset (Net)	-0.53	-0.53	-0.56	0.41
TOTAL	**54.52**	**22.04**	**25.24**	**20.55**

Other Financial Data

Particulars	31.12.2007	31.03.2007	31.03.2006	31.03.2005
Dividend (%)	Nil	Nil	Nil	Nil
EPS (Rs.)	16.23	0.92	Negative	0.57
Return on Networth (%)	59.55%	8.39%	Negative	4.91%
Book Value per Share (Rs.)	27.26	11.02	10.09	10.27

Notes:
EPS = Profit after tax / number of outstanding equity shares at the close of the year.
Return on Net Worth = Profit after Tax /Net Worth
Book Value per Share = Net Worth / No. of equity shares

Details of Other Income:

Sr. No.	Particulars	Amount
1	Income from Dividend	1.53
2	Gain on sale of Investments	34.78
3	Miscellaneous Income	0.11
	Total	**36.42**

Significant Accounting Policies:

General : The Financial Statements are prepared under the historical cost convention and comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 and the same is prepared on a going concern basis.

Fixed Assets : Fixed Assets are stated at cost less depreciation and any attributable cost for bringing the asset to working condition.

Revenue Recognition : All revenue income and expenditure are recognized on accrual concept of accounting.

Investments : Long Term Investments are valued at cost. Short Term Investments are valued cost or market value whichever is lower.

Depreciation : Depreciation on Fixed Assets of the company has been provided on straight-line method as per the rates specified in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

Reason for rise / fall in Total Income and Profit after Tax:

Increase in volume of Short Term Investments resulted in increase in Total Income during the financial years 2005-6 and 2006-7 compared to the previous years but there was a loss in the financial year 2005-6 on account of loss incurred on sale of investments.

f) The individual Acquirers Mr. K Bhaskara Reddy & Mrs. K Uma and Mr. Venkat S Meenavalli & Mrs. M Usha Rani are husband and wife.

g) The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and acting together under an informal understanding.

h) The compliances under Chapter II of the Regulations is not applicable to the Acquirers since they do not hold any shares of BSL except those agreed to be acquired in terms of present Agreement.

i) The details of the companies promoted by the Acquirers are given in the below para. However, none of these entities are participating/interested in this Offer.

Northgate Technologies Limited having registered office at Plot No. 1, 2nd Floor, JR Towers, Road No. 2, Banjara Hills, Hyderabad- 500 034, Tel No. 040-23544625 Fax No. 040- 23544628 was originally incorporated in the name & style of "Garden Cements Private Limited" on 11.6.1991 under the Companies Act, 1956 in the State of Rajasthan. The name of the company was subsequently changed to 'Garden Cements Limited' and a fresh Certificate of Incorporation consequent on Change of Name was obtained from Registrar of Companies, Rajasthan on 1.6.1992. The name of the company was further changed to Sigma Compsoft Technologies Limited and a fresh Certificate of Incorporation consequent on Change of Name was obtained from Registrar of Companies, Rajasthan on 9.2.2000. The registered office of the company was subsequently shifted from State of Rajasthan to the State of Andhra Pradesh and a fresh certificate of registration was obtained from Registrar of Companies, Andhra Pradesh on 12.6.2002. The name of the company was further changed to Northgate BPO Services Limited and a fresh Certificate of Incorporation consequent on Change of Name was obtained from Registrar of Companies, Andhra Pradesh on 2.12.2002. The name of the company was finally changed to Northgate Technologies Limited and a fresh Certificate of Incorporation consequent on Change of Name was obtained from Registrar of Companies, Andhra Pradesh on 28.9.2005.

The Authorised Capital of the company as on date, is Rs. 5000.00 Lakhs divided into 5,00,00,000 equity shares of Rs.10/- each. The Company is not a Sick Industrial Company. The shares of the company are listed on National Stock Exchange of India Limited and The

Hyderabad Stock Exchange Limited , Hyderabad, The Jaipur Stock Exchange Limited, Jaipur, The Ahmedabad Stock Exchange Limited, Ahmedabad, The Calcutta Stock Exchange Association Limited, Kolkata and The Delhi Stock Exchange Association Limited, Delhi and trading on the Bombay Stock Exchange Limited, Mumbai, under Indo next model. However, the equity shares of the company have been de-listed from Jaipur Stock Exchange Limited, Jaipur effective from January 09, 2008 vide letter No. JSEL/2008/80 dated 15.1.2008. The company is engaged in the areas of Information Technology Business.

Brief financials based on Audited Accounts for the last three years are given below:

(Amount – Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	1663.89	1396.75	1227.98
Reserve & Surplus	23438.01	7293.92	1073.14
Net Worth	**25101.90**	**8690.67**	**2301.12**
Total Income	8057.22	8191.81	5178.77
Profit After Tax (PAT)	5087.61	2414.18	720.44
Earnings Per Share (EPS) in Rs.	34.15	19.58	6.70
Net Asset Value (NAV) per share in Rs. (equity share of Rs.10/- each)	152.04	62.71	18.75

Source: Audited financial statements

Stampede Holdings Private Limited having registered office at SRT 766, Near Nehru Park, Sanathnagar, Hyderabad – 500 018 was incorporated on 5.4.2007 under the Companies Act, 1956 in the State of Andhra Pradesh.

The Authorized Capital of the company, as on date, is Rs.10.00 Lakhs divided into 1,00,000 equity shares of Rs.10/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange. The company is engaged in the business of investments, capital market activities, etc. Since this is the first year of operations, the audited accounts are yet to be prepared.

4.2. Disclosures in terms of regulation 16(ix) of the Regulations:

a) The Acquirers, by virtue of their managerial expertise and experience in the financial, capital markets and its related activities, intends to enter into the business of stock broking as well as other financial services such as investments, advisory services, distribution of financial products etc. The existing Object Clause of the Target Company includes inter-alia to carry on the business of shares and stock brokers/dealers, securities brokers/dealers, investment brokers/dealers and also other advisory services for Investment Counselling, Investment Planning etc. The acquisition of an existing listed company shall facilitate the Acquirers to induct a professional corporate structure in the business.

b) The Acquirers do not currently intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertakes not to sell, dispose off 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.

4.3 Future Plans / strategies of Acquirers with Regard to the Target Company:

1. The Acquirers, by virtue of their managerial expertise and experience in the financial, capital markets and its related activities, intends to enter into the business of stock broking subject to approval of NSE/SEBI and also intends to carry on other financial services such as investments, advisory services, distribution of financial products, etc. In case of denial of such approval by NSE/SEBI, the Acquirers will discontinue with stock broking activities and continue to carry on other activities as mentioned above and permitted by Object Clause of the Target Company. The acquisition of an existing listed company shall facilitate the Acquirers to induct a professional corporate structure in the business.

5. DISCLOSURE IN TERMS OF REGULATION 21(2)

Pursuant to the Open Offer (assuming full acceptance), the public shareholding in Target Company would not result in public shareholding falling below the limit specified in the listing agreement for the purpose of listing on a continuous basis. As per the listing agreement, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

6. BACKGROUND OF THE TARGET COMPANY- BSL

6.1. Brief History and Main Areas of Operations:

a) BSL was originally incorporated on 28th April,1995 in the name & style of 'Brilliant Securities Limited' and received the Certificate of Commencement of Business from Registrar of Companies, Andhra Pradesh on 16th May, 1995. The Registered Office of the company is presently situated at TGV Mansion, 6-2-1012, II Fl., Khairatabad, Hyderabad – 500 004.

b) The Authorised Share Capital of the company is Rs. 550.00 Lakhs comprising of 55,00,000 equity shares of Rs. 10/- each and the Issued , Subscribed & Paid-up Share Capital is Rs. 510.73 Lakhs comprising of 51,07,300 equity shares of Rs. 10/- each.

c) There are no partly paid-up equity shares. There are no shares under lock-in period.

d) Presently the company is the corporate member of the National Stock Exchange of India Limited with registration No. INB230854633 vide certificate dated January 12, 1996 and is carrying on the stock broking and Investments activities.

e) The equity shares of BSL are listed on Bombay Stock Exchange Limited, Mumbai (BSE), The Hyderabad Stock Exchange Limited, Hyderabad (HSE), Bangalore Stock Exchange Limited, Bangalore (BgSE) and Ahmedabad Stock Exchange (ASE). However, the recognition granted to HSE has been withdrawn by SEBI with effect from August 29, 2007. The company has applied for delisting of its shares from BgSE and ASE. The Bangalore Stock Exchange has given its approval for delisting of shares of the company vide letter no. 03/2008/526 dated 30.1.2008 and approval for delisting is awaited from ASE.

f) The company came out with its maiden Public Issue in the year 1996 to part finance the Company's project under implementation for activities like OTC/NSE operations, Stock Broking, Investment in Securities, to meet the long term working capital requirement, etc.

6.2 Share Capital Structure of BSL:

Paid-up Equity Shares	No. of Shares/Voting Rights	% Shares/Voting Rights
Fully Paid-up Equity shares	51,07,300/51,07,300	100%/ 100%
Partly Paid-up Equity shares	Nil/Nil	Nil/Nil
Total paid-up Equity shares	51,07,300/51,07,300	100%/ 100%

6.3 Current Capital Structure of the Company:

Date of Allotment	No and % of Shares Issued		Cumulative Paid-Up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance
	No.	%				
28.04.1995	700	0.01%	7,000	Subscription to Memorandum	Subscribers to Memorandum	Complied
20.07.1995	9,99,300	19.57%	1,00,00,000	Further Issue	Promoters/ Others	Complied
21.09.1995	3,25,000	6.36%	1,32,50,000	Further Issue	Promoters/ Others	Complied
25.04.1996	37,82,300	74.06%	5,10,73,000	Public Issue	Public	Complied
TOTAL	**51,07,300**	**100.00**				

6.4 There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity shares at any later date.

6.5 The Target Company has been complying with the applicable clauses of the Listing Agreement entered into with the Stock Exchange and no punitive action was taken against the company by any of the stock exchange. BSL has paid up to date Listing Fees to the stock exchanges, and the Company has addressed all investor's complaints as and when received and there is no pending complaint as on date.

6.6 Present Composition of the Board of Directors of BSL:

As on date of PA [January 23, 2008], the Directors on the Board of BSL were:

S. No	Name	Address	Qualification	Experience	Date of Appointment
1	Mr.TG Bharath	40/417, Eswar Nagar, Kurnool – 518004	Commerce graduate	▪ Over 12 years experience in the field of administration and marketing	30.10.2000
2	Mr. KP Sharma	24-4-15/2, Vishnupuri, Malkajgiri Rangareddy – 500 047	Post Graduation in HR profession from a premier institute	▪ Over 25 years experience in several public sector undertakings. ▪ Worked as Personnel Manager in ITC ▪ Worked as General Manager in HMT ▪ Held the position of Vice President in several Private Sectors.	27.08.2001
3	Mr. E Tirupal Babu	D. No. 40-372-A Vidyanagar, Kurnool – 518 004	B.Sc Micro Biology	▪ Good experience in the field of Administration, Marketting induction of corporate related software technology, ▪ Govt. liason for appraisal and reappraisal of various power related projects.	30.10.2007
4	A Veerbhadra Rao	73-16-1, Sridevi Nilayam, Srinivasa Gardens, AV Appa Rao Road, Rajahmundry.	Graduate from Andhra University and DIFAT (alcohol Technology) from National Sugar Institute Kanpur	▪ Over 29 years of rich experience in Distilleries. ▪ He is the Executive Director of Bio Ethanol India Limited	19.1.2008
5	Mr. D.V.S.S. Laxminarayana	Plot No.358, Mithila Nagar, Road No.10, Banjara Hills, Hyderabad-500 034	Graduate in Civil Engg.	▪ Over 10 years of Experience in various business segments. ▪ Promoter Director of Shirdi Sai Power Projects (P) Ltd.	19.1.2008

None of the above Directors are representing the Acquirers

6.7 The Shares of BSL were traded on BSE on January 23, 2008 i.e. the date of PA.

6.8 There has been no merger / de-merger or spin off involving BSL in the past three years.

6.9 The Promoters / Sellers have complied with the regulation 6(1), 6(3), 8(1) & 8(2) of SEBI (SAST) Regulations, 1997. However, the Promoters / Sellers have not complied with regulation 7(1A) for acquisitions made on 23.02.2002, 18.03.2002 & 22.06.2006 and sales made on 18.03.2002, 22.06.2006, 12.12.2007, 19.12.2007, 31.12.2007 & 12.01.2008 respectively. However, the Promoters have complied under insider trading regulations for the sales made on the above dates. The Target Company has submitted the necessary documents with Stock Exchange(s) under SEBI Regularization Scheme, 2002 for the disclosures under regulation 6(2) & 6(4) of the Regulations for the year 1997 and regulation 8(3) of the Regulations for the year 1998 to 2002 vide their letter dated March 31, 2003 along with a fee of Rs. 20,000.Thereafter, the Target Company is regular in compliance with regulation 8(3) for the years 2003 to 2007. The Promoters have triggered the Takeover Code and accordingly violated regulation 11 for acquisitions made on 23.02.2002 (5,87,100 shares - 11.50%), on 18.03.2002 (11,14,100 shares - 21.81%) and on 22.06.2006 (2,00,300 shares - 3.92%). SEBI may initiate appropriate action for non-compliance of the Regulations by the Promoters. There are no major Shareholders holding more than 15% of the voting capital of the BSL in the public category who require compliances as per Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

6.10 Financial Information:

Brief audited financials of BSL for the last 3 Years and un-audited but certified financials for the period ended 31.12.2007 are as follows:

Profit & Loss Statement

(Rs. in Lakhs)

For the Year/period ended	31.12.2007 (Certified)	31.03.2007 (Audited)	31.03.2006 (Audited)	31.03.2005 (Audited)
Income	58.00	112.67	144.45	157.57
Other Income	8.24	11.14	13.17	5.77
Total Income	**66.24**	**123.81**	**157.62**	**163.34**
Total Expenditure	185.86	116.29	142.94	151.04
Profit/(Loss) before Interest, Dep.& Tax	-119.62	7.52	14.68	12.30
Interest	0.00	3.06	6.29	4.53
Depreciation	3.24	4.36	5.75	6.55
Profit/(Loss) before Tax	**-122.86**	**0.10**	**2.64**	**1.22**
Profit/(Loss) after Tax	**-122.86**	**0.10**	**2.64**	**1.22**
Income Tax Refund relating to earlier years	--	0.45	--	--
Fringe Benefit Tax	--	0.22	0.40	--
Provision for diminution in the value of Investments	--	167.71	--	9.90

Balance SheetStatement

(Rs. in Lakhs)

As at	31.12.2007 (Certified)	31.03.2007 (Audited)	31.03.2006 (Audited)	31.03.2005 (Audited)
Sources of Funds:				
Share Capital	510.73	510.73	510.73	510.73
Profit and Loss A/c (Debit Balance)	(341.78)	(202.95)	(35.56)	(37.81)
Net worth	**168.95**	**307.78**	**475.17**	**472.92**
Unsecured Loans	11.12	13.92	21.36	17.38
Total	**180.07**	**321.70**	**496.53**	**490.30**
Application of Funds:				
Net Fixed Assets	12.67	15.22	18.73	23.82
Investments	0.00	98.14	265.85	305.85
Net Current Assets	167.40	208.34	211.95	160.63
Total	**180.07**	**321.70**	**496.53**	**490.30**

Other Financial Data

For year ended	31.03.2007	31.03.2006	31.03.2005
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	0.002	0.05	0.02
Return on Net worth (%)	0.03	0.56%	0.25%
Book Value per share (Rs.)	6.03	9.30	9.26

Source: Annual Reports

Details of Unsecured Loans

Sr. No.	Particulars	Address	Amount
1	T.S. Siddanthi (Client)	D.No.154-59 Vayupuri, Secunderabad Andhra Pradesh, India.	11,12,000.00
	Total		**11,12,000.00**

Note:
Networth = Equity Share Capital + Reserves and Surplus -Misc. Expenses – Profit & Loss Account (debit balance)
EPS = Profit after Tax / No. of shares outstanding
Return on Net Worth = Profit after Tax / Net Worth
Book Value per Share = Net Worth / No. of shares outstanding

Reason for rise / fall in Total Income and Profit after Tax:

The decrease in Total Income in the year 2005-2006 over the previous year was on account of fall in the broking business of the company but since there was overall cost control in place, there was increase in the net profit.

The decrease in Total Income in the year 2006-2007 over the previous year is on account of fall in the broking business of the company. This decrease in income lead to decrease in Net Profit.

6.11 Pre and Post-Offer Shareholding Pattern of BSL (Based on Voting Capital):

Shareholders' Category	Shareholding & Voting Rights prior to the Agreement(s)/ Acquisition and Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement	21,75,200	42.59	(21,75,200)	(42.59)	Nil	Nil	Nil	Nil
b) Promoters other than (a) above	1,86,400	3.65	Nil	Nil	Nil	Nil	1,86,400	3.65
Total (a+b)	**23,61,600**	**46.24**	**(21,75,200)**	**(42.59)**	**Nil**	**Nil**	**Nil***	**Nil***
2. Acquirers								
a) Mr. K. Bhaskara Reddy			5,00,200	9.79				
b) Mrs. K Uma			2,00,000	3.92				
c) Mr. Venkat S. Meenavalli			7,75,000	15.17				
d) Mrs. M. Usha Rani	Nil	Nil			10,21,460	20.00	31,96,660	62.59
e) KBR Holdings Private			6,00,000	11.75				
Limited			1,00,000	1.96				
Total (a+b)	**Nil**	**Nil**	**21,75,200**	**42.59**	**10,21,460**	**20.00**	**31,96,660**	**62.59**

3. Parties to Agreement Other than (1) (a) & (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Public (Other than Promoters, Acquirers)								
a. FIs/MFs/FIIs/Banks, SFIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Others	27,45,700	53.76	Nil	Nil	(10,21,460)	(20.00)	19,10,640*	37.41*
Total (a+b)	**27,45,700**	**53.76**	**Nil**	**Nil**	**(10,21,460)**	**(20.00)**	**19,10,640***	**37.41***
GRAND TOTAL (1+2+3+4)	**51,07,300**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**51,07,300**	**100.00**

*****The holdings of erstwhile Promoter Group have been included in the public category after the completion of Offer formalities.

6.12 There are 708 equity shareholders under Public category as on 31.12.2007.

6.13 The Company is complying with Clause 49 of the Listing Agreement on Corporate Governance.

6.14 As per the Balance Sheet as at 31st March, 2007 Contingent Liability is as follows:

a. Bank Guarantee in favour of National Securities Clearing Corporation Limited for Rs. 25 Lakhs against the cash deposit of Rs.8.50 Lakhs and hence there is a contingent liability of Rs. 16.50 Lakhs

b. Disputed Income Tax Liability of Rs. 3,48,703/- against which the company filed an appeal. The Income Tax Appellate Tribunal vide its Order No. 156/Hyd/2004 dated 13.07.2007 passed an order setting aside the Orders of the Lower Authorities & allowing the claim of the Assessee. Subsequently, Consequential Order No. F. No. 8-870/W-1(1)/2001-02 dated 31.3.2008 was passed u/s 143 (3) by the Income Tax Officer granting the refund.

6.15 Name and Contact details of the Compliance Officer:
Mr. G. Sunil Kumar
6-2-1012, 1st Floor, TGV Mansion, Khairatabad, Hyderabad – 500 004
Tel. No: 040-5566 0738

6.16 The changes in the shareholdings of the present Promoter Group is as under :

Date	Mode of Purchase /Sale	No. of Shares acquired	No. of Shares Sold	% to the Paid-up Shares	Cumulative	% to the Paid-up Shares	Status of Compliance
20.02.1997	Opening	-	-	-	2464000	48.24	Reported under SEBI Regularization Scheme
23.02.2002	Off Market	587100	-	11.50	3051100	59.74	Not Complied u/r 7(1A) and u/r 11
18.03.2002	Off Market	-	400000	7.83	2651100	51.91	Not Complied u/r 7(1A)
18.03.2002	Off Market	1114100	-	21.81	3765200	73.72	Not Complied u/r 7(1A) and u/r 11
22.06.2006	Off Market	-	150700	2.95	3614500	70.77	Not Complied u/r 7(1A)
22.06.2006	Off Market	200300	-	3.92	3814800	74.69	Not Complied u/r 7(1A) and u/r 11
12.12.2007	Off Market	-	364800	7.14	3450000	67.55	Complied under insider trading regulation but not complied u/r 7(1A)
19.12.2007	Off Market	-	417500	8.17	3032500	59.38	Complied under insider trading regulation but not complied u/r 7(1A)

31.12.2007	Off Market	-	171000	3.35	2861500	56.03	Complied under insider trading regulation but not complied u/r 7(1A)
12.01.2008	Off Market	-	499900	9.79	2361600	46.24	Complied under insider trading regulation but not complied u/r 7(1A)

SEBI may initiate appropriate action for non-compliance of the regulation 7(1A) & 11 of the Regulations against the Promoters.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. Justification of Offer Price:

1. The equity shares of BSL are listed on Bombay Stock Exchange Limited, Mumbai (BSE), The Hyderabad Stock Exchange Limited, Hyderabad (HSE), Bangalore Stock Exchange Limited, Bangalore (BgSE) and Ahmedabad Stock Exchange Limited (ASE). However, the recognition granted to HSE has been withdrawn by SEBI with effect from August 29, 2007. The company has applied for delisting of its shares from BgSE and ASE. Bangalore Stock Exchange has given its approval for delisting of shares of the company vide letter no. 03/2008/526 dated 30.1.2008 and approval for delisting is awaited from ASE. The shares of the company are not traded on any other Stock Exchanges under Permitted Category.

2. The annualized trading turnover during the preceding 6 calendar months prior to the month in which PA is made i.e. July 2007 to December 2007 (both Inclusive) at the Stock Exchange(s) is as under: -

Name of Stock Exchange	Total No. of Shares traded during 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	1,10,323	51,07,300	4.32
ASE	Nil	51,07,300	Nil
BgSE	Nil	51,07,300	Nil

(Source: www.bseindia.com)

Based on the information available, the shares of BSL are deemed to be infrequently traded on in terms of Explanation (i) to regulation 20(5) of the Regulations and hence, the Offer Price has been determined taking into account the following parameters:

a)	Negotiated Price under the Agreement	:	Rs. 12.19/- per share
b)	Highest price paid by 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 PA	:	Not Applicable
	Other Parameters based on the Audited Accounts for the year ended 31.03.2007		
	Book Value per Equity Share (Rs.)	:	6.03
	Earnings Per Equity Share (Rs.)	:	0.002
	Return on Net worth (%)	:	0.03
	Price/Earnings Ratio (considering the Offer Price of Rs. 109/- per share)	:	5450.00
	The average industry P/E for the sector in which BSL operates *(Source: Capital Market, Volume XXII / 22-, Dated Dec31, 2007 – Jan13, 2008 , 2007; Industry:-Finance & Investments)*	:	45.40

3. In the opinion of the Acquirers and Manager to the Offer, considering sharp upward movements in the share price of BSL, the Offer Price of Rs. 109/- (Rupees One Hundred and Nine only) per share is justified in terms of regulation 20 (11) of the Regulations.

4. Upon the acquisition of 5,87,100 shares by the Promoters on 23.2.2002, 11,14,100 shares on 18.3.2002 and 2,00,300 shares on 22.6.2006, the provisions of regulation 11 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ('Regulations') were triggered. In terms of the Regulations, the Acquirers (Promoters) were required to make a Public Announcement to acquire shares in accordance with the Regulations.

   At that time, based on the information available, the shares of BSL were infrequently traded in terms of Explanation (i) to regulation 20(5) of the Regulations and working of offer price is mentioned below:

   a. In case of acquisition made on 23.02.2002, the Offer Price works out to Rs. 16.22 [in terms of regulation 20 of the Regulations [Rs. 10.03/- + interest of Rs. 6.19 /- @ 10% from May 23, 2002 (90 days from the date of triggering of Open Offer) till July 23, 2008 (Date of acceptance / rejection and the payment for the acquired shares]

   b. In case of acquisition made on 18.03.2002, the 'Offer Price' works out to Rs.16.16 [in terms of regulation 20 of the Regulations Rs. 10.03/- + interest of Rs. 6.13 @ 10% from June 16, 2002 (90 days from the date of triggering of Open Offer) till July 23, 2008 (Date of acceptance / rejection and the payment for the acquired shares]

   c. In case of acquisition made on 22.6.2006, the 'Offer Price' works out to Rs. 11.84 [in terms of regulation 20 of the Regulations Rs. 10/- + interest of Rs. 1.84 @ 10% from September 20, 2006 (90 days from the date of triggering of Open Offer) till July 23, 2008 (Date of acceptance / rejection and the payment for the acquired shares].

   Now, the open offer is given at a Price of Rs.109 /- per share, which is higher than the 'Offer Price' worked out in above cases.

   SEBI may initiate appropriate action for non-compliance of the regulation 7(1A) & 11 of the Regulations against the Promoters.

5. If the Acquirers acquire shares after the PA and upto seven working days prior to closure of the Offer at a price higher than the Offer Price, the highest price paid for such acquisitions shall be payable for all the acceptances received under this Offer as per the Regulation 20(4) of the SEBI (SAST) Regulations, 1997. Any revision in the Offer Price shall be notified by advertisement in the same newspapers in which the Public Announcement dated January 23, 2008 (Wednesday) appeared.

6. The Acquirers have not entered into any separate non-compete agreement with the sellers. There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made to the Acquirers as non-compete fee.

7.2. Financial Arrangements:

1. The total fund requirement for the Offer assuming full acceptance of the Offer would be Rs. 11,13,39,140/- (Rupees Eleven Crores Thirteen Lakhs Thirty Nine Thousand One Hundred Forty only). (i.e. 10,21,460 fully paid up equity shares of Rs. 10/- each at a price of Rs. 109/- per share).

2. In accordance with the provisions of regulation 28 of the Regulations, the Acquirers have created an escrow in the form of cash deposit of Rs. 2,80,00,000/- (Rupees Two Crores Eighty Lakh only) in the Account Number 0600350047158 opened with HDFC Bank Limited, Maneckji Wadia Building, Ground Floor, Nanik Motwane Marg, Fort, Mumbai–400 023 Tel.: 022-66573535; Fax: 022-22705520 (Escrow Account). The amount placed in the Escrow Account is more than 25% of the maximum consideration payable under the offer. The Manager to the Offer is authorised to operate and realise the value of the Escrow Account in terms of the Regulations and accordingly HDFC Bank Limited have issued a Letter dated January 22, 2008 in favour of Manager to the Offer confirming the same.

3. The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own Networth and no borrowings from any Bank and/or Financial Institutions are envisaged. Shri G. Purnachandra Rao (Membership No. 023024.) Proprietor of M/s. G.P. Rao & Co., Chartered Accountants, having office at having office at 303, 3rd Floor, Silver Oaks Complex, Masab Tank, Hyderabad-500 028; Tel No.:040-2331 0490 vide certificate dated January 21, 2008 have confirmed that the Acquirers have adequate resources to implement the Offer in full.

4. The details of the liquid resources available with the individual Acquirers, out of their networth as on 21.01.2008, is as under:

S. No.	Particulars of Liquid Resources	Mr. K Bhaskara Reddy (Amount Rs. in Lakhs)	Mrs. K. Uma (Amount Rs. in Lakhs)	Mr. Venkat S. Meenavalli (Amount Rs. in Lakhs	Mrs. M. Usha Rani (Amount Rs. in Lakhs	Grand Total (Amount Rs. in Lakhs)
a.	Investment in Shares	10184.27	7411.76	19840.37	19746.06	57182.47
b.	Gold Ornaments	1.52	18.55	5.33	20.60	46.00
c.	Loans	10.00	85.00	--	--	95.00
d.	Advance for Land	2.85	9.31	--	--	12.16
e.	Cash & Bank Balance	2.94	3.24	7.90	3.06	17.14
	Less: Liabilities	96.85	43.00	568.88	118.33	827.06
	Total	**10104.73**	**7484.86**	**19284.71**	**19651.39**	**56525.69**

5. Based on the above, the Manager to the Offer is satisfied that the Acquirers has the ability to implement the Offer in accordance with the Regulations and firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF THE OFFER

1. The proposed offer is subject to approval from SEBI under Regulation 6A(1)(C) of the SEBI (Stock Brokers & Sub-Brokers) Regulations 1992 regarding change in control of the Target Company. In this regard, the Target Company has submitted necessary application through The National Stock Exchange of India Limited (NSE) for approval of change in control on 31.3.2008, and the approval is awaited from NSE/SEBI. In case of denial of such approval by NSE/SEBI, the Acquirers will discontinue with stock broking activities and continue to carry on other activities as permitted by Object Clause of the Target Company.

2. This Offer is being made to all the equity shareholders of BSL (other than parties to the Agreement) whose names appear on the Register of Members of BSL or on the beneficial records of the respective depositories at the close of business hours on February 2, 2008 (Saturday) ['Specified date'] and to also those persons, who own the equity shares at any time prior to closure of the Offer, but are not registered shareholders.

3. The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum- Acknowledgement ("Form of Acceptance"), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form only) is being mailed to those shareholders of BSL whose names appear on the Register of Members of BSL at the close of business hours on February 2, 2008 (Saturday) ('Specified Date'). Owners of equity shares at any time prior to the closure of the Offer but not registered as shareholder(s) are also eligible

to participate in the Offer. No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will be mailed to the parties to the Agreement.

4. All owners of the shares, Registered or Unregistered (except the parties to the Agreement) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer.

5. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. A copy of the letter of offer (including Form of Acceptance) is expected to be available on SEBI's Website (http://www.sebi.gov.in) during the period the offer is open and may also be downloaded from the website for participating in the Offer.

6. None of the Shares of BSL as on date are under lock-in.

7. Attention of the shareholders is invited to the fact that the Letter of Offer along with the form of Acceptance would also be available on the SEBI web site at www.sebi.gov.in and eligible persons may download the Form of Acceptance cum Acknowledgement from the website for participating in the offer.

8. In case the number of shares validly tendered in the Offer by the shareholders of BSL are more than the shares to be acquired under the Offer (i.e. 10,21,460 equity shares) then the acquisition of the shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis subject to a minimum of 100 shares or the entire holding if less than 100 shares in case of physical mode from each shareholder accepting this Offer, as per the provisions of the Regulations. Incase, the equity shares of BSL are surrendered in dematerialized mode, minimum marketable lot is one (1) equity share only. The rejected applications/ documents will be sent by Registered Post.

9. The payment of acquisition of shares will be made by the Acquirers in Cash through a crossed Demand Draft/Pay Order to the equity Share holders of BSL whose equity share certificates and other documents are found in order and accepted, with in 15 Days from the date of Closing of the Offer. The Acquirers undertakes to pay interest pursuant to Regulation 22 (12) to the shareholders for the delay, if any, in payment of consideration.

10. The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders, if any.

11. No other statutory approvals are required to acquire the shares that are tendered pursuant to the Offer.

12. In case of non-receipt of statutory approvals within time, SEBI has a power to grant extension of time to Acquirers for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirers agreeing to pay interest as directed by SEBI under Regulation 22(12) of the Regulations.

13. The form of Acceptance along with Share Certificate (s) and other documents delivered as per the requirements mentioned above, shall become acceptance on your part, but will become a fully valid and binding contract between you and the Acquirers only upon the fulfillment of all the conditions mentioned herein.

14. Equity Shares tendered in the Offer by the Shareholders of BSL shall be free from lien, charges and encumbrances of any kind whatsoever.

15. Equity Shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of BSL may be precluded from transferring the equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares tendered under the offer prior to the date of closure of the offer.

16. As per the provisions of Section 196D(2) of the Income Tax Act, 1961 ('Income Tax Act'), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ('FII') as defined in section 115 AD of the Income Tax Act. However, while tendering their Equity Shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate (NOC) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.

17. The consideration to those shareholders whose Shares or share certificates and /or other documents are found complete, valid and in order and accepted by Acquirers in part or in full will be made within 15 Days from the date of closing of the Offer. The Acquirers undertake to pay interest pursuant to regulation 22(12) to the shareholders for the delay, if any, in payment of consideration. The consideration will be paid by crossed account payee cheques/demand drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity Shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. All despatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

1. Shareholders who hold the shares of BSL and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and Transfer Deed(s) duly signed to the Registrars to the Offer, **Venture Capital and Corporate Investments Private Limited** at their office mentioned below, so as to reach on or before the closure of the Offer, i.e. July 8, 2008 (Tuesday), in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

Name & Address	Contact Person	Mode of Delivery
Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharatnagar, Hyderabad-500 018;	Mr. ESK Prasad	Hand Delivery Registered Post / Speed Post

The documents can be tendered at any of the above centre between Monday to Friday from 10.30 am to 1.00 pm and 2.00 pm to 4.00 pm and on Saturdays from 10.00 am to 2.00 pm. The Registrars to the Offer will be closed on Sundays and other Public Holidays.

The equity shareholders who cannot hand deliver their documents at the address referred to above may send the same by registered post/ speed post, at their own risk, to the Registrar to the Offer at their office at Mumbai, so as to reach their office on or before the closure of the Offer i.e. July 8, 2008 (Tuesday).

2. Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other relevant documents are complete in all respects; otherwise the same is liable to be rejected. In the case of demated Shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account before the closure of the Offer. The form of acceptance cum Acknowledgement of such demated shares not credited in favour of the special depository account before the closure of the Offer will be rejected.

3. Shareholders who wish to tender their shares under this offer should enclose the following documents duly completed:

a) For Equity Shares held in Physical Form:

Registered Shareholders should enclose:

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share Certificate(s).
- **Original Share Certificate(s).**
- Valid share Transfer Deed / 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 BSL and duly witnessed at the appropriate place.

Unregistered Shareholders should enclose:

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, or application on plain paper.
- **Original share certificate(s).**
- **Original broker contract note.**
- **Valid share Transfer Deed / Form(s)** as received from market.

The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested, if the signature(s) of the transferor(s) differs from the Specimen signature(s) recorded with BSL or are not in the same order, such shares are liable to be rejected under the open offer even if the Offer has been accepted by bonafide owner of such shares.

b) **For Equity shares held in Demat form: -**

The Registrar to the Offer has opened a Special Depository Account with Stock Holding corporation of India Limited, (Registered with NSDL), styled 'VCCIPL - ESCROW ACCOUNT - BSL OPEN OFFER". The DP ID is IN 301022 and Client ID is 21432339 whose details are as under: -

DP Name:	Stock Holding corporation of India Limited
DP ID Number:	IN301022
Client ID Number:	21432339
ISIN	INE224E01010
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

Shareholders having their beneficiary account in CDSL have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account.

Beneficial Owners should enclose:

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

- **Photocopy of the delivery instruction** in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by DP in favour of the special depository account.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. All beneficial owners maintaining accounts with CDSL are required to fill in an additional inter depository slip, maintained with the DP while giving instructions to their respective DPs.

In case of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

4. 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, failing which, the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
   i. Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired. In case succession certificate has not been obtained, the legal heir may approach the registrar.
   ii. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
   iii. No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
   iv. In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

5. The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above. **They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.**

6. In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer i.e. July 8, 2008 (Tuesday), No indemnity is required from the unregistered owners.

   Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

   Shareholders of BSL who have sent their equity shares for transfer should submit, Form of Acceptance duly completed and signed, copy of the letter sent to BSL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form.

   The eligible persons can write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Closure of the Offer.

   Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website at www.sebi.gov.in from the date of opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply in the same.

7. Non resident shareholders should also enclose copy of permission received from RBI for the shares held by them in BSL 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 Acquirers before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.

8. The equity shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of the Closure of the Offer i.e. on or before July 3, 2008 (Thursday). The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, so as to reach them on or before July 3, 2008 (Thursday). In case of non-receipt of 'Form of Withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the following details:
   a) **In case of Physical Shares:** Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and shares withdrawn by the shareholders would be returned by the Registered post.
   b) **In case of Dematerialised Shares:** Name, Address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP in favour of the Special Depository Account.

   Shares [Physical /Dematerialised form] withdrawn by the shareholders would be returned by the Registered post.

   The form of Withdrawal can also be downloaded from SEBI's website www.sebi.gov.in or obtained from the Manager/ Registrar to the Offer.

9. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Transfer Deed(s), Shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

10. Unaccepted Share Certificate(s), transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Manager to the Offer, **Ashika Capital Limited**, 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400 021, on any working day between 10.00 A.M. to 2.00 P.M. during the period the Offer is open i.e., from June 19, 2008 (Thursday) to July 8, 2008 (Tuesday):

i) Copy of Share Purchase Agreement executed between Acquirers & Sellers dated January 21, 2008, which triggered off the Offer.
ii) Memorandum & Articles of Association of BSL along with Certificate of Incorporation.
iii) Copy of Prospectus of BSL dated 9.2.1996
iv) Audited results of BSL for the financial years ended 31.03.2005, 31.03.2006 and 31.03.2007.
v) Unaudited but certified financials of BSL for the period ending 31.12.2007
vi) Audited results of KBR for the financial years ended 31.03.2005, 31.03.2006 and 31.03.2007.
vii) Unaudited but certified financials of KBR for the period ending 31.12.2007
viii) Memorandum & Articles of Association of KBR along with Certificate of Incorporation.
ix) Memorandum & Articles of Association along with Certificate of Incorporation and Audited Annual Reports for the relevant years of the companies promoted by the Acquirers.
x) Chartered Accountant's Certificate (s) dated 21.1.2008 certifying the Net worth of the Acquirers.
xi) Chartered Accountant's Certificate dated 21.1.2008 certifying the adequacy of financial resources with Acquirers to fulfill the Open Offer obligations.
xii) Letter from HDFC Bank Ltd. dated January 22, 2008 confirming the amount kept in an escrow account and empowering the Manager to the Offer in accordance with the Regulations.

xiii) Copy of confirmation regarding opening of Special Depository Account in the name and style of VCCIPL - ESCROW ACCOUNT - BSL OPEN OFFER".

xiv) Published copies of the Public Announcement made on January 23, 2008 and Corrigendum to PA made on June 11, 2008.

xv) Copy of the Letter No. CFD/DCR/TO/SKM/127626/08 dated June 04, 2008 from SEBI in terms of Provisions of regulation 18(2).1

xvi) Other relevant documents such as:

a. Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer dated January 21, 2008.

b. Copy of consent letter from Registrar dated January 22, 2008 for acting as registrar to the issue.

c. Copies of undertakings from Target Company and the Acquirers.

11. DECLARATION BY THE ACQUIRERS

The Acquirers and Directors of KBR Holdings Private Limited accept full responsibility severally and jointly for the information contained in PA made in this regard, Letter of Offer and also for the obligations of the Acquirer as laid down in SEBI (SAST) Regulations 1997 and subsequent amendments thereof.

The Manager to the Offer hereby states that the persons signing this Letter of Offer is one of the Acquirer signing for himself and on behalf of other Acquirers.

Signed and Delivered for myself and other Acquirers

K Bhaskara Reddy
(Holder of Constituted Power of Attorney)

Place: Hyderabad

Date: June 13, 2008.

Attached: Form of Acceptance cum Acknowledgement and Withdrawal

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Date:

From:

Tel.: Fax: E-mail:

To
Venture Capital and Corporate Investments Private Limited,
(Unit:-Brilliant Securities Limited-Open Offer)
12-10-167, Bharatnagar,
Hyderabad-500 018;

Dear Sir,

Sub: Open Offer to acquire upto 10,21,460 fully paid-up equity shares of Rs. 10/- each at a price of Rs.109/- per share, representing 20% of voting capital of BSL by Mr. K. Bhaskara Reddy, Mrs. K. Uma, Mr. Venkat S. Meenavalli, Mrs. M. Usha Rani and KBR Holdings Private Limited (collectively referred to as 'Acquirers')

I/We refer to the Letter of Offer dated June 13, 2008 for acquiring the equity shares held by me/us in **Brilliant Securities Limited**.

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

For Shares in Physical Form

I/We hereby irrevocably & unconditionally 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:

Sl. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
Total No. of Shares					

(In case the space provided is inadequate, please attach a separate sheet with the details)

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirers dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

For Shares held in Demat Form:

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

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

I/We have executed an "Off-Market" transaction for crediting the shares via

- ☐ A delivery instruction from my account with NSDL
- ☐ An inter-depository delivery instruction from my account with CDSL

to the Special Depository Account named "VCCIPL - ESCROW ACCOUNT - BSL OPEN OFFER " with the following particulars:

DP Name:	Stock Holding corporation of India Limited
DP ID Number:	IN301022
Client ID Number:	21432339
ISIN	INE224E01010
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

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

I/We confirm that the equity shares of, **Brilliant Securities 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 Acquirers to accept the shares so offered which it 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 Acquirers to return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UPC as may be applicable at my/our risk, the draft/cheque, 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 Acquirers 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 Acquirers 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 Acquirers 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 NAME (S)	SIGNATURE (S)
First/sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder: ____

____

Place: __________________ Date: ____________________

Note: In case of joint holding, all must sign. A Company must affix the common seal and furnish its corporate authorizations.

So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of bank account of the first/sole shareholder and the cheque or demand draft for the consideration will be drawn accordingly.

Name of the Bank: ______________________________ Branch: ________________________

Account Number: ___________________ Savings/Current/Others (please specify) ___________

---TEAR HERE---

S. No. **(Acknowledgement Slip)**

Venture Capital and Corporate Investments Private Limited,
(Unit:-Brilliant Securities Limited-Open Offer)
12-10-167, Bharatnagar,Hyderabad-500 018;
Tel.:040- 23818475; Fax: 040-23868024;E-mail: info@vccindia.com.

Received from Mr./Ms/Smt.:________________________________

Address:____

Folio Number__________ DP ID________ Client ID________
Number of Share Certificates Enclosed _____________
Certificate Numbers _________

Total Number of Shares Enclosed: ______

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

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

THIS PAGE IS INTENTIONALLY LEFT BLANK

PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to the Offer any time upto three working days prior to the date of closure of Offer i.e. on or before July 3, 2008 (Thursday). In case you wish to withdraw your acceptance please use this form.	**OFFER SCHEDULE** **Offer Opens on :June 19, 2008 (Thursday)** **Last Date of Withdrawal : July 3, 2008 (Thursday)** **Offer Closes on :July 8, 2008 (Tuesday)**

Please read the Instructions in Letter of Offer before filling-in this Form of Withdrawal

From:

Tel.: Fax: E-mail:

To
Venture Capital and Corporate Investments Private Limited,
(Unit:-Brilliant Securities Limited-Open Offer)
12-10-167, Bharatnagar,Hyderabad-500 018;

Dear Sir,

Sub: Open Offer to acquire upto 10,21,460 fully paid-up equity shares of Rs. 10/- each at a price of Rs. 109/- per share, representing 20% of voting capital of BSL by Mr. K. Bhaskara Reddy, Mrs. K. Uma, Mr. Venkat S. Meenavalli, Mrs. M. Usha Rani and KBR Holdings Private Limited (collectively referred to as 'Acquirers')

I/We refer to the Letter of Offer dated June 13, 2008 for acquiring the equity shares held by me/us in **Brilliant Securities 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 Acquirers to return to me / us, the tendered 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 Acquirers / Manager to the Offer / Registrar to the Offer.

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. **July 3, 2008 (Thursday)**.

I / We note the Acquirers / 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 and also for the non receipt of shares held in the dematerialized form in the DP Account due to inaccurate / incomplete particulars/ instructions.

I/we also note and understand that the Acquirers will return the original share certificate(s) share transfer deed(s) / shares in dematerialized form only on completion of verification of the documents, signatures and beneficiary position as available with the depositories from time to time .

For Shares held in Physical Form:
The particulars of tendered original Share Certificate(s) and duly signed Transfer Deed(s) are detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
Total No. of Shares					

(In case the space provided is inadequate, please attach a separate sheet with the details)

For Shares held in Demat Form:

I / We hold the shares in dematerialized form and had executed an 'Off-Market' transaction for crediting the shares to the 'VCCIPL - ESCROW ACCOUNT - BSL OPEN OFFER ' as per the following particulars:

DP Name:	Stock Holding corporation of India Limited
DP ID Number:	IN301022
Client ID Number:	21432339
ISIN	INE224E01010
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

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

I / We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.

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

In case of dematerialized shares, I / we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,
Signed and Delivered:

	Full Name of the Shareholders	Address	Signature
First/sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Address of First/Sole Shareholder:____

____

Note: In case of joint holding, all must sign. A Company must affix the common seal and furnish its corporate authorizations.

Place:__________________ Date:____________________

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before 17.00 hours upto the last date of withdrawal i.e. **July 3, 2008 (Thursday).**

2. Shareholders should enclose the following:-

   Registered Shareholders should enclose:
   - Duly signed and completed Form of Withdrawal.
   - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
   - In case of partial withdrawal, 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 Target Company and duly witnessed at the appropriate place.

   Unregistered owners should enclose:
   - Duly signed and completed Form of Withdrawal.
   - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
   - The withdrawal of Shares will be available only for the Share certificates that have been received by the Registrar to the Offer.
   - The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company.
   - The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
   - In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from BSL. The facility of partial withdrawal is available only on to the registered shareholders.

---TEAR HERE---

S. No. **(Acknowledgement Slip)**

Venture Capital and Corporate Investments Private Limited,
(Unit:-Brilliant Securities Limited-Open Offer)
12-10-167, Bharatnagar,Hyderabad-500 018;
Tel.:040- 23818475; Fax: 040-23868024;E-mail: info@vccindia.com.

Received Form of Withdrawal from Mr. / Ms. / Smt..: ________________________________
Address: ________________________________
____
Folio Number__________ DP ID __________Client ID__________
Number of Shares tendered ___________
Number of Shares withdrawn ____________________

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

PRINTED MATTER

BOOK POST

To

If undelivered, please return to:

Venture Capital and Corporate Investments Private Limited
(Unit- Brilliant Securities Limited -Open Offer)
12-10-167, Bharatnagar, Hyderabad-500 018.
Tel:040- 23818475; Fax: 040-23868024;
E-mail: info@vccilindia.com