LETTER OF OFFER

"This Document is important and requires your immediate attention"

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

OPEN OFFER

By

MR. PRADEEP KUMAR DAGA & MRS. VINITA DAGA

(hereinafter collectively referred to as "**the Acquirers**")

both residing at 10A, Debendra Ghosh Road, Dev Apartment, Flat No. 4ABC,Kolkata- 700 025,
Ph: (033) 2231 5680, Fax No. (033) 2231 5683;
E-mail: pradeep@responce.in, vinita@responce.in

To the shareholders of

CINERAD COMMUNICATIONS LIMITED ("**CCL**" or the "**Target Company**")

having its registered office at Premises No. 55, Ground Floor, Om Heera Panna Premises Co-op. Society Ltd., Oshiwara, Andheri (W), Mumbai-400 053
Ph No: (022) 3292 3747; Fax No: (022) 2201 9291; E-mail: info@cineradcommunications.com

For the acquisition of 13,52,000 (Thirteen Lacs Fifty Two Thousand Only) fully paid-up equity shares of Rs.10/- each, representing 26.00 % of the equity and voting share capital at a price of Rs. 6.05 (Rupees Six and Five Paisa Only) per equity share ("**Offer Price**") payable in cash ("**Offer**" or "**Open Offer**").

Please Note:

1. This Offer is being made by the Acquirers pursuant to regulation 3(1) & (4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") for substantial acquisition of shares/ voting rights accompanied with change in control and management of the Target Company.

2. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Offer. However, the Offer would be subject to all-statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.

3. If there is any upward revision in the Offer Price/Size at any time up to three (3) working days prior to commencement of the tendering period viz. 19.03.2012 in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Detailed Public Statement pursuant to Public Announcement dated 11.01.2012 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two (2) working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.

4. **There is no competitive bid.**

5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Detailed Public Statement/ Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.

6. The Offer is not subject to a minimum level of acceptance by the shareholders of CCL.

7. The Procedure for acceptance is set out in Para 7 of this LOF. A Form of Acceptance is enclosed with this LOF.

8. The Public Announcement, Detailed Public Statement, Draft Letter of Offer and Letter of Offer (including Form of Acceptance cum Acknowledgement) would also be available at SEBI website www.sebi.gov.in.

	MANAGER TO THE OFFER: **VC CORPORATE ADVISORS PRIVATE LIMITED** SEBI REGN NO: INM000011096 (Contact Person: Ms. Neha Dalmia/ Urvi Belani) 31 Ganesh Chandra Avenue, 2nd Floor, Suite No –2C, Kolkata-700 013. Phone No : (033) 2225-3940 / 3941 Fax : (033) 2225-3941 Email: mail@vccorporate.com		**REGISTRAR TO THE OFFER:** **ABS CONSULTANT PRIVATE LIMITED** SEBI REGN. NO. INR000001286 (Contact Person: Mr. Vijay Sharma) Stephen House, Room No. 99, 6th Floor, 4, B.B. D. Bag (East), Kolkata- 700 001 Phone No: (033) 2230 1043/ 2243 0153 Fax: (033) 2243 0153 E-mail: absconsultant@vsnl.net
	OFFER OPENS ON: MONDAY, MARCH 26, 2012		**OFFER CLOSES ON: TUESDAY, APRIL 10, 2012**

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

Activities	Date	Day	Date	Day
Date of the Public Announcement	January 04, 2012	Wednesday	January 04, 2012	Wednesday
Opening of Escrow Account	January 06, 2012	Friday	January 06, 2012	Friday
Publication of Detailed Public Statement in newspapers	January 11, 2012	Wednesday	January 11, 2012	Wednesday
Filing of the Draft Offer Document with the SEBI	January 18, 2012	Wednesday	January 18, 2012	Wednesday
Last date of a Competing Offer	February 02, 2012	Thursday	February 02, 2012	Thursday
Receipt of comments from SEBI on the Draft Letter of Offer	February 09, 2012	Thursday	March 06, 2012	Tuesday
Identified Date*	February 13, 2012	Monday	March 09, 2012	Friday
Date by which the Letter of Offer will be despatched to the shareholders	February 21, 2012	Tuesday	March 16, 2012	Friday
Last date for upward revision of Offer Price and/or Offer Size	February 22, 2012	Wednesday	March 19, 2012	Monday
Last date by which Board of the Target Company shall give its recommendation	February 23, 2012	Thursday	March 20, 2012	Tuesday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspapers and sending the same to SEBI, Stock Exchanges and Target Company	February 27, 2012	Monday	March 22, 2012	Thursday
Date of commencement of Tendering Period	February 28, 2012	Tuesday	March 26, 2012	Monday
Date of closing of Tendering Period	March 13, 2012	Tuesday	April 10, 2012	Tuesday
Date by which communicating rejection/ acceptance and payment of consideration for applications accepted	March 28, 2012	Wednesday	April 24, 2012	Tuesday

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

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

1. The Offer involves an offer to acquire 26.00% of the total equity and voting share capital of CCL from the eligible persons for the Offer. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of CCL whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders for the delay, as may be specified by SEBI.

3. Shareholders should note that shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

4. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Offer. The Acquirers may not be able to proceed with the Offer in the event the approvals are not received in terms of the regulation 23 of the SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

5. **Risks involved in associating with the Acquirers:**

   The Acquirers intend to acquire 13,52,000 fully paid-up equity shares of Rs.10/- each, representing 26.00 % of the total equity and voting share capital at a price of Rs. 6.05 (Rupees Six and Five Paisa Only) per equity share, payable in cash under the SEBI (SAST) Regulations. CCL does not have any partly paid-up equity shares as on the date of PA. The equity shares and documents tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. Post this Offer, the Acquirers will have significant equity ownership & effective management control over the Target Company pursuant to regulation 3(1) & 4 of the SEBI (SAST) Regulations.

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

6. The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

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

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DEFINITIONS/ABBREVIATIONS

Acquirers	Mr. Pradeep Kumar Daga & Mrs. Vinita Daga
Board	The Board of Directors of the Target Company
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
DPS	Detailed Public Statement dated 11.01.2012
ECS	Electronic Clearing Service
Equity and voting share capital	Rs. 520.00 Lacs divided into 52,00,000 equity shares of Rs.10/- each
FOA or Form of Acceptance	Form of Acceptance – cum – Acknowledgment accompanying this Letter of Offer
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirers and the parties to the SPA) are eligible to participate in the Offer any time before the Closure of the Offer
LOF	Letter of Offer
Manager to the Offer	VC Corporate Advisors Private Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	04.01.2012 to 24.04.2012
Offer Price	Rs.6.05 (Rupees Six and Five Paisa Only) per equity share payable in cash
Offer/Open Offer	Cash Offer being made by the Acquirers to acquire 13,52,000 equity shares of Rs.10/- each, representing 26.00 % of the total equity and voting share capital at a price of Rs.6.05 (Rupees Six and Five Paisa Only) per equity share
PA	Public Announcement dated 04.01.2012
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of CCL except the Acquirers and parties to the Share Purchase Agreement
RBI	Reserve Bank of India
Registrar to the Offer	ABS Consultant Private Limited
Sale Shares	23,53,222 equity shares of Rs. 10/- each at a price of Rs. 6.05 per equity share forming part of the SPA
SEBI	Securities & Exchange Board of India
SEBI (SAST) Regulations/ Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
Seller or Present Promoter or "IECPL"	India Emerging Capital Private Limited
SPA or Agreement	Share Purchase Agreement dated 04.01.2012 entered into between the Acquirers and the Seller
Target Company / CCL	Cinerad Communications Limited

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF CCL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR FOR 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 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 THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 17.01.2012 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER."

2. DETAILS OF THE OFFER:

2.1 Background of the Offer:

2.1.1 This Offer is being made by Mr. Pradeep Kumar Daga & Mrs. Vinita Daga, both residing at 10A, Debendra Ghosh Road, Dev Apartment, Flat No. 4ABC, Kolkata- 700 025 in compliance with regulation 3(1) & 4 of the SEBI (SAST) Regulations, to the shareholders of Cinerad Communications Limited. The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.

2.1.2 There is no person acting in concert ("**PAC**") with the Acquirers within the meaning of regulation 2 (1) (q) of the SEBI (SAST) Regulations.

2.1.3 The Acquirers have entered into a Share Purchase Agreement dated 4th January, 2012 with the present Promoter of the Target Company viz, India Emerging Capital Private Limited (the "Seller") to acquire in aggregate 23,53,222 (Twenty Three Lacs Fifty Three Thousand Two Hundred and Twenty Two Only) equity shares of Rs. 10/- each representing 45.25% of the total equity and voting share capital of the Target Company at a highest and average price of Rs. 6.05 per fully paid-up equity share payable in cash ("Negotiated Price") for a total consideration of Rs. 1,42,36,993.10 (Rupees One Crore Forty Two Lacs Thirty Six Thousand Nine Hundred and Ninety Three and Ten Paisa Only). The detail of the Seller are as under:

Sl. No.	Name	Address	Tel/ Fax No.	No. of Shares Sold	% of Equity/ voting share capital of CCL
1.	M/s. India Emerging Capital Private Limited	B- 19, First Floor, Greater Kailash Enclave, Part- I, New Delhi – 110048	Tel: (011) 6542 4800 Fax: (011) 2624 2639	23,53,222	45.25%
			TOTAL	**23,53,222**	**45.25%**

2.1.4 The Acquirers do not hold any equity share in CCL except 23,53,222 equity shares agreed and proposed to be acquired through the SPA dated 4th January, 2012.

2.1.5 The Acquirers have not acquired any equity shares of the Target Company during the fifty-two weeks period prior to the date of the PA i.e. 4th January, 2012.

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

2.1.7 The Offer is not as a result of global acquisition resulting in indirect acquisition of CCL.

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

a. The Seller hold 23,53,222 equity shares of the Target Company aggregating to 45.25% of the present equity and voting share capital of the Target Company.

b. As on the date of the Agreement, the Acquirers shall pay the entire Purchase Consideration of Rs. 1,42,36,993.10 (Rupees One Crore Forty Two Lacs Thirty Six Thousand Nine Hundred Ninety Three and Ten Paisa Only) to the Seller through cheque/pay order/demand draft/Electronic Transfer or otherwise and the Seller shall deliver the undated duly signed delivery instruction slip to the Acquirers (i.e. for 11,76,611 equity shares in favour of Mr. Pradeep Kumar Daga and 11,76,611 equity shares in favour of Mrs. Vinita Daga) along with the copies of sale bills and money receipts in respect of the receipt of payments thereof. Alternatively, if the Acquirers so desires, the Seller shall immediately create a lien upon the Sale Shares in the favour of the Acquirers.

c. The Acquirers shall be entitled to appoint their representatives on the Board of Directors of the Target Company after expiry of 15 working days from the date of DPS on deposit of 100% of the consideration payable, assuming full acceptance, in cash in the Escrow Account in terms of Proviso to Regulation 24(1) read with Regulation 17 of the Regulations.

d. The Acquirers shall after the expiry of twenty-one working days from the date of Detailed Public Statement be entitled to, act upon the agreement and may complete the acquisition of shares or voting rights in, or control over the Target Company as contemplated under regulation 22(2) of the Takeover Regulations on deposit of 100% of the consideration payable, assuming full acceptance, in cash, in the Escrow Account.

e. The Seller undertakes that in case the Acquirers so desires, it shall immediately facilitate to appoint them or their nominees on the Board of Directors of the Target Company in terms of Proviso to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations and also transfer the shares in the demat account of the Acquirers in the proportion as mentioned in the SPA in terms of compliance of regulation 22(2) and regulation 24(1) of the SEBI (SAST) Regulations.

f. That the Acquirers and the Seller agree to abide by its obligations as contained in the SEBI (SAST) Regulations.

g. That in case of non-compliance of any provisions of the SEBI (SAST) Regulations, the Agreement for such sale shall not be acted upon by the Seller or the Acquirers.

2.1.9 The Acquirers have not entered into any formal agreement with regard to acquisition of equity shares under the Open Offer and are acting on informal understanding amongst themselves to acquire the shares in equal proportion.

The number & percentage of shares to be acquired or proposed to be acquired by each of the Acquirers under the SPA and the Open Offer are as follows:

Name of the Acquirers	**No. & % of shares Acquired under SPA**	**No. & % of shares proposed to be acquired under Open Offer * [Assuming full acceptance] (No. & %age)**	**Total shareholding after Open Offer * [Assuming full acceptance] (No. & %age)**
Mr. Pradeep Kumar Daga	11,76,611 (22.63%)	6,76,000 (13.00%)	1,85,2611 (35.63%)
Mrs. Vinita Daga	11,76,611 (22.62%)	6,76,000 (13.00%)	1,85,2611 (35.62%)

*The figures may change as per the actual number of shares tendered in the Open Offer.

2.1.10 None of the Acquirers have been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.

2.1.11 Subject to satisfaction of the provisions under the Companies Act, 1956 and/ or any other Regulation(s), the Acquirers intend to make changes in the management of CCL. It is proposed to induct new Directors on the Board of Directors of the Target Company by the Acquirers after the expiry of fifteen (15) working days from the date of the Detailed Public Statement in accordance with the proviso to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations.

Pursuant to the expiry of fifteen (15) working days from the date of the Detailed Public Statement (DPS) ,and in compliance with proviso to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations, the Board of Directors of the Target Company at its meeting held on 04.02.2012 has approved the appointment of the Acquirers, i.e. Mr. Pradeep Kumar Daga & Mrs. Vinita Daga, as the Additional Directors on the Board of the Target Company.

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

2.1.13 The recommendation of the committee of Independent Directors of the Target Company on the Offer will be published at least two (2) working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy of the same shall be sent to SEBI, BSE and Manager to the Offer in compliance of regulation 26(7) of the SEBI (SAST) Regulations.

2.1.14 Pursuant to completion of twenty one (21) working days from the date of publication of the Detailed Public Statement and in compliance with regulation 22(2) read with regulation 17 of the SEBI (SAST) Regulations, 23,53,222 equity shares (representing 45.25% of the equity and voting share capital of the Target Company) forming part of the Share Purchase Agreement dated 04.01.2012 were transferred in the name of Acquirers on 14.02.2012.

2.2 Details of the proposed Offer:

2.2.1. The Detailed Public Statement pursuant to the Public Announcement made by the Acquirers has appeared in Financial Express (English Daily) all editions, Jansatta (Hindi Daily) all editions and Tarun Bharat (Marathi Daily) on 11.01.2012 in compliance with regulation 14 (3) of the SEBI (SAST) Regulations. The Detailed Public Statement made on 11.01.2012 is available on the SEBI web-site at www.sebi.gov.in.

2.2.2. The Acquirers proposes to acquire from the existing equity shareholders of CCL (except the Acquirers and the parties to the SPA) 13,52,000 equity shares of Rs. 10/- each representing 26.00% of total equity and voting share capital of the Target Company, at a price of Rs. 6.05 (Rupees Six and Five Paisa Only) per equity share payable in cash, subject to the terms and conditions mentioned hereinafter.

2.2.3. The Target Company doesn’t have any partly paid up shares.

2.2.4. The Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional Offer. The Acquirers will accept all the equity shares of CCL those that are tendered in valid form in terms of this Open Offer upto a maximum of 13,52,000 fully paid-up equity shares of Rs. 10/- each representing 26.00% of the total equity and voting share capital of the Target Company.

2.2.5. Since the date of the PA to the date of this LOF, the Acquirers have not acquired any equity shares of CCL.

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

2.3 Object of the Offer:

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

2.3.2 The Acquirers intend to make changes in the management of CCL in accordance with the SEBI (SAST) Regulations.

2.3.3 The Acquirers propose to continue existing business of the Target Company and may diversify its business activities in future with prior approval of the shareholders of the Target Company. The main purpose of takeover is to expand the Company's business activities in same/diversified line through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.

2.3.4 The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of CCL in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers undertake that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of the SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.

3. BACKGROUND OF THE ACQUIRERS:

3.1 Mr. Pradeep Kumar Daga, son of Shri Bhimraj Daga, aged about 45 years, resides at 10A, Debendra Ghosh Road, Dev Apartment, Flat No. 4ABC, Kolkata- 700 025. Mr. Daga is a Commerce Graduate and has an experience of over ten years in the field of Finance, Investment and Capital Market related activities. His Net Worth as on 31.03.2011 is Rs. 326.23 Lacs as certified by Mr. Bhairav Parekh, (Firm Registration No. 326848E & Membership No. 065828), Proprietor of M/s. B. Parekh & Associates, Chartered Accountants, having office at 51/4B, Rabindra Sarani, Gujarati Building, Near Liluah Co-operative Bank, Liluah, Howrah- 711 204 vide their certificate dated 4th January, 2012.

3.2 Mrs. Vinita Daga, wife of Mr. Pradeep Kumar Daga, aged about 39 years, resides at 10A, Debendra Ghosh Road, Dev Apartment, Flat No. 4ABC, Kolkata- 700 025. She is an Under Graduate and has an experience of about four years in Finance and Investment related activities. Her Net Worth as on 31.03.2011 is Rs. 454.57 Lacs as certified by Mr. Bhairav Parekh, (Firm Registration No.326848E & Membership No. 065828), Proprietor of M/s. B. Parekh & Associates, Chartered Accountants, having office at 51/4B, Rabindra Sarani, Gujarati Building, Near Liluah Co-operative Bank, Liluah, Howrah- 711 204 vide their certificate dated 4th January, 2012.

3.3 As on the date of PA, the Acquirers do not hold any equity shares in the Target Company. The Acquirers have acquired 23,53,222 equity shares, representing 45.25% of the equity and voting share capital of the Target Company, subsequent to the date of the PA as detailed in Para 2.1.14 above. The Acquirers have till date complied with the relevant provisions of Chapter V of the SEBI (SAST) Regulations, wherever applicable. Further, the Acquirers have undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement and its related conditions.

3.4 As on date of this LOF, the Acquirers are on the Board of Directors of the Target Company. Except as stated herein, the Acquirers do not hold any position on the Board of Directors of any Listed Company. Pursuant to regulation 24(4) of the Regulations, the Acquirers have undertaken not to participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer.

3.5 The Acquirers i.e. Mr. Pradeep Kumar Daga & Mrs. Vinita Daga are husband & wife.

3.6 None of the Acquirers have previously made any acquisitions of the shares of the Target Company including acquisition made through open offers other than those acquired through SPA as stated above.

3.7 None of the Acquirers have been prohibited by SEBI from dealing in the securities, in terms of direction issued under Section 11B of SEBI Act 1992 as amended or under any other Regulations made under the SEBI Act.

4. BACKGROUND OF CINERAD COMMUNICATIONS LIMITED ("CCL" or "TARGET COMPANY")

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

4.1 Cinerad Communications Limited ("CCL") was originally incorporated as Cinerad Communications Private Limited on 17th September, 1986 with the Registrar of Companies, Maharashtra and subsequently converted into Public Limited Company vide special resolution passed on 2nd October, 1994 and obtained fresh certificate of incorporation dated 1st November, 1994. Consequently the name of the Company was changed to Cinerad Communications Limited. The CIN of CCL is L92100MH1986PLC040952. The Registered Office of the Target Company is situated at Premises No. 55, Ground Floor, Om Heera Panna Premises Co-op. Society Ltd. Oshiwara, Andheri (W), Mumbai- 400 053, Tel No.: (022) 3292 3747; Fax No: (022) 2201 9291 and the Corporate Office of the Target Company is situated at B- 19, First Floor, Greater Kailash Enclave, Part- I, New Delhi – 110 048, Tel No.: (011) 4163 4150; E-mail: info@cineradcommunications.com. The Target Company is presently engaged in the business of production of corporate films, documentaries and digital editing facility.

4.2 The Authorised Share Capital of CCL is Rs. 1500.00 Lacs comprising of 150,00,000 equity shares of Rs. 10/- each. The Issued, Subscribed & Paid-up Capital of the IECPL is Rs. 520.00 Lacs comprising of 52,00,000 equity shares of Rs. 10/- each.

4.3 As on date the Target Company does not have any partly paid Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations.

4.4 The Share Capital of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully Paid-up Equity Shares	52,00,000	100.00%
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares	52,00,000	100.00%
Total voting rights in the Target Company	52,00,000	100.00%

4.5 The equity shares of the Target Company are listed at BSE only. The shares are placed under Group 'T' having a Scrip Code of "530457" & Scrip Id: CINERAD on the BSE.

4.6 As on the date of this LOF, the Board of Directors of CCL is as follows:

Names of Directors	Designation	Din No.	Date of Appointment
Mr. Abhinit Gupta	Managing director	00300469	29.01.2007
Mr. Diwakar Bhawagati Gandhi	Promoter Director	00298276	13.10.2006
Mr. Subhash Chandra Sachdeva	Independent Director	00339739	25.08.2009
Mr. Mukesh Pathak	Independent Director	02138804	25.08.2009
Mr. Manmohan Raghunathprasad Prahladka	Independent Director	05160917	01.01.2012
Mr. Pradeep Kumar Daga	Additional Director	00080515	04.02.2012
Mrs. Vinita Daga	Additional Director	00080647	04.02.2012

Note: As on the date of the LOF, the Acquirers are on the Board of Directors of the Target Company.

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

4.8 **Financial Information:**

The financial details of CCL as per the audited accounts for the last three financial years ended 31st March, 2009, 31st March, 2010 and 31st March, 2011 and for the six (6) months period ended 30th September, 2011 are as follows:

Profit & Loss Statement **(Rs. in Lacs)**

For the Year Ended	31st March 2009 (Audited)	31st March 2010 (Audited)	31st March, 2011 (Audited)	30th September, 2011 (Audited)
Income from Operations	2.00	2.35	1.45	0.00
Other Income	27.17	7.91	75.48	5.37
Total Income	29.17	10.26	76.93	5.37
Total Expenditure	73.01	66.66	53.21	34.61
Profit/ (Loss) before Interest, Depreciation and Tax	(43.84)	(56.40)	23.72	(29.24)
Depreciation	18.75	19.38	20.01	12.96
Interest	0.00	0.00	0.00	0.00
Profit/ (Loss) Before Tax	(62.59)	(75.78)	3.71	(42.20)
Provision for Tax (including deferred and fringe benefit tax)	(1.17)	0.00	0.00	0.00
Profit/ (Loss) After tax	(63.76)	(75.78)	3.71	(42.20)

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

As on	31st March 2009 (Audited)	31st March 2010 (Audited)	31st March, 2011 (Audited)	30th September, 2011 (Audited)
Sources of funds				
Paid up share capital	595.00	520.00	520.00	520.00
Reserves & Surplus (excluding revaluation reserves)	420.62	495.62	495.62	495.62

As on	31st March 2009 (Audited)	31st March 2010 (Audited)	31st March, 2011 (Audited)	30th September, 2011 (Audited)
Profit & Loss Account	629.58	705.35	701.65	743.85
Total Miscellaneous Expenditure not written off	0.00	0.00	0.00	0.00
Net Worth	**386.04**	**310.27**	**313.97**	**271.77**
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	0.00	0.00	0.00	0.00
Total	**386.04**	**310.27**	**313.97**	**271.77**
Uses of funds				
Net Fixed Assets	171.85	154.40	118.92	106.77
Investments	200.38	45.12	149.07	152.94
Net Current Assets	13.81	110.75	45.98	12.06
Total	**386.04**	**310.27**	**313.97**	**271.77**

Other Financial Data

For the Year Ended	31st March 2009 (Audited)	31st March 2010 (Audited)	31st March, 2011 (Audited)	30th September, 2011 (Audited)
Dividend (%)	-	-	-	-
Earning Per Share (Rs.)	(1.23)	(1.46)	0.07	(0.81)*
Return on Net worth (%)	(16.52)	(24.42)	1.18	(15.53)
Book Value Per Share (Rs.)	7.42	5.97	6.04	5.23

***** *Non annualized*

Note:

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

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

Shareholders' Category	Share holding/ voting rights Prior to the SPA/ acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter Group:								
(a) Parties to Agreement: - India Emerging Capital Private Limited	23,53,222	45.25%	(23,53,222)	(45.25%)	-	-	-	-
(b) Promoters other than (a) above	-	-	-	-	-	-	-	-
TOTAL 1 (a+b)	23,53,222	45.25%	(23,53,222)	(45.25%)	-	-	-	-
2. Acquirers:								
- Mr. Pradeep Kumar Daga - Mrs. Vinita Daga	- -	- -	11,76,611 11,76,611	22.63% 22.62%	13,52,000	26.00%	37,05,222	71.25%
TOTAL 2	-	-	23,53,222	45.25%	13,52,000	26.00%	37,05,222	71.25%
3. Parties to Agreement other than 1(a) & 2	-	-	-	-	-	-	-	-
4. Public (other than Parties to Agreement and Acquirers)								
a) FIs/MFs/FIIs/ Banks/MF's	5,700	0.11%	-	-				
b) Others	28,41,078	54.64%	-	-				
Total No. of Shareholders in Public Category, i.e. 2148 Total 4 (a+b)	28,46,778	54.75%	-	-	(13,52,000)	(26.00%)	14,94,778	28.75%
GRANDTOTAL (1+2+3+4)	**52,00,000**	**100.00%**	**-**	**-**	**-**	**-**	**52,00,000**	**100.00%**

The total number of shareholders in Public Category is 2148 as on date of the Draft LOF.

4.10 The Target Company has duly complied with the relevant provision of regulation 7(3) & 8(3) of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof since year 2007 and regulation 29 of the SEBI (SAST) Regulations since its applicability to till date, wherever applicable .

5. OFFER PRICE & FINANCIAL ARRANGEMENTS:

5.1 Justification of Offer Price:

5.1.1 The Equity Shares of the Target Company are listed at the Bombay Stock Exchange Limited (BSE) only. The shares are placed under Group 'T' having a Scrip Code of "530457" & Scrip Id: CINERAD on the BSE. This acquisition of shares is direct acquisition as per the regulation 3 (1) & 4 of the SEBI (SAST) Regulations.

The annualized trading turnover in the Equity Shares of the Target Company in the above mentioned Stock Exchanges based on trading volume during the twelve calendar months prior to the month of PA (January 01, 2011 to December 31, 2011) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of PA	Total No. of listed equity shares of the Target Company	Annualised Trading Turnover (as % of total equity shares Listed)
BSE	90,533	52,00,000	1.74%

5.1.2 There has been no active trading in the shares of the Target Company as per the data maintained on the website of the BSE i.e. www.bseindia.com during twelve (12) calendar months preceding the month in which the PA was made. As the Equity Shares of CCL are not frequently traded shares within the meaning of explanation provided in terms of regulation 2(j) of the SEBI (SAST) Regulations, the Offer Price has been determined taking into account the parameters as set out under regulation 8 (2) of the SEBI (SAST) Regulations, as under:

Sr. No.	Particulars	Price (In Rs. per share)

1	Negotiated Price under the SPA	Rs. 6.05
2	The Volume- Weighted Average Price paid or payable for acquisitions by the Acquirers during 52 weeks immediately preceding the date of PA	Not Applicable
3	Highest price paid or payable for acquisitions by the Acquirers during 26 weeks immediately preceding the date of PA	Not Applicable
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5	**Other Financial Parameters as at 31st March 2011:**	
	(a) Return on Net Worth (%)	1.18
	(b) Book Value Per Share	6.04
	(c) Earning Per Share	0.07
	(d) Industry Average P/E Multiple *	18.50
	(e) Offer price P/E Multiple**	86.43

*(Source: Capital Market Journal Vol. XXVI/22, Dec 26, 2011 – Jan 08, 2012, Industry – Entertainment/ Electronic Media Software).

** Offer Price P/E Multiple Implies price to earnings ratio calculated based on the Offer Price of Rs.6.05 per equity share divided by EPS of Re. 0.07 per equity share for the year ended March 31, 2011

In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 6.05 per equity share is justified in terms of regulation 8 (2) of the SEBI (SAST) Regulations.

5.1.3 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

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

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

5.2 Financial arrangements:

5.2.1 The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ networth and no borrowings from any Bank and/ or Financial Institutions are envisaged. Mr. Rajesh Gulgulia, (Firm Registration No. 312088E & Membership No. 063558), Partner of M/s. K. M. Gulgulia & Co., Chartered Accountants, having office at 3, Synagogue Street, 2nd Floor, Room No. 17, Kolkata- 700 001; Ph: No. (033) 2242 5298, and E-mail: kmg_co@rediffmail.com has certified vide certificate dated 4th January, 2012 that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.

5.2.2 The maximum consideration payable by the Acquirers to acquire 13,52,000 fully paid-up equity shares at the Offer Price of Rs. 6.05 (Rupees Six and Five Paisa Only) per equity share, assuming full acceptance of the Offer would be Rs. 81,79,600/- (Rupees Eighty One Lacs Seventy Nine Thousand Six Hundred Only). In accordance with proviso clause to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account under the name and style of “CCL- Open Offer Escrow Account” with HDFC Bank Limited, Central Plaza, 2/6, Sarat Bose Road, Kolkata-700 020 (“Escrow Banker”) and made therein a cash deposit of Rs. 82,00,000/- (Rupees Eighty Two Lacs Only) being more than 100% of the total consideration payable in the Open Offer, assuming full acceptance.

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

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

6. TERMS AND CONDITIONS OF THE OFFER:

6.1 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of CCL (except the Acquirers and the parties to the SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the CCL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on 09th March, 2012 ("Identified Date").

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

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

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

6.5 Locked-in Shares:

There are no locked-in shares in CCL.

6.6 Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirers and parties to the SPA) whose names appeared in the register of shareholders on 09th March, 2012 and also to the beneficial owners ("Demat Holders") of the equity shares of CCL, whose names appeared as beneficiaries on the records of the respective Depository Participants ("DP") at the close of the business hours on 09th March, 2012 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

6.7 Statutory Approvals and conditions of the Offer:

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

6.7.2 As on the date of the PA, other than the above, no statutory approvals and/ or consents are required. However, the offer would be subject to the receipt of such other statutory approvals as may be required and/ or may subsequently become necessary to acquire at any later date.

6.7.3 The Acquirers, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has appeared.

6.7.4 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

6.7.5 No approval is required from any bank or financial institutions for this Offer.

6.7.6 The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

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

ABS CONSULTANT PRIVATE LIMITED

(Contact Person: : Mr. Vijay Sharma)
Stephen House, Room No. 99,
6th Floor, 4, B.B. D. Bag (East),
Kolkata- 700 001
Phone No: (033) 2230 1043/ 2243 0153,
Fax: (033) 2243 0153
E-mail: absconsultant@vsnl.net

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e.10.04.2012. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday – Friday	10.00 a.m.to 5:00 p.m.	Hand Delivery
Saturday	10.00 a.m.to 2:00 p.m.	Hand Delivery

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

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

7.2.1 For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s);

- Original Share Certificates;
- Valid share transfer Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with CCL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LOF.

(ii) Unregistered owners should enclose:

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

7.2.2 For equity shares held in Demat Form:

Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the Special Depository Account (please see below) before the close of the business hours on 10.04.2012.

7.3 The Registrar to the Offer, ABS Consultant Pvt. Ltd. has opened a Special Depository Account with Shree Bahubali Int. Ltd. (Registered with NSDL). The details of the Special Depository Account are as follows: -

DP Name	Shree Bahubali Int. Ltd.
DP ID	IN300773
Client ID	10296713
Account name	ABS CONSULTANT PVT. LTD. - " CCL OPEN OFFER ESCROW ACCOUNT"
Depository	National Securities Depository Limited ("NSDL")

Shareholders having their beneficiary account in the Central Depository Services (India) Limited ("CDSL") have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Special Depository Account with NSDL.

7.4 For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement. In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such Demat Shares not credited in favour of the Special Depository Account before the closure of the offer is liable to be rejected.

7.5 The Share Certificate(s), Share Transfer Form, Form of Acceptance cum Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.

7.6 In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of CCL. The Public Announcement, Detailed Public Statement, Draft LOF, LOF, Form of Acceptance Cum Acknowledgement will be available on SEBI website at ***www.sebi.gov.in***, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, registered folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before Closure to the Offer i.e. 10.04.2012. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of Beneficial Owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no. of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e.10.04.2012.

7.7 Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions/ orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.8 While tendering the equity shares under the Offer, NRIs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserve the right to reject such equity shares tendered. While tendering shares under the Offer, NRI / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

7.9 As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.

7.10 No indemnity is needed from the unregistered shareholders.

7.11 The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 24.04.2012. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18 (11) of the SEBI (SAST) Regulations.

7.12 Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders / through ECS mode of payment and will be sent by registered post, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirers in part or in full except in case of joint holders, cheques / demand drafts/ pay orders/ECS Credit, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques/ demand drafts/ pay orders. In order to get payment through ECS mode shareholders are requested to provide their Bank Details like Account Number, Name of the Bank and its address, IFSC Code of Bank etc.

7.13 In case the shares tendered in the Offer by the shareholders are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be on proportionate basis which would be determined in consultant with the Manager to the Offer so as to ensure that the basis of acceptance is decided in a fair and equitable manner. Provided that the acquisition of the equity shares from the shareholders of CCL shall not be less than the minimum marketable lot. The marketable lot for equity shares of CCL is 1 (one) equity share. The rejected Applications/ Documents will be sent by Registered Post.

7.14 Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders/ unregistered owners sole risk to the sole / first shareholder. Shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners.

7.15 The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form/s on behalf of the shareholders of CCL who have accepted the Offer, till the Cheques/Drafts/ECS credit for the consideration and/or the unaccepted shares/share certificates are despatched/returned/credited.

7.16 In case any person has lodged shares of CCL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 7.6 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct CCL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.

7.17 In case any person has tendered his physical shares in CCL for dematerialization and such dematerialization has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialization request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the Special Depository Account on or before the Offer closing date.

7.18 In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold. In case the shares were sold directly ("Off-market"), this document may be forwarded to the purchaser of the shares.

8. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue, 2nd Floor, Suite No –2C, Kolkata-700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 26th March, 2012 to 10th April, 2012.

i) Memorandum & Articles of Association of Cinerad Communications Limited along with the Certificate of Incorporation.

ii) Certificate from Mr. Bhairav Parekh, (Firm Registration No. 326848E & Membership No. 065828), Proprietor of M/s. B. Parekh & Associates, Chartered Accountants, having office at 51/4B, Rabindra Sarani, Gujarati Building, Near Liluah Co-operative Bank, Liluah, Howrah- 711 204, E-mail:bhairavparekh@rediffmail.com certifying the net worth of the Acquirers as on 4th January, 2012.

iii) Certificate dated 4th January, 2012 from Mr. Rajesh Gulgulia, (Firm Registration No. 312088E & Membership No. 063558), Partner of M/s. K. M. Gulgulia & Co., Chartered Accountants, having office at 3, Synagogue Street, 2nd Floor, Room No. 17, Kolkata- 700 001; Ph: No. (033) 2242 5298, and E-mail: kmg_co@rediffmail.com certifying that the sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.

iv) Audited Annual Reports for the financial year ended 31st March 2009, 31st March 2010 & 31st March , 2011 and Audited Financial Statements for the six months period ended 30th September, 2011 of Cinerad Communications Limited.

v) Copy of the letter received from HDFC Bank Limited dated 9th January, 2012 confirming the required amount kept in the escrow account and marked lien in favour of Manager to Offer.

vi) The copy of Share Purchase Agreement dated 4th January, 2012 between the Seller and the Acquirers, which triggered the Open Offer.

vii) Copy of the Public Announcement dated 4th January, 2012, published copy of the Detailed Public Statement dated 11th January, 2012 and Issue Opening Public Announcement dated 22nd March, 2012.

viii) Copy of the recommendations made by the Committee of Independent Directors of the Target Company.

ix) Copy of SEBI Observation Letter No. CFD/DCR/TO/SS/OW/5656/12 dated March 06, 2012 issued in terms of proviso to regulation 16(4) of the SEBI (SAST) Regulations.

x) Copy of the agreement with the Depository Participant for opening a special depository account for the purpose of the Offer.

xi) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated 4th January, 2012.

9. DECLARATION BY THE ACQUIRERS:

The Acquirers, Mr. Pradeep Kumar Daga & Mrs. Vinita Daga, accept full responsibility for the information contained in the LOF and also for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof and the Acquirers would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

Sd/-

(Mr. Pradeep Kumar Daga)

Sd/-

(Mrs. Vinita Daga)

Place: Kolkata
Date: 12.03.2012

Attached: Form of Acceptance cum Acknowledgement

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
ABS Consultant Private Limited
Stephen House, Room No. 99,
6th Floor, 4, B.B. D. Bag (East),
Kolkata- 700 001

Date:

OFFER	
Opens on	March 26, 2012
Closes on	April 10, 2012

Dear Sir,

Subject: Open Offer by Mr. Pradeep Kumar Daga & Mrs. Vinita Daga, both resident of 10A, Debendra Ghosh Road, Dev Apartment, Flat No. 4ABC, Kolkata- 700 025 (hereinafter collectively referred to as "Acquirers") to the shareholders of Cinerad Communications Limited (CCL) to acquire from them upto 13,52,000 equity shares of Rs. 10/- each representing 26% of the total equity and voting share capital of CCL @ Rs.6.05 per fully paid-up equity share.

I/We refer to the Letter of Offer dated 12.03.2012 for acquiring the equity shares held by us in Cinerad Communications Limited.
I/We, the undersigned have read the Letter of Offer, understood its contents including the terms and conditions as mentioned therein.

<u>FOR EQUITY SHARES HELD IN PHYSICAL FORM</u>

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

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

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

<u>FOR EQUITY SHARES IN DEMATERIALISED FORM</u>

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

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

I/We have done an off market transaction for crediting the Shares to the Special Depository Account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.
I/We note and understand that the Shares would reside in the Special Depository Account opened for the purpose of this Offer until the time the Acquirers accept the Shares and makes the payment of purchase consideration as mentioned in the LOF.
I/We confirm that the equity shares of Cinerad Communications 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 they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.
I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post as may be applicable at my/our risk, the draft /cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.
I/We authorize the 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.

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

<u>Acknowledgement slip</u>

Ledger Folio No. ____________ DP ID ___________________ Client ID _____________________ Received from ______________________________ ___________an application for sale of __________Equity Share(s) of Cinerad Communications Limited together with ________share certificate(s) bearing Certificate Numbers _________________________ and _______transfer deed(s)/ photocopy of "Off-market" delivery instruction duly acknowledged by the DP.

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

Date of receipt **Signature of the official**

Yours faithfully,

Signed and Delivered

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

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

Bank Details

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.
I / We permit the Acquirers or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.
Savings/Current/(Others; please specify) : _______________________________________
Name of the Bank Branch: ____
Account Number: _______________________ IFSC Code of Bank____________________________________
The Permanent Account Number (PAN No.) allotted under Income Tax Act, 1961 is as below:

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

INSTRUCTIONS

i. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.

ii. The Form of Acceptance cum Acknowledgement should be filled-up in English only.

iii. Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.

iv. Mode of tendering the Equity Shares Pursuant to the Offer:

(i) The acceptance of the Offer made by the Acquirers are entirely at the discretion of the equity shareholder of CCL.

(ii) Shareholders of CCL to whom this Offer is being made, are free to Offer his / her / their shareholding in CCL for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.