LETTER OF OFFER

Note: This document is important and requires your immediate attention.

This Letter of Offer is being sent to you as an existing shareholder of **Broadcast Initiatives Limited** ("BIL"). If you require any clarifications about the action to be taken, you should consult your Stockbroker or your Investment Consultant, or the Registrar to the Offer. In case you have sold your shares in BIL, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deeds to the Member of the Stock Exchange (as defined) through whom the sale was affected.

HDIL Infra Projects Private Limited,

Having its Registered office at Dheeraj Arma, 9th Floor, Anant Kanekar Marg, Station Road, Bandra (East), Mumbai – 400 051, Tel. No.:+91 22 - 2658 3500, Fax No.: +91 22 2658 3636.

Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan,

Both residing at "Wadhawan House", Plot No. 32/A, Union Park Road No – 5, Near Shatranj Hotel, Bandra (West), Mumbai – 400 050. Tel. No. +91 22 2658 3500, Fax No.: +91 22 2658 3636.

(the Acquirers)

And

Mr. Waryam Singh

residing at 1401, Stellar Tower, Lokhandwala, Andheri (W), Mumbai – 400 053. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

and Mr. Ashok Kumar Gupta

residing at 401, Dheeraj Dhan, St. Alexious Road, Bandra (W), Mumbai- 400 050. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

(Persons Acting in Concert)

MAKES CASH OFFER AT AN OFFER PRICE OF Rs. 36.50 PER FULLY PAID UP EQUITY SHARE TO ACQUIRE

5062800 equity shares of face value of Rs 10/- each representing 20% of the post Issue Capital, from the existing shareholders

OF

Broadcast Initiatives Limited (the Target Company)

having its registered office at 6thFloor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai-400 053. Maharashtra -India. Tel. No. +91 22 4023 0000 Fax No. +91 22 2635 0998.

The Offer is being made pursuant to the provisions of Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

The Offer is not conditional offer.

The Offer is not subject to any statutory and regulatory approvals.

Regulation 26 of SEBI (SAST) Regulations, 1997 provides for an upward revision of the Offer Price / Offer Size at anytime, upto seven working days prior to the date of the closure of the Offer i.e. August 23, 2008. In case of a revision in the Offer Price / Offer size, the Public Announcement for revision will be made in the same newspaper in which the original Public Announcement had appeared. In case of a revision in Offer Price, the same price shall be paid by Acquirers for all the shares tendered anytime during the period the Offer is open and accepted under the 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 upto three working days prior to the date of the closure of the offer i.e. upto August 28, 2008.

"If there is a competitive bid : (i) The public offer under all the subsisting bids shall close on the same date. (ii) As the offer price cannot be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly."

There has been no competitive bid as on the date of this Letter of Offer.

THE PROCEDURE FOR ACCEPTANCE IS SET OUT IN PARAGRAPH 9. A FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT, FORM OF WITHDRAWAL AND TRANSFER DEED(S) ARE ENCLOSED WITH THIS LETTER OF OFFER. A COPY OF PUBLIC ANNOUNCEMENT AND THIS LETTER OF OFFER (INCLUDING FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL) WILL ALSO BE AVAILABLE ON SEBI'S WEB SITE www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
SAFFRON • • • • • energising ideas	INTIME SPECTRUM REGISTRY LIMITED
SAFFRON CAPITAL ADVISORS PRIVATE LIMITED Ground Floor,Vilco Center, Subhash Road, Behind Garware, Vile Parle (East), Mumbai-400057 Tel: +91 22 4082 0901 / 0903, Fax: +91 22 26820502 Email: abhijit@saffronadvisor.com website: www.saffronadvisor.com; Contact Person: Mr. Abhijit A. Diwan	**INTIME SPECTRUM REGISTRY LIMITED** C- 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 Tel No: + 91 22 2596 0320, Fax No: + 91 22 2596 0328 / 0329 E-mail: bil.offer@intimespectrum.com Website: www.intimespectrum.com Contact Person: Ms. Awani Thakkar

TIMETABLE

Activity	Date	Day
Date of Public Announcement	June 26, 2008	Thursday
Specified Date (for the purpose of determining the names of the shareholders to whom the Letter of Offer would be sent)	July 11, 2008	Friday
Last date for a competitive bid, if any	July 17, 2008	Thursday
Date by which Letter of Offer will be posted to shareholders	August 07,2008	Thursday
Date of opening of the Offer	August 14, 2008	Thursday
Last date for Revising the Offer Price / Number of Shares	August 23, 2008	Saturday
Last date for Withdrawing acceptances tendered by shareholders	August 28, 2008	Thursday
Date of closing of the Offer	September 02, 2008	Tuesday
Date of communicating acceptance/ rejection and payment of consideration for accepted shares / dispatch of the share certificate in case of rejection.	September 12, 2008	Friday

Note: *Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 4.00 p.m. on September 02, 2008.*

RISK FACTORS

Risk Factors relating to the Proposed Offer

1. In the event of any litigation leading to stay on the Offer, or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.

2. The Acquirers makes no assurance with respect to the market price of the shares during/ after the Offer. Further, the tendered shares will lie to the credit of a designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuation in the market price of the shares of BIL.

3. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's share is 1 (one) share.

4. If, the Acquirers are unable to make the payment to the shareholders who have accepted the Offer within 15 days of the date of closure of the Offer, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time. Further, shareholders should note that after the last date for Withdrawing acceptances, the shareholders who have lodged the shares will not be able to withdraw them even if the acceptance of shares under the offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.

Risks involved in associating with the Acquirers

1. The Offer to the shareholders of BIL is for substantial acquisition of shares along with acquisition of control, and it is made in accordance with Regulation 10 and 12 of the SEBI (SAST) Regulations. Post this offer the Acquirers and PACs will have significant ownership of shares of BIL and control over it. They have no prior experience in satellite channel running business. Further, there is no assurance with respect to the continuation of the past trend in the financial performance of BIL.

2. There are certain litigations pending against the Acquirers / PACs as disclosed at para 3.6 (f).

3. At present the object clause of HDIL Infra does not allow it to pursue the proposed business of Media and Entertainment.

INDEX

DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

Term	Definition
"Acquirers"	HDIL Infra Projects Private Limited, Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan
"BSE"	Bombay Stock Exchange Ltd.
"Company", "Target Company" or "BIL"	Broadcast Initiatives Limited
FEMA	Foreign Exchange Management Act, 1999.
"Issue", "Preferential Issue"	Proposed Issue of 60,00,000 Equity shares in accordance with the SEBI DIP Guidelines and subject to receipt of shareholders approval and approved by the Board of Directors of BIL in their Board Meetings held on June 24, 2008.
"Manager" or "Manager to the Offer"	Saffron Capital Advisors Private Limited
"NSE"	National Stock Exchange of India Limited
"Offer"	The offer being made by the Acquirers to shareholders of BIL as set out in this Letter of Offer
"Offer Document"	This Letter of Offer
"Offer Price"	Rs. 36.50 (Rupees Thirty Six and Paise Fifty only) per Fully paid up Share.
Persons Acting in Concert	Mr. Waryam Singh and Mr. Ashok Kumar Gupta
Person(s) eligible to participate in the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirers and Parties to the Agreement) anytime before the closure of the Offer
"Public Announcement" or "PA"	Announcement of the Offer made on June 26, 2008
"RBI"	The Reserve Bank of India
"SEBI"	Securities & Exchange Board of India
"SEBI (SAST) Regulations"	Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto
"Existing Promoter" or "Sellers"	Mr. Gautam Adhikari and Mr. Markand Adhikari
"Specified Date"	July 11, 2008
"Stock Exchanges"	BSE and NSE, referred to as collectively.

1. 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 **BROADCAST INITIATIVES LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF **HDIL INFRA PROJECTS PRIVATE LIMITED, MR. RAKESH KUMAR WADHAWAN & MR. SARANG WADHAWAN ("THE ACQUIRERS") AND MR.WARYAM SINGH & MR. ASHOK KUMAR GUPTA ("PERSONS ACTING IN CONCERT")** OR OF **BROADCAST INITIATIVES LIMITED ("TARGET COMPANY")**, WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER – **SAFFRON CAPITAL ADVISORS PRIVATE LIMITED** HAS SUBMITTED A DUE DILIGENCE CERTIFICATE **DATED JUNE 30, 2008** TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT (S) THERE OF.THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. DETAILS OF THE OFFER

2.1 Background of the Offer

a) This offer of 20% (or 50,62,800 equity shares) of the Post Issue Capital of BIL is made in terms of Regulation 10 & 12 of SEBI (SAST) Regulations. The Acquirers proposes to be a majority shareholder pursuant to the Issue and take over the management control of BIL.

b) The Acquirers have entered into a Share Subscription Agreement (**"SSA"**) dated June 24, 2008 with Broadcast Initiatives Limited (hereinafter referred to as the **"Target Company"** as defined in Regulation 2(1) (o) of the SEBI (SAST) Regulations, 1997 or **"BIL"**) to acquire 60,00,000 equity shares (**"Shares"**) of Rs. 10/- (Rupees Ten only) each at a price of Rs.36.50 per share. The Board of Directors of BIL at its meeting held on June 24, 2008 have agreed to issue and allot on a Preferential Issue basis 60,00,000 equity shares of Rs. 10/- (Rupees Ten only) each at a price of Rs.36.50 per share ("the **Preferential Issue Price**") to the Acquirers. The pricing of the issue of Shares is determined in accordance with the Chapter XIII of the SEBI Disclosure and Investor Protection Guidelines, 2000 and subsequent amendments thereto (**"SEBI DIP Guidelines"**) as applicable.

c) The Acquirers and Persons acting in Concert have further entered into a Share Purchase Agreement (**"SPA"**) dated June 24, 2008, with Mr. Gautam Adhikari and Mr. Markand Adhikari (herein after referred to as **"Existing Promoters" or "Sellers"**), to acquire upto 69,10,140 shares at a price of Rs. 10 per share. The existing shareholding and other details of Sellers is as under :

Name of the Shareholders / Residential Address / Tel. No. / Fax No.	No. of Equity shares agreed to be sold	% w.r.t to the existing total paid up capital
Mr. Gautam Adhikari Sri Adhikari Villa, Plot no. 46, Hatkesh Co-op. Society, JVPD Scheme, Juhu, Mumbai – 400 049. Tel No. - +91 22 4023 0000 Fax No. - +91 22 2635 0998	Upto 34,55,070	13.65
Mr. Markand Adhikari Sri Adhikari Villa, Plot no. 46, Hatkesh Co-op. Society, JVPD Scheme, Juhu, Mumbai – 400 049. Tel No. - +91 22 4023 0000 Fax No. - +91 22 2635 0998	Upto 34,55,070	13.65
Total	**Upto 69,10,140**	**27.30**

The exact number of shares to be acquired by the Acquirers/ Persons acting in Concert pursuant to SPA, shall be determined upon closure of the open offer, and will be transferred to the Acquirers/ Persons acting in Concert @ Rs.10/- per share. We further confirm that as per the Takeover Regulations, the said shares shall be transferred within the offer period (i.e. within 10 days of the closure of the open offer).

For e.g. if the public shareholders offer 1,012,540 shares of the Company in open offer by the Acquirers, the Sellers shall sell 5,897,600 shares of the Company out of the Sale Shares agreed to be sold under this Share Purchase Agreement.

d) SSA and SPA are collectively hereinafter referred as "**the Agreements**"

e) The salient features of the Agreements are as under:

- Upon completion of the offer, Existing Promoter will be ceased to be the part of Promoter Group and any shares held by them will be reclassified under Public category.
- There is no non-compete fees payable under the Agreements.
- The Acquisition of shares under SPA will be subject to the approval of Ministry of Information and Broadcasting, Government of India as per the "Guidelines for uplinking from India" as amended from time to time.
- The Issue of 60,00,000 shares by BIL is conditional upon the approval of it's shareholders. Consequent upon the Shareholders approval, the Post issue capital of BIL will comprise of 2,53,14,000 equity shares of Rs. 10 each. The Board of Directors of BIL approved, inter alia, the Issue and for convening an Extra Ordinary General Meeting on July 23, 2008 to obtain approval of shareholders in terms of section 81(1A) of the Companies Act, 1956 and to authorize the Board of Directors to allot equity shares to the Acquirers.

f) None of the Acquirers, Persons acting in Concert, Sellers or the Target Company has been prohibited by SEBI from dealing in securities in terms of direction issued u/s. 11B of SEBI Act or under any other regulation.

g) After the successful completion of the offer, there will be a change in the composition of the Board of Directors of the Target Company as per business considerations and regulatory requirements. As on the date of the PA and this Offer none of the directors of Acquirer or their representatives are on the board of BIL.

2.2 Details of the Proposed Offer

a) The Public Announcement dated June 26, 2008 was made in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations, 1997.

Publications	Edition
The Financial Express (English)	All editions
Janasatta (Hindi)	All editions
Navshakti (Marathi)	Mumbai, where the Registered office of the Target Company is situated as well as the Stock Exchanges where the shares of BIL are listed

A copy of this PA will also be available on the SEBI's website at www.sebi.gov.in

b) Pursuant to the signing of SPA and SSA, Acquirers and Persons acting in Concert are making this offer under Regulations 10 & 12 of the SEBI (SAST) Regulations, to the Public Shareholders of BIL to acquire 20% (or 50,62,800 equity shares) of the Post Issue Capital at a price of Rs. 36.50 (Rupees Thirty Six and Paise Fifty only) per Fully paid up Share ("Offer Price") payable in cash ("Offer").

c) There are no partly paid up shares in the Target Company.

d) The Acquirers and Persons acting in Concert do not hold any equity shares in BIL except 41048 shares (0.21% of the present paid-up capital) held by Mr. Sarang Wadhawan as on the date of this Public Announcement, which he has purchased from the open market during the 26 weeks prior to the date of PA at a maximum price of Rs.25.40 per share. Further, they have not acquired, any shares of BIL during the 12 months period preceding the date of this Public Announcement except those shares proposed to be acquired through SSA in a Preferential Issue. Further Acquirers have not acquired either directly or through any other person, any shares of BIL after the date of PA.

e) The equity shares of BIL are to be acquired, pursuant to the Offer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividend or other distributions hereinafter declared, made or paid.

f) The Offer is not conditional on any minimum level of acceptances.

g) There has been no competitive bid as on date.

h) Saffron Capital Advisors Private Limited, Manager to the Offer, do not hold any shares of BIL as on the date of the Public Announcement.

i) The Offer is made to all the shareholders of BIL except the Acquirers, Persons acting in Concert, Sellers and parties to the Agreement.

2.3 Objects of the Acquisition /Offer

a) The Acquirers proposes to be a majority shareholder pursuant to the Issue and take over the management control of BIL. This Offer of 20% of the Post Issue Capital, i.e. 50,62,800 shares of BIL is made in terms of Regulations 10 & 12 of the SEBI (SAST) Regulations.

b) The Acquisition of BIL is part of the Group's long term strategy of becoming a significant player in the fast growing Media and Entertainment Space. At present the object clause of HDIL Infra does not allow it to pursue the proposed business of Media and Entertainment.

3. BACKGROUND OF THE ACQUIRERS / PERSONS ACTING IN CONCERT

ACQUIRERS

3.1 HDIL Infra Projects Private Limited (HDIL Infra)

a) HDIL Infra Projects Private Limited was incorporated on 6th December 2007 as a Private Limited Company under the provisions of the Companies Act, 1956 with Registration number (Corporate Identity Number) U70102MH200PTC176502. The registered office of the company is situated at Dheeraj Arma, 9th Floor, Anant Kanekar Marg, Station Road, Bandra (East), Mumbai – 400 051, Tel. No.:+91 022 - 26583500, Fax No.: +91 022 26583636.

b) HDIL Infra was promoted by Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan and they also form the Board of Directors of HDIL Infra. As on the date of the PA and this Offer, none of the Directors of HDIL Infra is on the Board of Directors of the Target Company. HDIL Infra forms part of the HDIL group.

c) HDIL Infra was incorporated under provisions of the Companies Act, 1956 to carry on the business of as real estate developers, property owners, builders, estate agents, lessors, lessees, licensees building constructors on job work or works contract basis or otherwise and purchasers, vendors and dealers in real estate, lands, building, structure, immovable properties or any interest in immovable properties with or without construction, in developed, semi-developed or underdeveloped stage. To sale, lease and/or sub-lease, and/or give on lease and licenses terms or any other arrangement the premises owned, purchased, constructed or otherwise acquired or any portion or portions thereof with or without buildings and structure thereon to any person, firm company or co-operative society and or to aggregate, or subdivide, develop any such properties.

Presently HDIL Infra is engaged, inter alia, in the business of construction of road, bridges, tunnels, setting up of various infrastructure facilities for villages, towns, cities developments and to carry on the business of developers of townships, holiday resorts, IT Parks, Special Economic Zones, Industrial park, education centers, entertainment and residential developments, reservoirs, water courses, roadways, electric words, power, telecom and to carry on the business of real estate developers, property owners, builders, estate agents, lessors etc..

a) As on the date of this PA, the paid up equity share capital of HDIL Infra is Rs. 40,00,00,000 (Rupees Forty Crore Only) represented by 4,00,00,000 Equity Shares of Rs.10 each. The Shareholding pattern is as under:

Name of shareholders	No. of Equity Shares	% w.r.t to the total paid up Capital
Housing Development and Infrastructure Limited	1,79,99,900	44.99%
Rakesh Kumar Wadhawan on behalf of Housing Development and Infrastructure Limited	100	0.01%
Emerald Realtors Pvt Ltd	1,10,00,000	27.50%
Awas Developers & Constructions Pvt Ltd	1,10,00,000	27.50%
Total	**4,00,00,000**	**100.00%**

b) Provisions of Chapter II of the SEBI (SAST) Regulations are not applicable to HDIL Infra as it was not holding any shares of BIL prior to the date of SPA.

c) The Board of Directors of HDIL Infra Projects Private Limited as the date of PA is as under:

Name / Designation/ Qualification/ Residential Address	Date of Appointment/ Brief Experience	Other Directorships
Mr. Rakesh Kumar Wadhawan Director B.Com "Wadhawan House", Plot No. 32/A, Union Park Road No - 5, Near Shatranj Hotel, Bandra (W), Mumbai - 400 050	Since Incorporation i.e. since 6th December 2007 31 years of experience in Real Estate and Infrastructure Industry	1. Housing Development and Infrastructure Limited 2. Dewan Housing Finance Corporation Ltd 3. DHFL Insurance Services Ltd 4. Privilege Power and Infrastructure Pvt. Ltd 5. Wadhawan Holdings Pvt Ltd 6. Wadhawan Food Retail Pvt Ltd 7. Prithvi Realtors & Hotels Pvt Ltd 8. Dinshaw Trapinex Builders Pvt Ltd 9. Privilege Industries Ltd 10. Dewan Realtors Pvt Ltd 11. Libra Realtors Pvt. Ltd 12. Heritage Housing Development India Pvt Ltd 13. Privilege Airways Pvt Ltd 14. Libra Hotels Pvt Ltd 15. Guruashish Constructions Private Ltd 16. Wadhawan Livestock Pvt Ltd 17. HDIL Entertainment Pvt Ltd 18. GFM (India) Infrastructure Ltd 19. Sara Realtors and Developers Pvt Ltd 20. HDIL Energy Pvt Ltd 21. HDIL Power Pvt Ltd 22. HDIL Oil & Gas Pvt Ltd 23. DHFL Property Services Ltd
Mr. Sarang Wadhawan Director B.Com and MBA "Wadhawan House", Plot No. 32/A, Union Park Road No - 5, Near Shatranj Hotel, Bandra (W), Mumbai - 400 050	Since Incorporation i.e. since 6th December 2007 8 years of experience in Real Estate and Housing Finance	1. Housing Development and Infrastructure Limited 2. Dewan Housing Finance Corporation Ltd 3. DHFL Vysya Housing Finance Ltd 4. DHFL Property Services Ltd 5. DHFL Insurance Services Ltd 6. Privilege Power and Infrastructure Ltd 7. Prithvi Realtors & Hotels Pvt Ltd 8. Privilege Airways Pvt Ltd 9. Privilege Distilleries Pvt Ltd 10. Dinshaw Trapinex Limited 11. Dinshaw Trapinex Commerical Broker (L.L.C.) 12. HDIL Entertainment Pvt Ltd 13. KSD Entertainment Pvt Ltd 14. Sara Realtors and Developers Pvt Ltd 15. HDIL Energy Pvt Ltd 16. HDIL Power Pvt Ltd 17. HDIL Oil & Gas Pvt Ltd 18. Dinshaw Trapinex Builders Pvt Ltd 19. Privilege Industries Ltd

d) As on the date of the PA and this Offer, none of the Directors of HDIL Infra is on the Board of Directors of the Target Company.

e) HDIL Infra being unlisted Private Limited Company its shares are not listed or traded on any Stock Exchange.

f) The Networth of HDIL Infra as on June 24, 2008 is Rs. 39,63,54,247/- (Rupees Thirty Nine Crore Sixty Three Lacs Fifty Four Thousand Two Hundred Forty Seven only). The same is certified by M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in

g) The Company was incorporated on December 6, 2007 hence financial data for FY 2007-08 is only applicable. The brief financial details as per Annual Report for FY 2007-08 is as under: (Rs. in Lacs)

Profit & Loss Statement	**FY 2007-08**
Income from operations	—
Other Income	—
Total Income	**—**
Total Expenditure	(0.12)
Profit Before Depreciation Interest and Tax	(0.12)
Depreciation	—
Interest	—
Profit Before Tax	(0.12)
Provision for Tax	—
Profit After Tax	(0.12)

Balance Sheet Statement	**FY 2007-08**
Sources of funds	
Paid up share capital	36.50
Reserves and Surplus (excluding revaluation reserves)	—
P&L Account (Dr. Bal.)	(0.12)
Misc. Expenditure not w/off	(36.34)
Net Worth	0.04
Secured loans	—
Unsecured loans	—
Total	**0.04**
Uses of funds	
Net fixed assets	—
Investments	—
Net current assets	0.04
Total	**0.04**

Other Financial Data	**FY 2007-08**
Dividend (%)	—
Earning Per Share (Re.)	(0.03)
Return on Net Worth (%)	(300)
Book Value Per Share (Re.)	0.01

Reasons for fall/rise in PAT and Total Income during above period:

There have been no activities in HDIL Infra during above period hence there is loss due to routine administrative/ statutory expenses.

h) Significant Accounting Policies of the Acquirer:

a Basis of Accounting:

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and in accordance with the provisions of the companies Act, 1956 and accounting principles generally accepted in India and comply with the accounting standards prescribed in the companies (Accounting

Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

b Amortisation of preliminary expenses:

Preliminary expenses will be amortised over a period of five years from the year of commencement of business.

c Contingent Liabilities : Contingent liabilities are not provided for and, if any, the same is disclosed by way of a note.

			Current period (Rs. in thousands)
2	a	Contingent liabilities not provided for :	Nil
	b	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil
3		Licensed and Installed capacities	N.A

4 a) During the period, as the company has not carried out any activity, therefore quantitative information relating to turnover, actual production etc is not given.

b) Other information required to be given under Part II of Schedule VI of the Companies Act, 1956 to the extent not applicable is not given.

		Current period (Rs. in thousands)
5	Remuneration to auditors:	
	Audit fees	5.62
	Taxation matters	-
		5.62
6	Value of imports on C.I.F. basis	Nil
7	Expenditure in foreign currency	Nil
8	Earnings in foreign exchange	Nil

9 As the company is incorporated on 6th December, 2008 figures for the previous year are not available and hence not given.

10 In the opinion of the management, the current assets and loans and advances are not less than as stated, if realised in ordinary course of business.

11 Deferred tax Liability/ Asset : As on the Balance sheet date there exists no item which causes timing difference between the book and tax profits.

			Current period (Rs. in thousands)
12		Earning per equity share :-	
	a.	profit or loss attributable to equity shareholders	(11.94)
	b.	number of equity shares (weighted average)	115,302
	c.	EPS (In Rs.)	(0.10)

13 Micro, Small And Medium Enterprises

The company has not carried out any activity during the period from 6th December, 2007 to 31st March, 2008 and hence information about Micro, Small and Medium Enterprises and other disclosures, if any, relating to amounts unpaid as on 31st March, 2008 together with interest paid / payable as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not given.

14 Segment Reporting Policies

Company is engaged in single segment i.e. Infrastructure development. However, company is yet to commence the business.

15 Impairment

i. The carrying amounts of assets are reviewed at each balance sheet date when required to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

ii. After impairment, depreciation is provided on the assets revised carrying amount over its remaining useful life.

iii. A previously recognized impairment loss is increased or decreased depending on change in circumstances. However, an impairment loss is not decreased to an amount higher than the carrying amount that would have been determined has no impairment loss been recognized.

16 Related Party

List of related parties with whom transactions have taken place during the period and relationship :

1 Companies

Housing Development and Infrastructure Limited - Holding Company

	Description	Balance as on 31st March, 2008 (Rs. in thousands)
	Share capital	3,650.00
2	Others:	Not applicable
3	Key management personnel	Not applicable
4	Enterprise significantly influenced by key management personnel	Not applicable

i) Other Details of HDIL Infra

(i) HDIL Infra being an unlisted private limited company the Corporate Governance as per Listing Agreement of the Stock Exchange does not apply.

(ii) There are no Litigations pending against HDIL Infra.

(iii) There has been no merger / demerger and/or spin off involving HDIL Infra since incorporation.

(iv) There are no contingent liabilities of the Acquirer as on March 31, 2008.

(v) HDIL Infra being an unlisted private limited company appointment of Compliance officer is not applicable.

3.2 MR. RAKESH KUMAR WADHAWAN

a. Mr. Rakesh Kumar Wadhawan, aged 55 years, is Commerce graduate having his residence at “Wadhawan House”, Plot No. 32/A, Union Park Road No – 5, Near Shatranj Hotel, Bandra (W), Mumbai – 400 050. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

b. Mr. Rakesh Kumar Wadhawan has 31 years of experience in Real Estate and Infrastructure Industry. He is one of the Promoter and also on the Board of Directors of Listed Companies, Housing Development and Infrastructure Limited (HDIL) and Dewan Housing Finance Corporation Limited (DHFL).

c. The Networth of Mr. Rakesh Kumar Wadhawan as on 31st March, 2007 is Rs. 23,03,03,000 _/- (Rupees Twenty Three Crores Three Lakhs Three thousand only). The same is certified by M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in

3.3 MR. SARANG WADHAWAN

a) Mr. Sarang Wadhawan, aged 31 years, is Commerce graduate and Masters in Business Administration (MBA) having his residence at “Wadhawan House”, Plot No. 32/A, Union Park Road No – 5, Near Shatranj Hotel, Bandra (W), Mumbai – 400 050. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

b) Mr. Sarang Wadhawan is Managing Director of Housing Development and Infrastructure Limited and Director of HDIL’ Group of Companies. He has over 8 years of experience in Real Estate and Housing Finance Industry. He is one of the Promoter and also on the Board of Directors of Listed Companies, HDIL and DHFL.

c) The Networth of Mr. Sarang Wadhawan as on 31st March, 2007 is Rs. 6,08,61,000/- (Rupees Six Crores and Eight Lakhs and Sixty one thousand only). The same is certified by M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in

PERSONS ACTING IN CONCERT

3.4 MR. WARYAM SINGH

a) Mr. Waryam Singh, aged 56 years, is Commerce graduate having his residence at 1401, Stellar Tower, Lokhandwala, Andheri (W), Mumbai – 400 053. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

b) Mr. Waryam Singh has an overall experience of 25 years of experience in banking, finance, civil construction and land development. He was the chairman of Punjab and Maharashtra Co-operative Bank Limited from 2000 to 2003 and was instrumental in achieving the “Scheduled Status” for the bank. He is on the Board of Directors of Listed Companies HDIL and DHFL.

c) The Networth of Mr. Waryam Singh as on 31st March, 2007 is Rs. 3,53,66,832.93/- (Rupees Three Crores Fifty Three Lakhs Sixty six thousand Eight Hundred and Thirty two and Ninety three paise only). The same is certified by M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in

3.5 MR. ASHOK KUMAR GUPTA

a) Mr. Ashok Kumar Gupta, aged 58 years. He has a LLB degree from the Government Law College. He is also a member of Institute of Chartered Accountants of India, having his residence at 401, Dheeraj Dhan, St. Alexious Road, Bandra (W), Mumbai- 400 050. Tel. No. +91 22 2658 3500 Fax No. 2658 3636.

b) Mr. Ashok Kumar Gupta has more than 25 years of experience in framing investment schemes, restructuring and other corporate law matters. He is currently serving on the board of directors of various companies and is highly regarded for his experience in legal and accountancy matters. He is on the Board of Directors of Listed Companies HDIL and DHFL.

c) The Networth of Mr. Ashok Kumar Gupta as on 31st March, 2008 is Rs. 2,44,04,642/- (Rupees Two crores Forty Four Lakhs Four Thousand Six Hundred Forty Two only). The same is certified by M/s. Ashok Jayesh & Associates, Chartered Accountants, (Membership No. 36041), Address: 501, Dheeraj Arma, 5th Floor, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Tel No: +91 22 2658 2226 Fax No: +91 22 2658 2220.

3.6 OTHER DETAILS OF THE ACQUIRERS AND PERSONS ACTING IN CONCERT

a) Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan are the promoters of HDIL Infra Projects Private Limited. Mr. Rakesh Kumar Wadhawan is a father of Mr. Sarang Wadhawan. Mr. Waryam Singh and Mr. Ashok Kumar Gupta are sharing Board of Directors of HDIL and DHFL with Mr. Rakesh Kumar Wadhawan.

b) There is no separate agreement between the Acquirers/ PACs, except SPA and SSA, with respect to the acquisition/ offer.

c) The Acquirers and Persons acting in Concert have complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations.

d) As on date, none of the Acquirers or any of their representatives are on the Board of the Target Company.

e) The Information in respect of Companies where the Acquirers / Persons acting in Concert are promoters. Based on last 3 years Audited accounts of these companies are as under :

Name of Company : Housing Development and Infrastructure Limited
Promoter : Rakesh Kumar Wadhawan
Date of incorporation : 25th July 1996
Nature of Business : Infrastructure, Mega-structure and Microstructures

Particulars (Rs. In Lacs)	FY 2006	FY 2007	FY 2008
Equity Capital	5,000.00	18,000.00	21,427.21
Reserves (excluding revaluation reserves)	13,501.68	54,683.02	342,294.99
Total Income	44,017.41	121,651.09	243,232.55
Profit After Tax	11,393.12	54,181.34	141,051.49
Earnings Per Shares (Rs.)	6.33	30.10	69.20
Net Asset Value per share (Rs.)	10.25	39.38	169.68

Name of Company : Dewan Housing Finance Corporation Limited
Promoter : Rakesh Kumar Wadhawan
Date of incorporation : 11th April 1984
Nature of Business : Housing Finance

Particulars (Rs. In Lacs)	FY 2006	FY 2007	FY 2008
Equity Capital	5,012.25	5,012.25	6,052.30
Reserves (excluding revaluation reserves)	20,037.19	28,848.51	37,754.72
Total Income	22,679.90	33,229.46	52,342.37
Profit After Tax	4,171.24	4,840.17	8,257.74
Earnings Per Shares (Rs.)	8.32	9.22	14.43
Net Asset Value per share (Rs.)	50	56	72

Name of Company : Privilege Power and Infrastructure Private Limited
Promoter : Rakesh Kumar Wadhawan
Date of incorporation : 4th September 1984
Nature of Business : Infrastructure

Particulars (Rs. In Lacs)	**FY 2006**	**FY 2007**	**FY 2008**
Equity Capital	207.52	207.52	207.52
Reserves (excluding revaluation reserves)	426.80	1045.66	1009.36
Total Income	2774.50	828.04	65.95
Profit After Tax	352.28	618.86	(36.29)
Earnings Per Shares (Rs.)	169.76	298.22	(17.49)
Net Asset Value per share (Rs.)	265.86	574.03	566.49

Name of Company : HDIL Entertainment Private Limited
Promoter : Rakesh Kumar Wadhawan and Sarang Wadhawan
Date of incorporation : 9th August 2007
Nature of Business : Entertainment

Particulars (Rs. In lacs)	**FY 2006**	**FY 2007**	**FY 2008**
Equity Capital	-	-	1.00
Reserves (excluding revaluation reserves)	-	-	-
Total Income	-	-	37.68
Profit After Tax	-	-	(29.58)
Earnings Per Shares (Rs.)	-	-	(295.84)
Net Asset Value per share (Rs.)	-	-	7.77

Name of Company : HDIL Oil & Gas Private Limited
Promoters : Rakesh Kumar Wadhawan and Sarang Wadhawan
Date of incorporation : 8th March 2008
Nature of Business : Oil & Gas Exploration

Particulars (Rs. In lacs)	**FY 2006**	**FY 2007**	**FY 2008**
Equity Capital	-	-	1.00
Reserves (excluding revaluation reserves)	-	-	-
Total Income	-	-	-
Profit After Tax	-	-	(0.058)
Earnings Per Shares (Rs.)	-	-	(0. 58)
Net Asset Value per share (Rs.)	-	-	7.20

None of the above stated Companies are sick industrial company.

f) Following are the major Litigations pending against the Acquirers / Persons acting in Concert :

Litigation	Financial Impact of Litigation
1. Indrabhushan Shukia (Plaintiff) has filed a suit (S.C. Suit No. 3972/2006) in the City Civil Court, Bombay against Mr. Rakesh Wadhawan and Mr. Waryam Singh, Directors of the Company (Directors) and others. The Plaintiff has alleged that he was dispossessed of his premises at CTS No. 608, Village Bandra, Saikripa Zopadpatti, Behind Transit Camp No. 2, Station Road, Bandra (E), Mumbai (Suit Property) when the premises were taken up for development by the Directors. The Plaintiff has further alleged that the Directors had failed to provide for alternate accommodation. The Plaintiff has pleaded for relief which *inter alia* includes an order for permanent injunction against the Directors from demolishing the Suit Property and an order restraining the Directors from obstructing in the use and possession of the Suit Property by the Plaintiff. The matter is pending.	Rs.11,25,000
2. Pradeep T. Dhake (Plaintiff) has filed a suit (S.C. Suit No. 5179/2006) in the High Court, Bombay against Rakesh Wadhawan, a Director of the Company and Vasant D. Gawade, an ex-Director of the Company (Defendants). The Plaintiffs have alleged that they are	Rs.20,00,000

	the owners of land which the Defendants are developers through their partnership firm of Housing Development and Improvement Corporation. The Plaintiff has alleged that the Defendants have constructed buildings on the Plaintiff's land pursuant to agreements executed between the Plaintiff and the Defendants (Agreements). The Plaintiff has alleged that the Defendants have not performed the terms and conditions of the Agreements since they have given only four flats to the Plaintiffs but have not provided three covered garages and amounts as agreed. The Plaintiff has alleged that the Defendants have not delivered possession of three flats and three garages situated at CTS No. 319-A (pt.), 320 and 320/1-23, Village Mogra, Andheri, Mumbai (Suit Property). The Plaintiff has pleaded for relief which *inter alia* includes an order from this Court for permanent injunction restraining the Defendants from selling, disposing or creating any third party rights with respect to Suit Property, an order for injunction restraining the Defendants from selling, disposing or creating third party rights with respect to Suit Property. The matter is pending.	
3.	Shahid Ahmed (Complainant) has filed a criminal suit (C.C. No. 566/Misc/2005) in the Court of Additional Chief Magistrate, 9th Court, Bandra, Mumbai against Sarang Wadhawan, Managing Director of the Company and others (Accused). The Complainant has alleged that the Accused had verbally abused and had caused physical injuries to the Complainant and others. The Additional Chief Magistrate issued an order for process dated December 23, 2005 against the Accused under sections 143, 144, 147, 148, 149, 352, 447, 323, 324, 504 and 506(u) of the Indian Penal Code. The case is pending.	N. A.
4.	Nandram R. Agrahari (Plaintiff) has filed a suit (S.C. Suit No. 5483/2005) in the City Civil Court, Bombay against Tungwa Developers, Waryam Singh and Dheeraj Wadhawan, Directors of the Company (Defendants). The Plaintiff has alleged that he is the owner of property situated at Survey No. 42, Hissa No. 1, CTS No. 107/1, Village Tungwa, Taluka Kurla, Link Road, Mumbai (Suit Property). The Plaintiff has alleged that the Defendants have been trying to encroach on the Suit Property. The Plaintiff has pleaded for relied which *inter alia* include a declaration from this Court that the Defendants have no right, title or interest in the Suit Property and an order for injunction against the Defendants from entering or carrying on any construction work on the Suit Property. The matter is pending.	Rs.12,00,000
5.	P.T. Dhake (Complainant) has filed a criminal complaint (C.C. No. 31 17(M)/2004) under sections 34, 406, 420 and 506 (ii) of the IPC in the Metropolitan Magistrate's Court, Andheri, Mumbai against Rakesh Wadhawan, a Director of the Company and V.D. Gawade, an ex-Director of the Company (Accused). The Complainants have alleged that the Accused had approached the Complainants for a no-objection certificate (NOC) for developing the Complainant's property at CTS No. 320, 320/1 to 320/23, near Ismail Yusuf College, Jogeshwarj (E), Mumbai (Suit Property) pursuant to a slum rehabilitation scheme. It is alleged that the Accused had paid Rs. 5,00,000 to the Complainants and had also promised to pay a balance sum of Rs. 28,75,147 in addition to providing for three flats in the building that would be constructed on the Suit Property. The Complainants allege that the Accused have allotted tenements in the building but have failed to allot three flats to the Complainant or pay the balance amount. The case is pending. The Complainant had previously filed one civil suit (S.C. 713/2004) before the City Civil Court, Bombay on the same subject matter as the present Complaint which was subsequently withdrawn.	Rs.28,75,147
6.	Sitaram Gopal Shetty (Plaintiff) has filed a suit (S.C. Suit No. 1726/2003) in the City Civil Court, Bombay against Mr. Rakesh Wadhawan and Mr. Waryam Singh, Directors of the Company (Directors) and others. The Plaintiff has alleged that the premises at 'Prassadham Lunch Home' at Bandra Transit Camp, near MSEB, Anant Kanekar Marg, Bandra (E) (Suit Property) was illegally transferred to the Directors. The Plaintiff has pleaded for relief which *inter alia* include, that documents transferring the Suit Property to the Directors is void, a decree for possession of alternative premises in lieu of Plaintiffs Suit Property from the Directors, an order restraining the Directors from developing any premises in place of Suit Property, appointment of Receiver for Suit Property and an order directing the Directors to provide transit premises to the Plaintiff. The matter is pending.	Rs.15,00,000
7.	Richard John Misquitte (Petitioner) has filed a contempt petition (C.P. No. 143/200 1) in the High Court, Bombay against Mr. Waryam Singh, a director of the Company and others (Respondents) alleging that the Respondents are liable to held guilty for contempt of court as they had wilfully disobeyed Order of this High Court dated December 15, 2000 in Appeal from Order No. 686 of 2000. The order dated October 15, 2000 of this High Court restrains the Respondents from putting up any construction on petitioner's suit property at CTS No. 1582 (pt.), West Gaothan, St. Francis Road, Ville Parle (W), Mumbaj. The relief asked for by the Petitioner *inter alia* includes that the Respondents	N. A.

be punished under section 12 of the Contempt of Courts Act, 1971 read with Article 215 of the Constitution of India by sentencing the Respondents to civil imprisonment and/or by imposing such fines as this High Court deems necessary. The Petitioners have also pleaded that a Receiver be appointed by this High Court for the suit property. The matter is pending.	

4. DISCLOSURE IN TERMS OF REGULATION 16 (IX) AND OBJECTS OF THE OFFER & FUTURE PLANS

4.1 Disclosure in terms of Regulation 16(ix)

a) The Acquirers do not have any plan to dispose of or otherwise encumber any assets of BIL within two years from the date of closure of the Offer except in the ordinary course of business of BIL.

b) Further, the Acquirers undertake that in the next two years they shall not sell, dispose of or otherwise encumber any substantial asset of BIL except with the prior approval of the BIL's shareholders.

4.2 Objects of the offer & Future Plans

The Acquisition of BIL is part of HDIL Group's long term strategy of becoming a significant player in the fast growing Media and Entertainment Space. The group has presence in SEZs, Oil & Gas, Hospitality, Leisure and Entertainment and with this acquisition it is completing its synergy as a multi-sector business group.

HDIL group visualizes a big opportunity in regional entertainment and has plans to develop a powerful portfolio of entertainment programming catering to regional audiences. In order to entertain various communities and focus on regional entertainment, BIL is planning to start a Bhojpuri channel and provide different genre of programs like daily soaps, game shows, cookery, travel shows, new, films etc. HDIL group also has focus on movie exhibition sector through HDIL Entertainment Private Limited, hence acquisition of BIL will directly and indirectly make a considerable impact on the Entertainment vertical of HDIL group.

5. DELISTING / CONTINUOUS LISTING OPTION TO THE ACQUIRERS IN TERMS OF REGULATION 21(2)

The minimum public shareholding required for continuous listing of the equity shares of the Target Company is 25% (twenty five) of the post preferential issue equity share capital. Post Open Offer, if the public shareholding falls to a level below the minimum public holding required for continuous listing, the Acquirers have undertaken to take necessary steps to facilitate compliance by BIL with the relevant provisions thereof in terms of the provisions of regulation 21(2) of SEBI (SAST) Regulations (i.e., to enable BIL to raise the level of public shareholding, to the levels specified for continuous listing specified in the listing agreement with Stock Exchanges, within the prescribed period). Therefore, pursuant to this Offer, there will be no violation of Clause 40A of the listing agreement of BIL with Stock Exchanges on which its equity shares are listed and the equity shares will continue to be listed.

The Acquirers do not have any intention to delist the Target Company in the next 3 years.

6. BACKGROUND OF BROADCAST INITIATIVES LIMITED (BIL) ("THE TARGET COMPANY")

a) Broadcast Initiatives Limited was incorporated as SAB Samachaar Limited on the February 04, 2004 and was granted Certificate of Commencement of business on September 13, 2004. The name of the company was changed to Sri Adhikari Brothers News and Television Network Limited on July 08, 2005. The name of the Company was further changed to Broadcast Initiatives Limited with effect from May 18, 2006. BIL has its registered office at 6thFloor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai-400 053. Maharashtra - India. Tel. No. 022-4023 0000 Fax No. 022-2635 0998.

b) BIL was promoted by Mr. Gautam Adhikari and Mr. Markand Adhikari.

c) As on date, the total paid-up share capital of the Target Company is Rs. 1931.40 lacs consisting of 19314000 fully paid-up equity shares of face value Rs.10/- per equity share. There are no partly paid up shares. Further, there are no outstanding Convertible instruments (warrants / FCDs / PCDs) etc. issued by the Company.

d) The Share Capital / Voting Rights of the Target Company after the preferential issue of equity shares will be as under :

Particulars	No. of Shares of Rs.10 each/ Voting Rights (VR)	% of Post Issue Share Capital / Voting Rights
Fully Paid up Equity Shares	19314000	76.30
Partly Paid up Equity Shares	—	—
Total Existing Paid up Capital / Voting Rights	**19314000**	**76.30**
Proposed Preferential Issue of shares	6000000	23.70
Post Issue Share Capital / Voting Rights	**25314000**	**100.00**

There are no partly paid up shares. There are no outstanding Convertible instruments (warrants / FCDs / PCDs) etc. issued by the Company.

e) BIL is in the business of broadcasting and has launched 24 hours live news channel called 'LIVE INDIA' in August 2007. This channel has shown a very good growth since its launch and has achieved no. 3 position in Hindi news channels in Mumbai Market in terms of Average time spend by viewers.

f) The shares of BIL are listed on BSE and NSE. All the applicable clauses of the Listing Agreement have been duly complied within the time frame as mentioned in the Listing Agreement entered into with the BSE and NSE. No penal action has been taken by the Stock Exchanges against the Company.

g) The Current capital structure and its build up since inception is as under:

Date of Allotment	No of shares issued	Cumulative Issued capital (Rs. In Lacs)	% of shares Issued	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
04-02-2004	50,000	5.00	0.26	Subscription to the MOA	Promoters and Ex-Promoters	N. A.
05-05-2005	30,50,000	310.00	15.79	Allotment to the Promoters	Promoters	N. A.
02-03-2006	69,00,000	1000.00	35.72	Allotment to the Promoters	Promoters	N. A.
03-05-2006	7,64,000	1076.40	3.96	Allotment to Promoters	Promoters	N. A.
27-02-2007	8,550,000	1931.40	44.27	Allotment under IPO	Public	Complied
Total	19,314,000		100.00			

h) BIL, its Existing Promoters, Sellers and majority shareholders have complied with all the applicable provisions of Chapter II of the SEBI (SAST) Regulations.

i) Board of Directors of BIL as on the date of PA :

Sr. No.	Name and Address	Designation	Date of appointment
1	Mr. Gautam Adhikari	Chairman	04.02.2004
2	Mr. Markand Adhikari	Vice Chairman & Managing Director	04.02.2004
3	Mr. Anand Pandit	Independent Director	04.02.2004
4	Mr. G D Sharma	Independent Director	02.05.2006
5	Mr. M S Kapur	Independent Director	26.12.2006

None of the above person represents the Acquirers.

Brief profile of Directors

1. Mr. Gautam Adhikari:

Mr. Gautam Adhikari, aged 57 years, is a diploma holder in Applied Arts from J.J. School of Arts, Mumbai. He is associated with the Company since incorporation. His name is listed in the Limca Books of records in the year 1999 as having directed maximum number of episodes. He has directed more than 1500 episodes of popular television programs. He began his career as visualizer in an advertising agency and gradually rose to become the Art Director. Mr. Gautam Adhikari jointly with his brother, Mr. Markand Adhikari set up a small advertising agency in eighties. With the expansion in the television and entertainment industry, he started production of regional software for National Network. He is currently creative head of the group & personally supervises the content format & offers creative insights.

2. Mr. Markand Adhikari:

Mr. Markand Adhikari, aged 54 years, is intermediate in Arts from University of Bombay. He is also associated with the Company since incorporation. He is looking after the day to day affairs of the Company and is designated as Managing Director of the Company. He began his career with an advertising agency in eighties alongwith his brother.

He was instrumental in creating successful association with National network Doordarshan, during which period Sri Adhikari Brothers Television Network Limited became the first content production house to be listed on the stock exchange in 1995. He is also credited with having developed the concept of sponsored slot production in the national network & having introduced many innovative formats to Indian television for the first time. He also guides the Company in marketing and product development.

3. **Mr. Anand Pandit:**

Mr. Anand K. Pandit, aged 43 years, is a B.E. Electronics and Communication Engineer from L.D. Engineering College, Ahmedabad. He is associated with the Company as Director since incorporation. He was honored with Diamond Ratna Award in 2002 for his outstanding contribution towards Diamond Business and Dhirubhai Ambani Memorial Award in the year 2003 for contribution to Gujarati Community.

4. **Mr. G. D. Sharma:**

Mr. G.D. Sharma, aged 73 years, is M.Com., Ph.D. He served as Professor and Head of Department Business Administration in Rajasthan University, Jaipur. He was Dean, Faculty of Commerce and Director at P.G. School of Commerce. He was appointed as a Director, Central Bank of India from 1995 to 2000 and Bank of Maharashtra from 2001 to 2004 by the Ministry of Finance, Government of India.

5. **Mr. M. S. Kapur:**

Mr. M. S. Kapur, aged 61 years, is B.Sc. and M.A from Punjab University. He has retired as a Chairman and Managing Director of Vijaya Bank in March 2006. He has more than 38 years of experience in the banking industry and has worked as Officiating Chairman & Managing Director of Syndicate bank and Punjab & Sindh Bank and as Chief Vigilance Officer of Union Bank of India and Indian Overseas Bank.

j) There have been no mergers/ de-mergers /spin-offs during the past three years involving BIL. The Company was incorporated as SAB Samachaar Limited on the February 04, 2004. The name of the company was changed to Sri Adhikari Brothers News and Television Network Limited on July 08, 2005. The name of the Company was further changed to Broadcast Initiatives Limited with effect from May 18, 2006.

k) Brief Financials of BIL

Brief financials of BIL certified by Statutory Auditors of the Company, M/s. A R Sodha & Co., Chartered Accountants, based on audited financial statements for the years ending 31.03.2005, 31.03.2006 and 31.03.2007 and for the period ended December 31, 2007.

The commercial launch of channel took place in May 2006 and hence all expenses prior to that were capitalized as channel development expenses.

(Rs. In lacs)

PARTICULARS	**FY 2006-07**	**FY 2007-08**
PROFIT AND LOSS STATEMENT		
Income From Operation	1,345.80	1,371.69
Other Income	48.82	114.28
Total Income	1,394.62	1,485.97
Total Expenditure	2,557.31	3,689.97
Profit Before Dep, Finance Charges & Tax	**(1,162.69)**	**(2,204.00)**
Depreciation	270.35	451.61
Finance Charges	300.58	86.13
Profit Before Tax	**(1,733.62)**	**(2,741.74)**
Provision For Tax	(520.59)	132.86
Profit After Tax	**(1,213.03)**	**(2,874.60)**

BALANCE SHEET STATEMENT (Rs. In lacs)

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08
Sources Of Fund				
Paid Up Share Capital	207.00	1,000.00	1,931.40	1,931.40
Share Application Money	-	700.00	-	-
Reserves And Surplus	-	-	9,535.73	9,535.73
P& L Account (Dr. Balance)	-	-	(1,213.03)	(4,087.63)
Total Misc. Exps. Not W/Off	(2.55)	(8.89)	(7.11)	(5.33)
Networth	204.45	1,691.11	10,246.99	7,374.17
Secured Loans	-	623.42	503.95	435.84
Unsecured Loans	0.11	738.07	-	550.00
Total	**204.56**	**3,052.60**	**10,750.94**	**8,360.01**
Use Of Funds				
Net Fixed Assets	-	2,678.66	4,580.54	7,542.98
Investments	-	310.00	700.00	918.00
Net Current Assets	204.56	63.94	4,937.72	(511.70)
Deferred Tax	-	-	532.68	410.73
Total	**204.56**	**3,052.60**	**10,750.94**	**8,360.01**

OTHER FINANCIAL DATA

	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08
Dividend (%)	-	-	-	-
Earning Per Share (Re.)	NA	NA	(6.28)	(14.88)
Return On Networth (%)	NA	NA	(11.84)	(38.98)
Book Value Per Share (Rs.)	9.88	16.91	53.05	38.18

Formulas for above referred Financial Ratios:

1. Earning Per Share = Profit (Loss) After Tax / Number of Equity Shares
2. Return on Networth = Profit (Loss) After Tax / Networth
3. Book Value per share = Networth / Number of Equity shares

Reasons for fall/rise in PAT or Total Income during above period:

For Period FY 2007-08 vis-à-vis FY 2006-07

BIL re-launched their news channel as LIVE INDIA from the erstwhile JANMAT in August 2007. While JANMAT was a studio based current affair channel, LIVE INDIA is a National mainstream News Channel. Due to this change, the operating expenses of running the channel increased substantially. As against this, increase in revenue will take place once the channel establishes its viewership.

l) **Pre and Post offer Shareholding Pattern of BIL :**

Shareholders' category	Shareholding prior to the agreement/ acquisition and offer.		Shares agreed to be acquired which triggered off the Regulations.		Shares to be acquired in open offer (Assuming full acceptances)		Share holding after the acquisition and offer. i.e.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a) Parties to Agreement, If any	1,07,63,000	55.73	(18,47,340)	(7.30)	–	–		
b) Promoters other than (a) above	200	Negligible	–	–	–	–	**Note 1**	**Note 1**
Total 1 (a+b)	1,07,63,200	55.73	(18,47,340)	(7.30)	–	–		
(2) Acquirers & PACs								
a) Main Acquirers	–	–	78,47,340**	31.00	50,62,800	20.00	1,29,10,140	51.00
b) PACs	–	–						
Total 2 (a+b)	–	–	78,47,340	31.00	50,62,800	20.00	1,29,10,140	51.00
(3) Parties to agreement other than (1) & (2)	–	–	–	–	–	–	–	–
(4) Public (other than parties to agreement, Acquirers & PACs)								
a) FIs/MFs/FIIs/ Banks, SFIs	28,24,073	14.62	**Note 2**	**Note 2**	**Note 2**	**Note 2**	**Note 3**	**Note 3**
b) Others	57,26,727	29.65						
(Total number of shareholders in "Public category")	17,586 shareholders				(50,62,800)	(20.00)	1,24,03,660	49.00
Total 4(a+b)	85,50,800	44.27			(50,62,800)	(20.00)	1,24,03,660	49.00
GRAND TOTAL (1+2+3+4)	**1,93,14,000**	**100.00**	**60,00,000**	**23.70**	–	–	**2,53,14,000**	**100.00**

Note 1 - Existing promoters will be classified in the Public category after completion of the offer.

Note 2 - Breakup of Public shareholding will depend on response from each category.

Note 3 - Public Holding after open offer will depend on the response to offer and will include holding of Existing Promoters. This figure is computed presuming 100% response to the offer.

** The Acquirers and PACs have entered into SSA with BIL for subscription to 60,00,000 equity shares and SPA with Sellers to purchase upto 69,10,140 shares so that their Post offer holding is 51% of the Post Preferential Issue Capital of BIL. Based on SPA and assuming full acceptance to the offer, the Acquirer and PACs will purchase 18,47,340 equity shares from Sellers in addition to subscription to 60,00,000 equity shares as per SSA to reach a 51% holding post offer.

m) There has been no change in the Shareholding pattern of Promoter group since listing of BIL shares on March 07, 2007. The Promoters were holding 10,763,200 shares on March 7, 2007.

n) **Other details :**

(a) Status of Corporate Governance compliances by BIL: The Company has complied with the Listing Agreement in respect of corporate governance, including with respect to broad basing of Board including the appointment of independent Directors to the Board and the constitution of the various committees of the Board viz. Audit Committee, the Shareholder's/ Investors Grievances-cum-Share Transfer Committee and Remuneration Committee. The statutory Auditors have certified the compliance with the Corporate Governance vide their certificate dated August 29, 2007.

(b) Details of Pending major Litigations/ Legal Notices against BIL:

Sr. No.	Court name & Case No.	Parties to the litigation	Nature of litigation	Amount involved
1	10th MM Court at Andheri, Complaint No.	BIL Vs Harikishen Marketing & Other	Cheque Bouncing Complaint	claim of Rs. 75,436/-
2	Shri. S. S. Gupta, Addl District and Sessions Court, Tis Hazari Court, Delhi	Sunil Kumar Vs Live India & Others	Suit for Damages of Rs.15,00,000/-	Rs.15,00,000/-
3	In the court of Sanjay Jindal, R.No.231, at Tis Hazari Court, Delhi Complaint No.872/D/07	Uma Khurana Vs Live India (Janmat) & Others	Defamation complaint u/s 499/500/120B of IPC	N. A.
4	In the court of Sanjay Jindal, R.No.231, at Tis Hazari Court, Delhi Complaint No.741/D/07	Ubead Iqbal Vs Live India (Janmat)	Defamation complaint u/s 499/500/120B of IPC	N. A.
5	High Court of Delhi at New Delhi Company Petition No.82 of 2008	BIL Vs Cogent EMR Solutions Ltd & Anr	Company winding up petition	More than Rs.8 lacs with interest
6	In the Court of Addl. Chief M. M., New Delhi	BIL Vs Harikishen Marketing & Others	Cheque Bouncing Complaint	claim of Rs.69,506/-
7	In the Court of Addl. Chief M. M., New Delhi	BIL Vs Harikishen Marketing & Others	Cheque Bouncing Complaint	claim of Rs. 69,506/-
8	In the Court of Addl. Chief M. M., New Delhi	BIL Vs Harikishen Marketing & Others	Cheque Bouncing Complaint	claim of Rs. 69,506/-

The shareholders of the target company, who are desirous of obtaining further information about the pending litigation, may send their written request to the Target Company at its Registered Office.

(c) Name and other Details of Compliance Officer:

Ms. Vidhee Shroff
6th Floor, Adhikari Chambers, Oberoi Complex,
New Link Road, Andheri (West),
Mumbai-400 053, Maharashtra, India.
Tel:+91 22 40230402 Fax: +91 22 26350998

(**Source:** All the data about Target Company is provided by Broadcast Initiatives Limited)

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

a) The Offer price is at Rs. 36.50 (Rupees Thirty Six and Paise Fifty only) per fully paid up Share.

b) The equity shares of BIL are listed on Bombay Stock Exchange Ltd., (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**). (hereinafter referred as **"Stock Exchanges"**).

c) The annualised trading turnover based on the trading volume in the shares of BIL on each of the above mentioned stock exchanges during December 2007 to May 2008 (6 calendar months preceding the month in which the PA is made) is as under:

Name of Stock Exchange(s)	Total no. of shares traded during the 6 calendar months prior to the month in which PA is made	Total No. of listed Shares	Annualized Trading turnover (as a % to total listed shares)
BSE	51,00,491	1,93,14,000	52.82
NSE	43,38,991	1,93,14,000	44.93

The Equity shares of BIL are frequently traded on BSE and NSE, however it is most frequently traded on BSE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations.

d) The details of closing prices and volume on BSE for the 26 week period preceding **the date of PA** i.e. June 26, 2008 are as under:

Sr. No.	Week Ending	High (Rs)	Low (Rs)	Average (Rs)	Volume
1	2 January 2008	65.20	58.30	61.75	254222
2	9 January 2008	65.30	58.55	61.93	287907
3	16 January 2008	56.10	52.25	54.18	100305
4	23 January 2008	53.30	44.85	49.08	70381
5	30 January 2008	43.40	38.55	40.98	119031
6	6 February 2008	42.50	37.15	39.83	117639
7	13 February 2008	40.75	34.00	37.38	93614
8	20 February 2008	37.90	35.70	36.80	144697
9	27 February 2008	36.90	35.80	36.35	50056
10	5 March 2008	36.00	31.45	33.73	94013
11	12 March 2008	31.55	28.30	29.93	66817
12	19 March 2008	28.60	24.10	26.35	158136
13	26 March 2008	23.90	21.75	22.83	85977
14	2 April 2008	30.15	24.90	27.53	112305
15	9 April 2008	31.35	28.50	29.93	81113
16	16 April 2008	33.25	30.20	31.73	34447
17	23 April 2008	38.80	34.90	36.85	118066
18	30 April 2008	37.00	34.95	35.98	76030
19	7 May 2008	34.90	33.40	34.15	42534
20	14 May 2008	32.20	30.65	31.43	66635
21	21 May 2008	31.25	30.45	30.85	50220
22	28 May 2008	30.60	29.50	30.05	36929
23	4 June 2008	29.60	26.45	28.03	39772
24	11 June 2008	27.20	25.00	26.10	71679
25	18 June 2008	30.20	26.60	28.40	116133
26	25 June 2008	33.65	29.80	31.73	585041
	Average of 26 week prices			**35.92**	

The average of daily high and low prices of the Equity shares during the 2 weeks period preceding **the date of PA** i.e. June 26, 2008 on BSE is given below:

Day	High	Low	Average	Volume
12 June 2008	27.40	25.30	26.35	13025
13 June 2008	27.75	26.40	27.08	6681
16 June 2008	28.00	27.00	27.50	9745
17 June 2008	27.70	26.65	27.18	6191
18 June 2008	30.35	27.15	28.75	80491
19 June 2008	33.20	30.50	31.85	70647
20 June 2008	36.50	32.10	34.30	199189
23 June 2008	32.50	29.55	31.03	67469
24 June 2008	32.40	29.05	30.73	81540
25 June 2008	33.80	32.50	33.15	166196
2 week average			**29.79**	

The details of closing prices and volume on BSE for the 26 week period preceding **the date of the board resolution which authorised the preferential allotment** i.e. June 24, 2008 are as under:

Sr. No.	Week Ending	High (Rs)	Low (Rs)	Average (Rs)	Volume
1	December 31, 2007	62.10	57.45	59.78	137788
2	January 7, 2008	65.30	61.70	63.50	375639
3	January 14, 2008	59.60	53.75	56.68	126145
4	January 21, 2008	53.30	48.15	50.73	74619
5	January 28, 2008	45.75	41.45	43.60	82295
6	February 4, 2008	39.45	37.15	38.30	136047
7	February 11, 2008	42.50	37.60	40.05	113004
8	February 18, 2008	37.90	34.00	35.95	100039
9	February 25, 2008	37.40	35.80	36.60	98552
10	March 3, 2008	36.90	33.15	35.03	73713
11	March 10, 2008	31.70	28.30	30.00	77227
12	March 17, 2008	31.55	25.75	28.65	142317
13	March 24, 2008	25.30	21.75	23.53	106752
14	March 31, 2008	27.40	22.80	25.10	108325
15	April 7, 2008	31.35	28.50	29.93	81532
16	April 14, 2008	30.45	29.60	30.03	43894
17	April 21, 2008	36.60	31.70	34.15	27997
18	April 28, 2008	38.80	35.35	37.08	163850
19	May 5, 2008	35.15	34.85	35.00	48323
20	May 12, 2008	34.10	30.65	32.38	61418
21	May 19, 2008	31.25	30.65	30.95	36545
22	May 26, 2008	30.60	30.35	30.48	58583
23	June 2, 2008	29.90	29.00	29.45	27666
24	June 9, 2008	27.20	25.00	26.10	65275
25	June 16, 2008	27.55	25.00	26.28	61091
26	June 23, 2008	33.20	27.60	30.40	423987
	Average of 26 week prices			**36.14**	

The average of daily high and low prices of the Equity shares during the 2 weeks period preceding **the date of the board resolution which authorised the preferential allotment** i.e. June 24, 2008 on BSE is given below:

Day	High (Rs)	Low (Rs)	Average (Rs)	Volume
June 10, 2008	27.50	25.50	26.50	7855
June 11, 2008	26.50	24.90	25.70	23785
June 12, 2008	27.40	25.30	26.35	13025
June 13, 2008	27.75	26.40	27.08	6681
June 16, 2008	28.00	27.00	27.50	9745
June 17, 2008	27.70	26.65	27.18	6191
June 18, 2008	30.35	27.15	28.75	80491
June 19, 2008	33.20	30.50	31.85	70647
June 20, 2008	36.50	32.10	34.30	199189
June 23, 2008	32.50	29.55	31.03	67469
2 week average			**28.62**	

(Source: www.bseindia.com)

e) The Offer Price is justified in terms of Regulations 20 (4) of the SEBI (SAST) Regulations in view of the following:-

a.	The Negotiated Price as per SSA	Rs.36.50
b.	Highest Price paid by Acquirers for acquisition, if any, including by way of allotment in a public or rights issue or Preferential issue during the 26 weeks prior to the date of PA (as disclosed at para 1.8 above)	Rs.25.40
c.	The average of the weekly High and Low of the closing prices of the shares of BIL on Stock Exchange, where it is most frequently traded, during 26 weeks period preceding the date of the board resolution which authorised the preferential allotment i.e. June 24, 2008	Rs.36.14
d.	The average of the daily High and Low of the prices of the shares of BIL on Stock Exchange, where it is most frequently traded, during 2 weeks period preceding the date of the board resolution which authorised the preferential allotment i.e. June 24, 2008	Rs.28.62
e.	The average of the weekly High and Low of the closing prices of the shares of BIL on Stock Exchange, where it is most frequently traded, during 26 weeks period preceding the date of PA i.e. June 26, 2008	Rs.35.92
f.	The average of the daily High and Low of the prices of the shares of BIL on Stock Exchange, where it is most frequently traded, during 2 weeks period preceding the date of PA i.e. June 26, 2008	Rs. 29.79

f) There is no non-compete fees payable under the agreement.

g) In the opinion of the Manager to the offer and the Acquirers, the offer price of Rs. 36.50 (Rupees Thirty Six and Paise Fifty only) per Fully paid up Share is justified in terms of Regulation 20(4).

e) If the Acquirers acquire shares after the date of Public Announcement upto 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the shares tendered in the offer and accepted under the offer.

7.2 Financial Arrangements

a) The total fund requirement for the acquisition of 50,62,800 equity shares, being 20% of the Post Issue capital of BIL, at Rs. 36.50 per share is Rs. 18,47,92,200/- (Rupees Eighteen Crore Forty Seven Lacs Ninety Two Thousand Two Hundred only).

b) In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers has created an Escrow Account as under :

- Bank Guarantee for Rs.4,75,00,000/- (Rupees Four Crore Seventy Five Lacs Only), being in excess of 25% of the offer size, issued by Punjab and Maharashtra Co-operative Bank Limited, Mumbai valid till December 31, 2008; and
- Cash Deposit of Rs. 18,50,000/- (Rupees Eighteen Lacs Fifty Thousand only), being in excess of 1% of the offer size, with Axis Bank, Vile Parle (East), Mumbai.

Saffron Capital Advisors Private Limited, the Manager to the Offer has been empowered to realise the value of the Escrow in terms of the SEBI (SAST) Regulations.

c) Details of funding arrangement for Open offer as well as for Acquisition through SSA and SPA :

Sr. No	Requirement of Funds	Amount (Rs. Lacs)
1	Purchase of shares by way of SSA, (subscription of 6,000,000 equity shares at Rs. 36.50 per share)	2190.00
2	Obligation under open offer(5,062,800 shares @ Rs. 36.50 per share)	1847.92
3	Purchase of shares by way of SPA to reach 51% holding, (1,847,340 equity shares at Rs. 10 per share)	184.74
	Total funds required	**4222.66**

The above acquisition will be funded from the own funds as they have enough Networth in the liquid form to meet with the above requirements. The Networth of the Acquirers / PACs is as under :

Sr. No	Networth	Amount (Rs. Lacs)
1	HDIL Infra Projects Private Limited	3963.54
2	Mr. Rakesh Kumar Wadhawan	2303.03
3	Mr. Sarang Wadhawan	608.61
4.	Mr. Waryam Singh	353.67
5	Mr. Ashok Kumar Gupta	244.05
	Total	**7472.90**

d) In case of a revision in the Offer price, the Acquirers would raise the amount in the escrow account to ensure compliance with Regulation 28 of SEBI (SAST) Regulations.

e) The Acquirers has adequate resources to meet the financial requirements of the Offer. The same is certified M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in.

f) The Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations. The Offer will be implemented by the Acquirers through his own funds and/or borrowings.

8. TERMS AND CONDITIONS OF OFFER

8.1 Statutory Approvals

a) Non-resident shareholders who wish to tender their shares in this offer will be required to submit all the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirers reserves the right to reject the shares tendered in the offer.**

b) There are no other statutory approvals required to acquire the shares tendered pursuant to this Offer except those mentioned above. However, the Offer would be subject to all statutory approvals that may become applicable prior to completion of the Offer.

c) The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the offer.

d) The Acquirers reserves the right to withdraw the Offer, in terms of Regulation 27 of the SEBI (SAST) Regulations, in the event the requisite statutory approvals are being refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original PA is being made.

e) In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the offer provided the Acquirers agrees to pay interest to the shareholders for delay beyond 15 days from the date of closing of the offer.

f) If the Acquirers fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in Regulation 28(12)(e) of SEBI (SAST) Regulations.

8.2 Others Terms and Conditions

a. The Letter of Offer together with Form of Acceptance cum Acknowledgement (FOA), the Form of Withdrawal (FOW) and Transfer Deed (TD) (for shareholders holding shares in physical form) will be mailed to all the shareholders of BIL, except the Acquirers, Existing Promoter / Promoter group and parties to the Agreement, whose names appear on the Register of Members of BIL and the beneficial owners of the shares whose names appear as beneficiaries on the records of the respective share depositories, at the close of business hours on July 11, 2008 (**"specified date"**).

b. 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. The Offer is subject to the terms and conditions set out at para 8.1 and 9 in this Letter of Offer.

c. All the shareholders, except the Acquirers, Existing Promoter / Promoter group and parties to the Agreement, who own the shares of BIL anytime before the closure of the Offer, are eligible to participate in the Offer anytime before date of closing of the offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

The Acquirers has appointed **Intime Spectrum Registry Limited** as Registrar to the Offer. The shareholders who wish to tender their shares will be required to send the Form of Acceptance-cum-Acknowledgement duly filled and signed alongwith enclosures to the **Registrar to the Offer: -** Intime Spectrum Registry Limited, **C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West)**, **Mumbai - 400 078 Tel. No.:** +91 22 2596 0320 **Fax No.:** +91 22 25960328 / 29 **E-Mail:** bil.offer@intimespectrum.com **Contact Person:** Ms. Awani Thakkar either by Hand Delivery or by Registered Post on or before the closure of the Offer, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

The documents can be tendered at the above address between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday. The centre will be closed on Sundays and Public holidays.

a. Registered Shareholders (holders of shares in physical form) 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 certificates.

Original Share Certificate(s)

Valid Share Transfer deed(s) duly signed as transferors by all shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with BIL and duly witnessed at the appropriate place(s).

b. Beneficial owners (holders of shares in dematerialised form) should enclose:

Form of Acceptance Cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial holders of shares as per the records of the DP.

Photocopy/Counterfoil of Delivery Instruction slip in “off market” mode in favour of the special depository account mentioned herein after, duly acknowledged by DP.

c. In case of non-receipt of the aforesaid documents, but receipt of the shares in the special depository account, it will be deemed that the shareholder has tendered acceptance of the Offer.

d. A special depository account has been opened with Axis Bank Limited (Depository – NSDL) styled **“Saffron Capital Advisors Private Limited - BIL Open Offer - Escrow A/C”** for the purpose of this offer. **The DP ID is IN 300484 and Beneficiary/Client ID is 13331344.**

e. Unregistered Shareholders should enclose:

Form of Acceptance cum Acknowledgement or an application on plain paper duly completed and signed in accordance with the instructions contained therein by the person(s) accepting the Offer. Application on plain paper should be duly signed and state the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer

Original Share Certificate(s)

Original Contract Note(s) from the broker through whom the shares were acquired.

Valid Share Transfer deed(s) as received from market. The details of buyer should be left blank failing which, the same will be invalid under this offer. All other requirements for valid transfer will be pre condition for valid acceptance.

No indemnity is required from the unregistered owners.

f. The shareholders tendering shares in demat form should ensure the credit of shares in favour of the special depository account mentioned above, before the closure of the Offer i.e. September 02, 2008. FOA, in respect of dematerialized equity shares not credited to the above special depository account before the date of closing of offer, is liable to be rejected.

g. Shareholders having their beneficiary account with Central Depository Services Limited (CDSL), have to use inter-depository delivery instruction slip for the purpose of crediting their Equity shares in favour of the above mentioned Special Depository Account with NSDL.

h. In case of non-receipt of the Letter of Offer/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to Registrars to the offer at the collection centre clearly marking the envelope “BIL Open Offer” or make an application on plain paper duly signed and stating their name, address, No. of Shares held, no. of shares offered, DP name, DP ID, Client ID and the counterfoil/photocopy of the delivery instruction in “Off-Market” mode in favour of the special depository account, duly acknowledged by the DP, to the Registrar to the Offer, before the closure of the Offer.

i. In case any person has lodged shares of BIL for transfer and the transfer has not yet been effected, the concerned person may apply in writing on a plain paper, duly signed and stating the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer along with the original share certificate(s), valid transfer deed(s) duly signed **(columns meant for transferee / buyer should be kept blank)** and the acknowledgement of the lodgment of shares for transfer. Such person should also instruct BIL and its Registrars & Transfer Agents to send the transferred share certificate(s) directly to the collection centres of Registrars to the offer as mentioned above before the date of closing of the offer.

j. Shareholders who have sent their physical shares for Dematerialisation and the dematerialization has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialization request form acknowledged by shareholder's DP. The shareholder should ensure that process of getting shares dematerialised is completed well in time so that the credit in the special depository account should be received before closure of the Offer i.e. September 02, 2008, else the application will be rejected.

k. Equity shares tendered by the shareholders of BIL in the offer shall be free from lien, charges and encumbrances of any kind whatsoever.

l. 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 BIL 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 are received together with the equity shares tendered in the offer prior to the date of closing of the offer.

m. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's share is 1 (one) share.

n. While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirers reserves the right to reject the shares.** While tendering shares under the Offer, NRI / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

o. The consideration received by the shareholders for shares accepted in the offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further the securities transaction tax will not be applicable on shares accepted in this offer.

p. The Registrar to the Offer will hold in Trust the Shares / Share certificates, FOA, if any, and the transfer form/s on behalf of the shareholders of BIL who have accepted the Offer, till the Acquirers completes the offer obligations in accordance with the Regulations.

q. Unaccepted Share Certificates, 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. Shares held in demat 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 FOA.

10. PROCEDURE FOR WITHDRAWAL OF APPLICATION / ACCEPTANCE

a) In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations 1997, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date i.e. up to August 28, 2008.

b) Shareholders who wish to withdraw their shares from the Offer will be required to send the FOW duly completed & signed alongwith the requisite documents.

c) In case of non receipt of Form of Withdrawal, the withdrawal can be exercised by making an application on plain paper along with following details :-

- **In case of physical shares**: by stating Name, Address, Distinctive numbers, Folio number, Number of shares tendered and to be withdrawn.
- **In case of dematerialized shares**: by stating Name, Address, Number of shares tendered and to be withdrawn, DP Name, DP ID, Beneficiary account number, Counterfoil/ Photocopy of the delivery instruction in "Off Market" mode duly acknowledged by the DP in favour of the special depository account.
- **In either case:** a copy of the acknowledgement received from the Manager to the Offer upon tendering of the Shares,

so as to reach the Registrar to the Offer either by hand delivery or by registered post on or before August 28, 2008.

11. MATERIAL DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of Saffron Capital Advisors Private Limited, Ground Floor, Vilco Centre, Subhash Road, Vile Parle (East), Mumbai - 400 057 from 10.00 a.m. to 1.00 p.m. and from 2.00 p.m. to 4.00 p.m. on any working day, except Saturdays, Sundays, and Public/ Bank Holidays until the offer closes

a) Memorandum & Articles of Association and Certificate of Incorporation of Broadcast Initiatives Limited.

b) MOU between the Acquirers and M/s Saffron Capital Advisors Private Ltd., Managers to the Offer.

c) Memorandum & Articles of Association and Certificate of Incorporation of HDIL Infra Projects Private Limited.

d) Copy of Share Subscription Agreement between the Acquirers and BIL dated June 24, 2008.

e) Copy of Share Purchase Agreement between the Acquirers and Sellers dated June 24, 2008.

f) Copy of Certificate M/s. THAR & CO., Chartered Accountants, (Membership No. 032917), Address: 203, Capri, Anant Kanekar Marg, Station Road, Bandra (E), Mumbai 400 051; Cell no. 98200 27337 email: jrthar@hotmail.com / jayeshthar@yahoo.co.in. certifying about the Networth of the Acquirers / Persons acting in Concert and adequacy of resources of the Acquirers in fulfilling the obligations of the offer.

g) Audited Annual Reports for FY 2004-05, 2005-06 and 2006-07 and Accounts for the period ended 31.12.2007 of Broadcast Initiatives Limited.

h) Audited Annual Reports for FY 2007-08 of HDIL Infra Projects Private Limited.

i) Bank Guarantee for Rs. 475,00,000/- (Rupees Four Hundred Seventy Five Lacs only), from Punjab & Maharashtra Co-operative Bank Limited, Mumbai, being more than 25% of the total consideration as Escrow Deposit and Cash Deposit of Rs.18,50,000/-, being in excess of 1% of the total offer size, with Axis Bank, Mumbai.

j) Copy of Client master from Axis Bank for special depository account opened with Axis Bank Limited (Depository – NSDL) styled “Saffron Capital Advisors Private Limited - BIL Open Offer - Escrow A/C” for the purpose of this offer. The DP ID is IN 300484 and Beneficiary/Client ID is 13331344.

k) Copy of Public Announcement dated June 26, 2008.

l) Copy of SEBI letter No. CFD/DCR/SG/131692/08 dated July 14, 2008.

12. RESPONSIBILITY STATEMENT

a) The Acquirers / Persons acting in Concert accept full responsibility for the information contained in this Letter of Offer.

b) Further the Acquirers / Persons acting in Concert accepts full responsibility for ensuring compliance of the SEBI (SAST) Regulations.

Signed on behalf of Acquirers & Persons Acting in Concert

Sd/-

(Rakesh Kumar Wadhawan)

Date : July 24, 2008

Place: Mumbai