

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 **CROITRE INDUSTRIES LIMITED**. If you require any clarifications about the action to be taken, you may consult your Stockbroker or Investment Consultant or Manager or Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER

Pursuant to **Regulations 10 and 12** and the applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto (hereinafter referred to as **"the Regulations"**).

BY

MR. GIRDHAR S. BANSAL AND MR. DEEPAK S. BANSAL

(hereinafter collectively referred to as **"the Acquirers"**) both residing at 12, Prabha Smruti, Rani Sati Marg, Gokhle Wadi, Malad (East), Mumbai – 400097; Telefax No. +91-22-8781495; Email: bansal_giit@yahoo.co.in and deepakbansal4986@yahoo.in; There are no Persons Acting in Concert (**"PACs"**) with the Acquirers for the purpose of this Offer.

TO

THE SHAREHOLDERS OF CROITRE INDUSTRIES LIMITED

(hereinafter referred to as **"Croitre"** or **"the Target Company"**) having its Registered Office at 8-2-87/89, 401, Srinivasa Plaza, Opp. Smiline Dental Hospital, Srinagar Colony Main Road, Punjagutta, Hyderabad - 500 082, Andhra Pradesh, India; Tel. No.: +91-40-23736047; Fax No.: +91-40-23736047; E-mail: info@croitremines.com; Web: www.croitremines.com

TO ACQUIRE

Upto 12,61,278 fully paid-up equity shares of Rs. 10/- each, representing in aggregate upto 20% of the Paid up and Voting Equity Share Capital of Croitre for cash (**"Offer Size"**), at a price of **Rs. 1.75/-** (Rupee One and Paise Seventy Five Only) per Fully Paid-up Equity Share (**"Offer Price"**).

ATTENTION

1. To the best of knowledge of the Acquirers, no other statutory approvals are required to acquire shares tendered pursuant to this Offer. However, the Offer would be subject to all statutory approvals as may become applicable at a later date.
2. If non-resident shareholders, overseas corporate bodies and foreign shareholders had required any RBI approval in respect of any equity shares held by them in the Target Company; they will be required to submit their previous RBI approvals that they would have obtained for holding the equity shares of the Target Company. In case such permissions are not submitted, the Acquirers reserve the right to reject such equity shares tendered in the Open Offer.
3. In case of delay in the receipt of the statutory approvals, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to shareholders who have validly tendered their Equity Shares, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approval, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of Public Announcement /Corrigendum/ Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer i.e. they can withdraw on or before January 11, 2012.
5. If there is any upward revision in the Offer Price by the Acquirers prior to or on the last date for revising the Offer Price viz., January 5, 2012, you will be informed by way of another Public Announcement in the same newspapers in which the Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. There has been no competitive bid to this Offer till the date of filing of this letter of offer.
7. **If there is a competitive Bid: (i) the public offers under all the subsisting bids shall close on the same date. (ii) As the Offer Price cannot be revised during seven working days prior to closing date of the Offer/Bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
8. As the Offer Price cannot be revised during seven working days prior to the closing date of the Offer, 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.
9. This Offer is not conditional upon any minimum level of acceptance.
10. **A copy of the Public Announcement, Corrigendum and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) are also available on SEBI's website: www.sebi.gov.in**

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
 <p>SYSTEMATIX GROUP Investments Re-defined</p>	<p>Systematix Corporate Services Limited SEBI Registration No. INM 000004224 J. K. Somani Building, 2nd Floor, British Hotel Lane, Fort, Mumbai – 400 001. Tel. No: +91-22-3029 8280/86; +91-22-6619 8280/86 Fax No. +91-22-3029 8029 / 6619 8029 Email: investor@systematixgroup.in Web: www.systematixshares.com Contact Person: Mr. Amit Kumar/Mr. Ankit Doshi</p>		<p>Bigshare Services Private Limited SEBI Registration No. INR000001385 E/2, Ansa Industrial Estate; Saki Vihar Road; Sakinaka, Andheri (East) Mumbai - 400 072. Tel. No. +91-22-28470652/40430200; Fax No. +91-22-28475207 Email: openoffer@bigshareonline.com Web: www.bigshareonline.com Contact Person: Mr. Vishant Naik</p>
OFFER OPENS ON: December 28, 2011 (Wednesday)		OFFER CLOSES ON: January 16, 2012 (Monday)	

SCHEDULE OF ACTIVITIES

ACTIVITY	Original Date	Original Day	Revised Date	Revised Day
Public Announcement	October 21, 2011	Friday	October 21, 2011	Friday
Specified Date	November 5, 2011	Saturday	November 5, 2011	Saturday
Last date for a Competitive Bid	November 11, 2011	Friday	November 11, 2011	Friday
Date by which Letter of Offer to be posted to the shareholders	December 5, 2011	Monday	December 23, 2011	Friday
Date of Opening of the Offer	December 12, 2011	Monday	December 28, 2011	Wednesday
Last date for revising the offer price / number of shares	December 22, 2011	Thursday	January 5, 2012	Thursday
Last date for withdrawal of acceptance by the shareholders	December 28, 2011	Wednesday	January 11, 2012	Wednesday
Date of Closure of the Offer	December 31, 2011	Saturday	January 16, 2012	Monday
Last date of communicating the rejection /acceptance and payment of consideration for the acquired shares	January 15, 2012	Sunday	January 31, 2012	Tuesday

SPECIFIED DATE

Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All the owners (registered or unregistered) of equity shares of Target Company, (except the Acquirers and the Seller) anytime before the closure of the Offer, are eligible to participate in the Offer.

Note: Duly Signed Application and Transfer Deed should reach the Registrar to the Offer, on or before closure of the Offer.

RISK FACTORS

A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are 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 analyzing all the risks with respect to their participation in the Offer.

- 1) The Offer involves an Offer to acquire up to 20% of the Voting Capital that will constitute the share capital of Croitre from the Eligible Persons for the Offer. In the case of over subscription in the Offer, as per the Regulations acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- 2) In the event that (a) any statutory and regulatory approvals are not received in a timely manner, (b) there is any litigation leading to a "stay" of the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, and 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 shareholders of Croitre 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 22(12) of the 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, as may be specified by SEBI.

- 3) Shareholders should note that after the last date of withdrawal; the shareholders who have lodged the equity shares would not be able to withdraw them even if the acceptance of equity 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, and wherever applicable, by the Target Company, in connection with the Offer. In terms of Regulation 27 of the Regulations, the Acquirers may not be able to proceed with the Offer in the event the approvals are not received. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
- 5) The shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of Croitre. Accordingly, the Acquirers make no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of Croitre on whether to participate or not to participate in the Offer.

B. IN ASSOCIATION WITH THE ACQUIRERS

The Acquirers make no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the equity shares 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 do not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.

C. RISK IN THE TRANSACTION

The Offer contains a clause that it is subject to the provisions of SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the Regulations, the Seller or the Acquirers shall not act upon the Agreement for such sale.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs."/"₹" are to the reference of Indian National Rupee(s) ("INR"). Throughout this Letter of Offer, all figures have been expressed in "Lac" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and regrouping.

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ABBREVIATIONS / DEFINITIONS

The following abbreviations / definitions apply throughout this document, unless the context requires otherwise:

ABBREVIATION	DETAILS
Acquirers	Mr. Girdhar S. Bansal and Mr. Deepak S. Bansal
ASE	Ahmedabad Stock Exchange Limited, Ahmedabad
BSE	Bombay Stock Exchange Limited, Mumbai
B.Com	Bachelor in Commerce
CIN	Corporate Identification Number
Corrigendum	Released on December 21, 2011 (Wednesday) in the same newspapers in which PA was released
ECS	Electronic Clearing Services
Eligible Persons	All Shareholders of Croitre Industries Limited (registered and unregistered) who own the equity shares at any time prior to the Closure of the Offer, except the Seller
FEMA	Foreign Exchange Management Act, 1999
FIIs	Foreign Institutional Investors
Form of Acceptance	The form of application cum acknowledgement which is enclosed with this Letter of Offer for accepting the Offer
FY	Financial Year
GIR	General Index Register
H.S.C	Higher Secondary Certificate
HSE	Hyderabad Stock Exchange Limited, Hyderabad
Income Tax Act	Income Tax Act, 1961
IFSC	Indian Financial System Code
LOF / Letter of Offer	Letter of Offer dated December 16, 2011
Manager to the Offer	Systematix Corporate Services Limited
MICR	Magnetic Ink Character Recognition
MOA	Memorandum of Association
MSE	Madras Stock Exchange Limited, Chennai
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer

NRI	Non-Resident Indian
OCBs	Overseas Corporate Bodies
Offer Closing Date	January 16, 2012 i.e. Equity Shares received by the Registrar to the Offer on that date by 4.00 p.m. in a valid form as mentioned in Letter of Offer
Offer/Open Offer	Cash Offer @ Rs. 1.75/- per equity share being made by the Acquirers to the shareholders of Target Company to acquire upto 12,61,278 fully paid up equity shares of Croitre Industries Limited
Offer Period	From December 28, 2011 to January 16, 2012
Offer Price	Rs. 1.75/- for each fully paid-up equity share payable in cash
Offer Size	12,61,278 equity shares of Rs. 10/- each being 20% of the total paid up and voting capital of Croitre Industries Limited
Parties to the Agreement	The Acquirers and the Seller who signed the Share Purchase Agreement dated October 18, 2011
Public Announcement (PA)	Public Announcement of the Offer issued in newspapers on October 21, 2011 by the Manager to the Offer on behalf of the Acquirers.
PACs (Persons Acting in Concert)	Those (persons/entities) who are directly or indirectly associated with the Acquirers for the purpose of this Offer.
Promoters / Promoter Group	Promoters of Croitre Industries Limited
RBI	Reserve Bank of India
Registrar / Registrar to the Offer / RTA	Bigshare Services Private Limited
Regulations	SEBI (SAST) Regulations, 1997 as amended till date
Rs./Rupee(s)/INR/₹	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereto.
Shares/equity shares	Fully paid up equity share with one vote per equity share of Croitre Industries Limited, having face value of Rs. 10/- each.
Shareholders	Shareholders of Croitre Industries Limited
SPA / the Agreement	Share Purchase Agreement dated October 18, 2011 entered between the Acquirers and the Seller
Specified Date	November 5, 2011 (Saturday)
Target Company / CROITRE / Croitre	Croitre Industries Limited, Hyderabad (Andhra Pradesh)
TDS	Tax Deduction at Source

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 OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CROITRE INDUSTRIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR THE 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 DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SYSTEMATIX CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 1, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

2. BACKGROUND AND DETAILS OF THE OFFER

- 2.1. The Open Offer (“**the Offer**”) is being made by the Acquirers, in compliance with Regulation 10 and 12 of the Regulations, to the shareholders of Croitre Industries Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 8-2-87/89, 401, Srinivasa Plaza, Opp. Smiline Dental Hospital, Srinagar Colony Main Road, Punjagutta, Hyderabad - 500 082, Andhra Pradesh, India (“**the Target Company**” or “**Croitre**”) for the purpose of substantial acquisition of equity shares and voting rights of Croitre accompanied with the change in control and management.
- 2.2. The Acquirers entered into a Share Purchase Agreement (hereinafter referred to as “**SPA**” or “**the Agreement**”) dated October 18, 2011 with a member of the Promoter Group namely Mr. Kalakuntla Sudheer Rao, legally represented by Mr. A Srinivas through duly executed Power of Attorney (“**POA**”) dated October 18, 2011 (hereinafter referred to as “**the Seller**”), for the acquisition of 22,51,400 fully paid up equity shares (“**Sale Shares**”) of ₹ 10/- each representing 35.70% of the issued, subscribed and paid up equity share capital of the Target Company, at a price of ₹ 1.50/- (Rupee One and Paise Fifty only) per share (“**the Negotiated Price**”) aggregating to ₹ 33,77,100 (Rupees Thirty-Three Lac Seventy-Seven Thousand and One Hundred only) i.e. (“**the consideration**”).
- 2.3. Pursuant to the aforesaid SPA, the Acquirers shareholding in the Target Company exceeded 15% of the total voting capital in the Target Company and therefore provisions of Regulation 10 read with Regulation 12 of the Regulations have been attracted. Hence, a Public Announcement (“**PA**”) was released by the Acquirers on October 21, 2011 in compliance with the Regulations.
- 2.4. The brief details of SPA in terms of the total number of shares agreed to be bought and sold are as follows:

Name of the Acquirers	No. of Shares (%) of Croitre	Name of the Seller / Promoter	No. of Shares (%) of Croitre
Mr. Girdhar Bansal	11,25,700 (17.85%)	Mr. Kalakuntla Sudheer Rao*	22,51,400 (35.70%)
Mr. Deepak Bansal	11,25,700 (17.85%)		
Total	22,51,400 (35.70%)	Total	22,51,400 (35.70%)

*being represented by legal individual namely Mr. A Srinivas through duly executed POA.

Address & Contact details of the Seller, Mr. Kalakuntla Sudheer Rao:

H.No. 1-2-24, Flat No. 104, Venkata Krupa Apartments, Domalguda, Hyderabad - 500 029, Andhra Pradesh, India.
Tel. No.: +914023736047; Email: sudheerrao269@gmail.com

2.5. The salient features of SPA as follows:

- 2.5.1. The Seller recognises that the sale of the said Sale Shares is the subject matter of compliance with Chapter III of SEBI (SAST) Regulations, 1997 and amendments thereof and the lock-in provisions of BSE under the Listing Agreement hence the Seller will transfer the Sale Shares only after due compliance with the above and on receipt of certificate from the Manager to the Offer in terms of Regulation 24(7) of the SEBI (SAST) Regulations, 1997.
- 2.5.2. The Acquirers agree to comply with the requirements of the Regulations including acquisition of additional 20% of the voting capital of the Target Company as prescribed in the Regulations.
- 2.5.3. The Acquirers also agreed to pay the Seller the total consideration of Sale Shares @ ₹ 1.50 per equity shares i.e. ₹ 33,77,100 (Rupees Thirty-Three Lac Seventy-Seven Thousand and One Hundred only) in compliance with Sale Shares and also made an advance payment of ₹ 6.00 Lac as initial payment which will be adjusted against the total consideration payable by the Acquirers at the time of transferring of equity shares.
- 2.5.4. The Acquirers confirm that no other consideration either in kind or cash is to be paid to the Seller except as stated herein above. Also, no non-compete fee is given to the Seller by the Acquirers.
- 2.5.5. The Sale Shares held by the Seller are and shall be free from all lien, claim, pledge, charge, mortgage and encumbrance and have a controlling stake in the Target Company and constituting the promoter group within the meaning of Regulations issued by the Securities and Exchange Board of India ("SEBI").
- 2.5.6. The Acquirers, the Seller and the Target Company are not prohibited from accessing capital markets in terms of section 11B of the SEBI Act.
- 2.5.7. The Target Company on completion of the Offer, will immediately convene a meeting of the Board of Directors to consider and approve each one of the following actions:
 - a. approve the transfer of the Sale Shares in the name of the Acquirers after due compliance with SEBI Takeover Regulations and provisions for lock-in shares in terms of the norms stipulated by BSE as it got recently revoked from suspension;
 - b. appoint Board of Directors of the Target Company and Mr. Deepak Bansal as Managing Director of the Target Company;
 - c. enter the names of the Acquirers in the Register of Members as the owner of the Sale Shares.
 - d. apply for and change the name of the Target Company, object clause of the Memorandum of the Target Company.
 - e. issue notices convening the extraordinary general body meeting of the Target Company with a shorter notice to be held on the Closing Date.
 - f. Shifting of registered office of the Target Company.
- 2.6. As on the date of the PA, the Acquirers do not hold any equity shares in the Target Company.
- 2.7. The Acquirers have not acquired any equity shares of Target Company during the 12 months period prior to the date of the PA except 22,51,400 equity shares acquired under the SPA dated October 18, 2011 as stated in Para 2.2 above.
- 2.8. As on date of PA, the Manager to the Offer does not hold any equity shares in the Target Company. They have declared and undertaken that they shall not deal in the equity shares of Target Company during the period commencing from the date of the appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

- 2.9. The proposed change in control is not through any arrangement other than by virtue of the equity shares to be acquired and tendered as a result of the Open Offer.
- 2.10. The Offer is not conditional to any minimum level of the acceptance. The Acquirers will acquire all the equity shares of Croitre (i.e. upto 12,61,278 equity shares) that are tendered in valid form in accordance with the terms and conditions set out in the Letter of Offer which is sent to all the shareholders except the Seller.
- 2.11. The Acquirers, the Seller and the Target Company have not been prohibited by SEBI from dealing in securities in terms of the direction issued u/s 11B of SEBI Act or under any of the Regulation made under the SEBI Act.
- 2.12. There are no Persons Acting in Concert (“PACs”) with the Acquirers for the purpose of this Offer.
- 2.13. The Acquirers have not been allotted any equity shares in the Target Company by way of allotment in a Public or Rights or Preferential Issue during the 26-week period prior to the date of the PA. Also, the Acquirers have not made any further acquisition of equity shares in the open market or through negotiation or otherwise, from the date of PA to the date of this LOF.
- 2.14. The Acquirers have made the Offer at a price of ₹ 1.75/- (Rupee One and Paise Seventy-Five Only) per share (“the Offer Price”), payable in cash in terms of Regulation 20 of the Regulations to the shareholders of Target Company to acquire upto 12,61,278 equity shares of Rs. 10/- each representing 20% of the paid-up & voting capital (“the Offer Size”) and in compliance with the Regulations.
- 2.15. The Public Announcement and the Corrigendum were made by the Manager to the Offer on behalf of the Acquirers on October 21, 2011 (Friday) and December 21, 2011 (Wednesday) as per Regulation 15(1) of the SEBI (SAST) Regulations in the following newspapers:

Sr. No.	Newspapers	Editions
1.	The Financial Express (National English Daily)	All India Editions
2.	Jansatta (National Hindi Daily)	All India Editions
3.	Mumbai Lakshdeep (Marathi Daily)	Mumbai Edition
4.	Prajashakthi (Telugu Daily)	Hyderabad Edition

The Public Announcement, Corrigendum and this Letter of Offer are also available on the SEBI’s website: www.sebi.gov.in

- 2.16. The Offer to the equity shareholders of Croitre is to acquire 12,61,278 fully paid up equity shares representing 20% of the equity voting capital of the Target Company at a price of ₹ 1.75/- (Rupee One and Paise Seventy Five only) per share. The payment to the shareholders whose shares have been accepted shall be paid in cash.
- 2.17. All the equity shares of the Target Company are fully paid-up and there are no partly paid-up equity shares in the Target Company.
- 2.18. This is not a competitive bid.
- 2.19. The Offer is not subject to any minimum level of acceptance; hence it is not a conditional offer. The Acquirers will acquire all the fully paid up equity shares of Croitre that are validly tendered and accepted in terms of this Offer upto 12,61,278 fully paid equity shares representing 20% of the total paid up and voting capital of the Target Company.
- 2.20. All equity shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.
- 2.21. The Offer is not a global acquisition resulting in indirect acquisition of the Target Company.

3. OBJECTS OF THE ACQUISITION / OFFER

- 3.1. The Acquirers have entered into an SPA for the acquisition of 22,51,400 equity shares of ₹ 10/- each of Croitre, representing 35.70% of the issued, subscribed and paid up share capital of the Target Company from one of the members of the Promoter Group of the Target Company.
- 3.2. The acquisition is thus a substantial acquisition of equity shares along with the voting rights in Croitre, which will enable the Acquirers to gain control of the Target Company. As a result of this acquisition, provisions of Regulations 10 & 12 of the Regulations have been attracted. The Acquirers are making an Offer to acquire upto 12,61,278 fully paid equity shares of ₹ 10 each being 20% of the paid up voting and equity share capital of the Target Company in order to comply with the provisions of the Regulations.
- 3.3. As on the date of this LOF, the Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years 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 operations, assets, investments, liabilities or otherwise of the Target Company for commercial reasons and operational efficiencies. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters based upon, among other things, the requirements of the business and in line with the opportunities from time to time.

4. BACKGROUND OF THE ACQUIRERS - MR. GIRDHAR S. BANSAL AND MR. DEEPAK S. BANSAL

4.1 MR. GIRDHAR S. BANSAL

- 4.1.1. Mr. Girdhar S. Bansal, S/o Mr. Sitaram J. Bansal aged 49 years and a resident of India is qualified as B.Com. He resides at 12, Prabha Smruti, Rani Sati Marg, Gokhle Wadi, Malad (East), Mumbai – 400097; Telefax No. +91-22-8781495; Email: bansal_gjit@yahoo.co.in.
- 4.1.2. He carries an Indian Driving License No. MH02948506.
- 4.1.3. He has more than 25 years of experience in trading and supply of construction materials, working on contractual constructions assignments and also involved in the business of Real Estate and Finance Consultancy.
- 4.1.4. The Networth of the Mr. Girdhar Bansal as on October 19, 2011 is ₹ 1,27,60,750/- (Rupees One Crore Twenty-Seven Lac and Sixty Thousand Seven Hundred and Fifty Only) and the same is certified by Mr. K. K. Rathi (Membership No. 036461) of M/s Rathi K. K. & Co. (Registration No. 123096W); Chartered Accountants having their office situated at 15B, Hiren Shopping Centre, S. V. Road, Goregaon (West), Mumbai – 400 062, Maharashtra, India. Tel. No. +91-22-3341 9576; Email: krathi60@gmail.com vides their certificate dated October 20, 2011.

4.2 MR. DEEPAK S. BANSAL

- 4.2.1. Mr. Deepak S. Bansal, S/o Mr. Sitaram Bansal aged 45 years and a resident of India is qualified as H.S.C. He resides at 12, Prabha Smruti, Rani Sati Marg, Gokhle Wadi, Malad (East), Mumbai – 400097. Telefax No. +91-22-8781495; Email: deepakbansal4986@yahoo.in
- 4.2.2. He carries a valid Indian Passport bearing No. G2303419 and Indian Driving License No. MH 02902823.
- 4.2.3. He has more than 20 years of experience in trading and supply of construction materials, working on contractual constructions assignments.
- 4.2.4. The Networth of the Mr. Deepak Bansal as on October 19, 2011 is ₹ 1,14,06,900/- (Rupees One Crore Fourteen Lac Six Thousand and Nine Hundred Only) and the same is certified by Mr. K. K. Rathi (Membership No. 036461) of M/s Rathi K. K. & Co. (Registration No. 123096W); Chartered Accountants having their office situated at 15B, Hiren Shopping Centre, S. V. Road, Goregaon (West), Mumbai – 400 062, Maharashtra, India. Tel. No. +91-22-3341 9576; Email: krathi60@gmail.com vide their certificate dated October 20, 2011.

4.3 OTHER INFORMATION ABOUT THE ACQUIRERS

- 4.3.1. There are no PACs within the meaning of Regulation 2(1)(e)(1) of the Regulations in relation to this Offer with the Acquirers. The Acquirers are related to each other as brothers.
- 4.3.2. There is no other agreement entered between the Acquirers and the Seller except the SPA. Also, there is no agreement entered between the Acquirers for the acquisition of Open Offer equity sharers. The Acquirers are not related to the Target Company its Directors and Promoters in any manner whatsoever except the SPA.
- 4.3.3. The Acquirers neither have promoted any companies and nor they are on the board of any listed or unlisted company.
- 4.3.4. The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
- 4.3.5. Compliance with requirements of Chapter II of the Regulations is not applicable to the Acquirers as on the date of this LOF.

5. DISCLOSURE IN TERMS OF REGULATION 16 (ix)

- 5.1. The Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years 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 operations, assets, investments, liabilities or otherwise of the Target Company for commercial reasons and operational efficiencies.
- 5.2. Other than in the ordinary course of business, the Acquirers undertake that they will not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

6. FUTURE PLANS OF THE ACQUIRERS WITH REGARD TO THE TARGET COMPANY

- 6.1. The acquisition is in the nature of strategic investment and to focus on business and revenue generation for the growth of the Target Company. The Acquirers may change the name and the main objects of the Target Company and venture into different business in future if required upon necessary approvals. Also, the Acquirers may shift the registered office of the Target Company in future if required upon necessary approvals.
- 6.2. As on the date of this PA, the Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years 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 operations, assets, investments, liabilities or otherwise of the Target Company for commercial reasons and operational efficiencies. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters based upon, among other things, the requirements of the business and in line with the opportunities from time to time.
- 6.3. The Acquirers have entered into SPA with one of the Promoters' Group member for the substantial acquisition of shares and management control of Croitre. On completion of the Open Offer formalities, they would like to shift the registered office of the Target Company from the state of Andhra Pradesh to the state of Maharashtra subject to the statutory approvals. As on date, they have not fixed any specific place for the registered office of the target company but it will be located somewhere in Mumbai.
- 6.4. Further, the Acquirers would like to change the main objects of Croitre subject to necessary approvals and will venture into construction related business where they are comfortable to deal in since they are having prior experience.

- 6.5. 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 Croitre. Persons who have rich experience in construction business will be appointed on the Board to have a broad vision about the business of the target company.
- 6.6. Notwithstanding the above, it will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters, in accordance with the requirements of the business of Croitre and in line with opportunities or changes in the economic scenario from time to time.

7. OPTION IN TERMS OF REGULATION 21

Upon successful completion of the Offer, assuming full acceptance to this Offer and the Sale Shares acquired through SPA, the Acquirers will hold 35,12,678 equity shares constituting 55.70% of paid-up and voting capital of the Target Company and will become a part of the promoters' group of the Target Company. Hence, the combined shareholding of promoter group will result in the public shareholding falling below the minimum limit specified in Clause 40A of the Listing Agreement i.e. 25% of its outstanding equity share and voting capital. Further, the Acquirers undertake that they will comply with Clause 40A of the Listing Agreement for continuous listing of equity shares of the Target Company with BSE within the means and the timeline specified by BSE. The existing promoters except the Seller are willing to continue as a part of the promoter group of the Target Company after the completion of the Offer unless and until the business plans and actions taken by the Acquirers are not in the interest of the Target Company.

8. BACKGROUND OF TARGET COMPANY ("Croitre Industries Limited" / "Croitre")

- 8.1. Croitre Industries Limited was incorporated on October 12, 1989 in the name of "Sai Wires Private Limited" under the Companies Act, 1956, in Andhra Pradesh. Later it got converted into Public Limited Company and a fresh certificate of incorporation was obtained consequent on the conversion under Section 31/44 of the Companies Act, 1956 on January 16, 1995. The name of the Target Company changed to "Sai Wires India Limited" on April 25, 1995 and finally the name changed to "Croitre Industries Limited" on January 27, 2011 for which a fresh certificate of incorporation consequent on change of name was obtained from the Registrar of Companies, Andhra Pradesh.
- 8.2. The Corporate Identification Number ("CIN") of the Target Company is L31300AP1989PLC010550. The Registered Office of the Target Company is situated at 8-2-87/89, 401, Srinivasa Plaza, Opp. Smiline Dental Hospital, Srinagar Colony Main Road, Punjagutta, Hyderabad - 500 082, Andhra Pradesh, India; Tel. No.: +91-40-23736047; Fax No.: +91-40-23736047; E-mail: info@croitremines.com; Web: www.croitremines.com
- 8.3. The main objects of the Target Company are to manufacture and trade all kinds of wires and wire products and designing and development of system and application software. The Target Company has passed a special resolution dated January 17, 2011 to commence the business in one of its other objects 3(C)(7) i.e. "to carry on the business of carriers, merchants, stockiest, importers, exporters and general and commission agents of goods and merchandise of all description". The Target Company had tried to start mining and mining related activities but it failed due to unexpected events in Andhra Pradesh. Hence, no changes were made by the promoters' w.r.t "object clause" of the Target Company. Subsequently the Target Company has started its operations i.e. trading activities which are in line with the "other objects" of MOA and AOA during FY 2011-12 under the new management.
- 8.4. The Target Company was originally promoted Mr. Sirimalla Ram Mohan, Mr. R Krishna Prasad, Mr. S Chenna Mallu and Ms. Bompalli Padma. The Target Company came out with its Initial Public Issue during February 1996 and subsequently the equity shares of the Target Company got listed on Bombay Stock Exchange Limited, Mumbai ("BSE"), Hyderabad Stock Exchange Limited, Hyderabad ("HSE"), Ahmedabad Stock Exchange Limited, Ahmedabad ("ASE") and Madras Stock Exchange Limited, Chennai ("MSE").
- 8.5. The current Promoters namely Mr. K Sudheer Rao, Mr. S S R K Mohan Babu and Mr. P Pavan Kumar acquired substantial shares and took over the management control of the Target Company from its erstwhile promoter namely Mr. G V K Ranga Raju vide SPA dated February 15, 2011 and an Open Offer was made in compliance with

the Regulations during FY 2010-11. Also, the erstwhile Promoter namely Mr. G V K Ranga Raju acquired substantial shares and took over the management control of the Target Company from its original promoters namely Mr. Sirimalla Ram Mohan, Mr. R Krishna Prasad, Mr. S Chenna Mallu and Ms. Bompalli Padma vide SPA dated March 14, 2001 and an Open Offer was made in compliance with the Regulations during FY 2000-01.

- 8.6. There are no outstanding instruments in the nature of warrants / fully convertible debentures (“FCDs”) / partly convertible debentures (“PCDs”) etc. which are convertible into equity shares at any later date. All the promoters’ group shareholding in the Target Company is under lock-in provisions of BSE under Listing Agreement till December 31, 2011.
- 8.7. As on the date of the PA, the Authorised Share Capital of the Target Company is ₹ 750.00 Lacs comprising of 75,00,000 equity shares of ₹ 10/- each. The issued, subscribed, paid up and voting equity share capital of the Target Company is ₹ 630.63 Lacs comprising of 63,06,390 equity shares of ₹ 10 each, fully paid. There are no partly paid shares in the Target Company.
- 8.8. Capital Structure of the Target Company as on date of PA as follows:

Paid-up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Share / Voting Rights
Fully Paid-up Equity Shares	63,06,390	100.00
Partly Paid-up Equity Shares	-	-
Total Paid-up Equity Shares	63,06,390	100.00
Total Voting Rights in Target Company	63,06,390	100.00

- 8.9. Croitre does not have any subsidiary or holding company. The Target Company has no other offices or place of business except the registered office. The Target Company has not carried out any business activity in the past 10 financial years. The equity shares of the Target Company are held in physical form and the Target Company has not yet gone in for dematerialization of shares. Croitre has appointed Bigshare Services Private Limited as the Registrar and Share Transfer Agent (“RTA”) from September 25, 2010.
- 8.10. The equity shares of the Target Company are suspended from trading at the Hyderabad Stock Exchange Limited, Hyderabad (“HSE”), Ahmedabad Stock Exchange Limited, Ahmedabad (“ASE”) and Madras Stock Exchange Limited, Chennai (“MSE”) with effect from March 24, 2001 for the non-compliance with the Listing Agreement and for the non-payment of the Listing Fees. The Board of Directors of the Target Company has not been taken any step to revoke the suspension of their Company from HSE (derecognised by SEBI), ASE and MSE. However, the equity shares of the Target Company are resumed for trading on BSE under “T” group w.e.f. September 21, 2011. The equity shares of Croitre are infrequently traded within the meaning of Regulation 20(5) of the Regulations on BSE.
- 8.11. The existing capital built-up of Croitre is shown in the table mentioned below:

Date of Allotment	No. and % of Shares Issued		Cumulative Paid-up Capital (Rs.)	Mode of Allotment	Identity of Allottees (Promoters / Others)	Status of Compliance
	No. of Shares	% of Shares				
12-Oct-1989	4	0.00	40	Cash	Subscriber to the Memorandum	Capital Issued prior to the IPO
7-Nov-1994	32,400	0.51	3,24,040	Cash	Promoters	Capital Issued prior to the IPO
30-Jan-1995	5,99,956	9.51	63,23,600	Cash	Promoters	Capital Issued prior to the IPO
30-Jun-1995	9,02,840	14.32	1,53,52,000	Cash	Promoters	Capital Issued

						prior to the IPO
24-Feb-1996	54,52,300	86.46	6,98,75,000	Cash	Public Issue / IPO	Complied with
1-Mar-2002	(6,81,110)	(10.80)	6,30,63,900	Forfeiture of Shares	Reduction in shares from Public Category	Complied with
Total	63,06,390	100.00	6,30,63,900			

8.12. The Promoters of Croitre have complied with the applicable provisions of Chapter II of the Regulations in time except for Regulation 7(1) & 7(1A) and 7(2) for the year 2011. The Target Company has complied with the applicable provisions of Chapter II of the Regulations i.e. Regulation 8(3) of the Regulations except for the year 2011 in time. There were delays in compliance with 6(2) & 6(4) for 1997 and Regulation 8(3) of the Regulations for the years 1998 to 2010 which were filed on October 01, 2010. SEBI may initiate action against the Promoters and the Target Company at a later stage in terms of the Regulations and provisions of the SEBI Act for the above-mentioned non-compliances.

8.13. The change in shareholding of the promoters of Croitre right from incorporation is shown in the table mentioned below:

Date	Mode of Acquisition	Name of the Acquirer(s)	No. of shares (Face Value of Rs. 10)	% to the paid-up shares	Name of the Seller(s)	No. of Shares (Face Value of Rs.10)	% to the paid-up shares *	Cumulative	% to the paid-up shares
On Incorporation	Signatories to Memorandum	-	4	0.00	-	-	-	4	0.00
07/11/1994	Promoter's Contribution	-	32,400	0.46	-	-	-	32,404	0.46
30/01/1995	Promoter's Contribution	-	5,99,956	8.59	-	-	-	6,32,360	8.59
30/06/1995	Promoter's Contribution	-	92,840	1.33	-	-	-	7,25,200	1.33
30/06/1995	Promoter's Contribution	-	8,10,000	11.59	-	-	-	15,35,200	11.59
24/02/1996	IPO	Promoters (Mr. S Ram Mohan)	21,14,800	30.27	Public	21,14,800	30.27	36,50,000	52.24
14/03/2001	SPA	Mr. Gokaraju Venkata Kanaka Ranga Raju	32,09,090	45.93	Mr. S Ram Mohan	32,09,090	45.93	32,09,090	45.93
09/06/2001	Open Offer*	Mr. Gokaraju Venkata Kanaka Ranga Raju	13,96,000	22.14	Public	13,96,000	22.14	4,605,090	68.07
01/03/2002	Forfeiture of Shares*	-	4,605,090	73.02	-	-	-	4,605,090	73.02
15/02/2011	SPA	Mr. K Sudheer Rao, Mr. S S R K Mohan Babu and Mr. P Pavan Kumar	44,14,500	70.00	Mr. Gokaraju Venkata Kanaka Ranga Raju	44,14,500	70.00	44,14,500	70.00

* Post Open Offer, Mr. Gokaraju Venkata Kanaka Ranga Raju is holding 4,605,090 equity shares representing 68.07% of the Target Company. On 01/03/2002, the Board of Directors forfeited 6,81,110 equity shares due to non-payment of call money and consequently the Share Capital of the Target Company was reduced to 63,06,390 equity shares leading to an increase in Mr. Gokaraju Venkata Kanaka Ranga Raju's total shareholding to 73.02% without acquiring any additional equity shares.

8.14. Details of merger, de-merger, spin-offs during last 3 years

There has not been any merger / demerger or spin-off in Croitre during the last 3 years.

8.15. Details of Board of Directors of Croitre as on date of PA as follows:

Sr. No.	Name & Address	DIN	Qualification	Experience	Date of Appointment
1.	Mr. P. Pavan Kumar B/202, Keshavdale Apts., Anand Nagar Colony, Khairatabad, Hyderabad- 500004, Andhra Pradesh, India.	00987525	Master of Business Administration.	Experience of 10 years as investment banker, retail financial services and started the business of infrastructure raw material supplies in 2010.	30-May-2011
2.	Mr. J. Srinivasa Rao H.No.12-6-24/22/501, Malayal, Jayabharathi Gardens, Near Y Junction, Hyderabad-500072, Andhra Pradesh, India	00987481	Bachelor of Sciences.	Experience of 25 in the Cement Manufacturing, Lubricants and Greases. Presently he is advising companies in terms of mining and other activities.	17-Jan-2011
3.	Mr. N. Madhu Sudhana Reddy 503B, Maheswari Chambers, Somajiguda, Hyderabad – 500 082, Andhra Pradesh, India	02128757	Company Secretary	Experience of 8 years in the Investment banking – Fund raising activity.	17-Jan-2011
4.	Mr. D. S. V. Suryanaryana Murthy C-89, Phase-II, Allwyn Colony, Kukatpally, Hyderabad – 500 072, Andhra Pradesh, India	03545673	Bachelor of Commerce	Experience of more than 20 years in the finance and accounts division of various corporate in the fields of Infrastructure, Power, Financial Services and retail distribution.	30-May-2011

None of the above Director(s) is /are representatives of the Acquirers or associated / related with the Acquirers in any manner.

8.16. Brief Financial Details of Target Company as follows:

(Rs. in Lac except for other financial data)

Profit & Loss Account as on	30/06/2011	31/03/2011	31/03/2010	31/03/2009
	Unaudited*	Audited	Audited	Audited
Income from Operations	2.50	-	-	-
Other Income	-	-	-	-
Total Income	2.50	-	-	-
Total Expenditure	1.46	2.01	0.63	0.65
PBDIT	1.04	(2.01)	(0.63)	(0.65)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/(Loss) Before Tax	1.04	(2.01)	(0.63)	(0.65)
Provision for Tax	-	-	-	-
Profit/(Loss) After Tax	1.04	(2.01)	(0.63)	(0.65)
Balance Sheet as at				
Sources of Funds				
Paid-up Share Capital	664.69	664.69	664.69	664.69
Reserves and Surplus (Excluding Revaluation Reserve)	(669.64)	(670.68)	(668.67)	(668.04)
Net worth	(4.94)	(5.99)	(3.98)	(3.35)
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Total	(4.94)	(5.99)	(3.98)	(3.35)
Uses of Funds				
Net Fixed Assets	-	-	-	-
Investments	-	-	-	-
Net Current Assets	(4.94)	(5.99)	(3.98)	(3.35)
Total	(4.94)	(5.99)	(3.98)	(3.35)
Other Financial Data				
Dividend (%)	-	-	-	-
Earning Per Share (Rs.)	0.02	(0.03)	(0.01)	(0.01)
Return on Net worth (%)	(21.10)	(33.59)	(15.74)	(19.47)
Book Value Per Share (Rs.)	(0.07)	(0.09)	(0.06)	(0.05)

*Unaudited figures are certified by the Statutory Auditors of the Target Company.

Reasons for fall/rise in Total Income and Profit After Tax

The Company has not carried out any business activity in the past 10 financial years. Hence, there is neither operational income nor any other income. The expenses are nominal, which are for the basic requirements of the Company. All the expenditures are related to the Listing Fees, Advertisement, Audit Fees and Miscellaneous Expenses.

Significant Accounting Policies adopted by the Target Company:

System of Accounting as per last annual report:

- 1. Fixed Assets:** Fixed Assets are stated at cost of acquisition / construction less depreciation.
- 2. Depreciation:** Depreciation on Fixed Assets is charged under straight line value method as per rates prescribed in Schedule XIV of the Companies Act, 1956.
- 3. Expenditure:** Expenditure during the construction period is treated as pre-operative expenditure pending capitalization, which will be allocated to the fixed assets in commencement of commercial production. Direct expenditure on capital assets is treated as Capital work-in-progress till erection / installation.

Contingent Liability as on March 31, 2011: Nil

8.17. Status of Corporate Governance

The Target Company has been complying with the Clause 49 of the Listing Agreement. The Board of Directors of Croitre consists of four (4) members. Out of these members, three (3) are Non Executive & Independent Directors; one (1) is acting as Managing Director and Compliance Officer of the Target Company.

8.18. Status of Pending Litigations as on date of the Letter of Offer

There are no pending litigations against the Target Company as on date of this Letter of Offer.

8.19. Details of Compliance Officer of the Target Company as follows:

Mr. P Pavan Kumar

Add: B/202, Keshavdale Apts., Anand Nagar Colony, Khairatabad, Hyderabad- 500004; Andhra Pradesh, India.

Tel. No.: +91-40-23736047; Fax No.: +91-40-23736047; E-mail: investors@croitremines.com

8.20. Pre and Post Offer Shareholding Pattern of the Croitre as on date of PA is and shall be as follows:

Shareholders' Category as on date	Shareholding & voting rights prior to the agreement /acquisition and offer		Shares / voting rights agreed to be acquired which triggered off the Regulations		Shares/ voting rights to be acquired in open offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and offer	
	A		B		C		A+B+C=D	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a) Parties to the agreement i.e. Seller	22,51,400	35.70	(22,51,400)	35.70	NA	NA	0	0
b) Promoter other than above*	21,63,100	34.30	NA	NA	NA	NA	21,63,100	34.30
Total 1 (a+b)	44,14,500	70.00	(22,51,400)	(35.70)	0	0	21,63,100	34.30
(2) Acquirers								
a) Main Acquirers								
Girdhar S. Bansal	0	0.00	11,25,700	17.85	12,61,278#	20.00#	35,12,678	55.70
Deepak S. Bansal	0	0.00	11,25,700	17.85				
b) PACs	NA	NA	NA	NA	NA	NA	NA	NA
Total 2 (a+b)	0	0	22,51,400	35.70	12,61,278	20.00	35,12,678	55.70
(3) Parties to agreement other than 1 (a) & (b)	NA	NA	NA	NA	NA	NA	NA	NA
(4) Public (other than parties to the agreement, acquirer & PACs)								
a) FIs/MFs/FIIs/Banks	0	0.00	0	0	(12,61,278)	(20.00)	6,30,612	10.00
b) Bodies Corporate	0	0.00	0	0				
c) Clearing Members	0	0.00	0	0				
d) NRIs	0	0.00	0	0				
e) Indian Public	18,91,890	30.00	0	0				
Total (4) (a+b+c+d+e)	18,91,890	30.00	0	0	(12,61,278)	(20.00)	6,30,612	10.00
Grand Total (1+2+3+4)	63,06,390	100.00	0	0.00	0	0.00	63,06,390	100.00

NA stands for Not Applicable.

There were 538 shareholders in the Target Company as on the Specified Date.

Open Offer equity shares will be acquired by the Acquirers as per their mutual consent and no agreement has been entered between them till the date of the Letter of Offer.

* Other Promoters who are not parties to the agreement (SPA) are eligible to participate in the Open Offer.

9. OFFER PRICE AND ITS JUSTIFICATION

- 9.1. The equity shares of the Target Company are listed on BSE, ASE, HSE and MSE. The equity shares of the Target Company are infrequently traded on BSE within the meaning of Regulation 20(5) of the Regulations as the annualized trading turnover is not more than 5%. There is no trading in the equity shares of the Target Company on the other stock exchanges where it is listed.

Name of the Stock Exchange	Total number of shares traded during the 6 calendar months prior to the month in which PA was made	Total Number of Listed Shares	Annualized Trading Turnover (in terms of % to Total Listed Shares)
BSE	200	63,06,390	0.01

Source: www.bseindia.com

- 9.2. The Offer Price of Rs. 1.75/- (Rupee One and Paise Seventy-Five only) per share has been justified in terms of Regulation 20(5) of the Regulations applicable to infrequently traded shares and also if computed considering the Supreme Court decision in the Hindustan Lever Employees Union vs. Hindustan Lever Limited, 1995 (83 Com. Case 30), wherein the Honourable Court had opined that the fair value of a listed company could be assessed based on the following weightages: Net Asset Value: 1, Earning Based Value: 2, Market Based Value: 3 which comes to Rs. (0.10) per equity share.

Sr. No.	Particulars	Rupees per share	
(a)	Negotiated price per equity share under the SPA	₹ 1.50	
(b)	Highest price paid by the Acquirers for acquisitions, if any, including by way of allotment in a Public or Rights or Preferential Issue, during the 26 week period prior to the date of the Public Announcement.	NA	
(c)	Other Parameters as at	June 30, 2011 (Unaudited)#	March 31, 2011 (Audited)
i.	Return on Networth i.e. (Profit after Tax / Networth) X 100	Negative	Negative
ii.	Book Value i.e. Networth / Total number of outstanding equity shares	Negative	Negative
iii.	Earning Per Share ("EPS") i.e. Profit after Tax / Total number of outstanding equity shares	Negative	Negative

#Certified by the Auditors of Croitre

- 9.3. In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 1.75/- (Rupee One and Paise Seventy-Five Only) per Share being higher than the highest of the prices mentioned above is justified in terms of Regulation 20(5) and 20(11) of the Regulations.
- 9.4. Non-compete Fee
- The Acquirers have not entered into any agreement for payment of non-compete fee and no payment is made payment in this regard.
- 9.5. Based on the above and in the opinion of the Manager to the Offer and the Acquirers, the Offer Price is justified in terms of the Regulation 20(11).
- 9.6. The Acquirers shall not acquire any shares in Croitre during the Offer Period except in compliance with the Regulations and the details of such acquisitions shall be disclosed to BSE and to the Manager within 24 hours thereof in terms of Regulation 22(17) of the Regulations.
- 9.7. If the Acquirers acquire shares after the original PA and upto seven working days prior to closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisitions shall be payable for all the acceptances received under the Offer. Any such revision in the Offer Price shall be notified by advertisement in the same newspapers in which the PA has appeared.

10. FINANCIAL ARRANGEMENTS

- 10.1. The Acquirers have adequate resources to meet the financial requirements of the offer in terms of Regulation 16 (xiv) of the Regulations.
- 10.2. The total fund requirement for the Offer is ₹ 22,07,237/- (Rupees Twenty-Two Lac Seven Thousand Two Hundred and Thirty-Seven only). In accordance with Regulation 28 of the Regulations, the Acquirers have opened an Escrow Account in the name and style as “**Deepak Bansal and Girdhar Bansal – Croitre – Escrow A/c**” bearing Account No. 0001-W82007-050 with IndusInd Bank Limited (“**Escrow Bank**”), Branch: IndusInd Bank Limited, IndusInd House, 425, Dr. Bhadkamkar Marg, Opera House, Mumbai – 400 004 and made a cash deposit of ₹ 7,00,000/- (Rupees Seven Lac only) in the account, being more than 25% of the total consideration payable to the shareholders under the Offer. A lien has been marked on the said Escrow Account in favour of the Manager to the Offer by the Escrow Bank. The Manager to the Offer has been solely authorised by the Acquirers to operate and realise the value of Escrow Account in terms of the Regulations.
- 10.3. In terms of Regulation 16 (xiv) of the Regulations, it is confirmed that the Acquirers have adequate resources and have made firm financial arrangements to meet their offer obligations in full. The financial obligations of the Acquirers under the Offer have been fulfilled through internal resources of the Acquirers and no borrowings from Banks or Financial Institutions is envisaged.
- 10.4. The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of his own Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. K. K. Rathi (Membership No. 036461) of M/s Rathi K. K. & Co.; Chartered Accountants having their office situated at 15B, Hiren Shopping Centre, S. V. Road, Goregaon (West), Mumbai – 400 062, Maharashtra, India. Tel. No. +91-22-3341 9576; Email: krathi60@gmail.com vide their certificate dated October 20, 2011 has certified that on the basis of necessary information and explanation given by the Acquirers and on the verification of their assets, liabilities, and the requirement of the funds, the Acquirers have adequate resources to fulfil the obligations under this Offer in full.
- 10.5. The Acquirers in compliance with Regulation 22(11) of the Regulations has made firm financial arrangements to fulfill the obligations under the Offer.
- 10.6. Based on above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the Regulations and confirms that firm arrangements for funds and money for payment through verifiable means are already in place to fulfill the Offer obligations.

11. TERMS AND CONDITIONS OF THE OFFER

OPERATIONAL TERMS AND CONDITIONS

- 11.1. The Offer is being made in compliance with the provisions of Regulations 10 and 12 and other applicable provisions of the Regulations for the purpose of substantial acquisition of equity shares in the Target Company.
- 11.2. The acceptance of the Offer is entirely at the discretion of the equity shareholders of Croitre and each Shareholder (except the Seller) of Croitre holding fully paid-up equity shares to whom this Offer is being made is free to offer his/her shareholding in Croitre, in whole or in part while accepting the Offer.
- 11.3. Accidental omission to despatch this Letter of Offer or any further communication to any person to whom this Offer is made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.
- 11.4. The instructions, authorisations and provisions contained in the ‘Form of Acceptance’ and ‘Form of Withdrawal’ constitute an integral part of the terms of this Offer.

- 11.5. The acceptance of the Offer must be unconditional and should be sent in the attached Form of Acceptance along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centre mentioned in Para 12.2 under "Procedure for Acceptance and Settlement" on or before Closure of the Offer. If any change or modification is made in the Form of Acceptance, the same is liable to be rejected.
- 11.6. The Offer is not subject to any minimum level of acceptance. The Acquirers will acquire all the fully paid up equity shares of Croitre that are validly tendered and accepted in terms of this Offer upto 12,61,278 fully paid-up equity shares of Rs. 10/- each representing 20% of the paid up and voting capital of the Target Company. Thus, the Acquirers will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the equity shares of Croitre for which this Offer is made.
- 11.7. All equity shares tendered under this Offer should be free from any charge, lien or encumbrances of any kind whatsoever.
- 11.8. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The equity shareholders of Croitre are advised to adequately safeguard their interest in this regard.
- 11.9. 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 Closure of the Offer i.e. upto January 11, 2012.
- 11.10. If the aggregate of the valid responses to the Offer exceeds 12,61,278 fully paid up equity shares, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot of 100 equity shares.
- 11.11. The Acquirers reserve the right to withdraw the Offer pursuant to Regulation 27 of the Regulations. Any such withdrawal will be notified in the form of an Announcement in the same newspapers in which the Public Announcement had appeared.

11.12. LOCKED IN SHARES

All the promoters' group shareholding in the Target Company is under lock-in provisions of BSE till December 31, 2011.

11.13. ELIGIBILITY FOR ACCEPTING THE OFFER

The Offer is made to all the equity shareholders (except the Seller) of Croitre whether registered or not who own the fully paid up equity shares anytime prior to the closure of the Offer. However, the Letter of Offer is being mailed to those shareholders whose names appear on the Register of Members of Croitre at the close of business hours on the Specified Date i.e. November 5, 2011. Shareholders (except the Seller) holding fully paid equity shares of Croitre any time prior to the closure of the Offer are eligible to tender their equity shares in terms of this Offer.

11.14. STATUTORY APPROVALS

As on date of this Letter of Offer, no statutory approvals are required to acquire shares tendered pursuant to this Offer. If non-resident shareholders, overseas corporate bodies and foreign shareholders had required any RBI approval in respect of any equity shares held by them in the Target Company; they will be required to submit their previous RBI approvals that they would have obtained for holding the equity shares of the Target Company. In case such permissions are not submitted, the Acquirers reserves the right to reject such equity shares tendered in the Open Offer.

- 11.15. The Acquirers have also received SEBI's observations in terms of proviso of Reg. 18(2) of the Regulations vide their letter no. CFD/DCR/TO/SA/OW/37613/11 dated December 13, 2011 to implement the Offer.
- 11.16. To the best of the knowledge of the Acquirers, as on the date of this Letter of Offer, there are no statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would also be subject to such statutory approvals. The Acquirers, in terms of Regulation 27 of SEBI (SAST) Regulations, will not proceed with the Offer in the event the statutory approvals indicated above are refused.
- 11.17. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to shareholders of Croitre, subject to Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by the Acquirers in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.
- 11.18. To the best of their knowledge, the Acquirers do not require any approvals from financial institutions or banks to implement the Offer.

12. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 12.1. Kindly note that the Acquirers have appointed M/s. **Bigshare Services Private Limited** as "Registrar to the Offer" (hereinafter referred to as "**Registrar to the Offer**" / "**RTA**") who are also Registrar and Transfer Agent of the Target Company. For any transfer, issuance of new share certificate, conversions of physical shares into demat or dematerialisation of shares, shareholders are advised to contact to the RTA of the Target Company. No documents should be sent to the Seller, Acquirers, Croitre or the Manager to the Offer.
- 12.2. All eligible owners of fully paid equity shares of Croitre, registered or unregistered who wish to avail and accept the Offer can hand deliver or by way of Registered Post of the Form of Acceptance-cum-Acknowledgement along with all the relevant documents on all working days i.e. from Monday to Friday between 10.00 a.m. to 4.00 p.m. and on Saturdays from 10.00 a.m. to 1.00 p.m. at one of the below mentioned collection centre in accordance with the procedure as set out in the Letter of Offer. The collection centre will be remain closed on Sundays and Public Holidays.

Address of Collection Centre	Contact Person, Telephone No., Fax No., Email and Web	Mode of Delivery
Bigshare Services Pvt. Limited E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.	Mr. Vishant Naik Tel. No.: +91-22-40430200 Fax. No.: +91-22-28475207 E-mail: openoffer@bigshareonline.com	Hand Delivery / Registered Post

Neither the share certificate(s) nor transfer deed(s) nor the Form of Acceptance should be sent to the Seller nor the Acquirers nor Croitre nor the Manager to the Offer. Delivery made by Registered Post would be received on all days except Sundays and Public Holidays.

- 12.3. The Registrar to the Offer has not opened special depository account for tendering demat equity shares in the Offer since all the equity shares of the Target Company are held by shareholders in physical form.

12.4. Procedure for equity shares held in physical form

- ❖ **Registered shareholders of the Target Company should enclose:**
 - Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
 - Original equity share certificate(s);
 - Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. The

transfer deed should be left blank, except for the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. A blank share transfer form is enclosed along with this Letter of Offer.

In case of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the Offer has been accepted.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such equity shares are liable to be rejected under this Offer even if the Offer has been accepted by a *bona fide* owner of such equity shares.

❖ **Unregistered owners of equity shares of the Target Company should enclose:**

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
- Original equity share certificate(s);
- Original broker contract note;
- Valid share transfer deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance.
- The acknowledgement received, if any, from the Target Company in case the equity shares have been lodged with the Target Company. Such persons should instruct the Target Company and its RTA to send the transferred share certificate(s) directly to the collection centre as mentioned in Para 12.2 above of this Letter of Offer. The applicant should ensure that the certificate(s) reach the designated collection centre before the date of closing of the Offer.

12.5. Unregistered owners can send their acceptance of the Offer in writing to the Registrar to the Offer at the collection centres as mentioned in Para 12.2 above of this Letter of Offer, on plain paper stating name, address, number of equity shares held, no. of equity shares offered, distinctive numbers, folio numbers, together with the original share certificate(s), valid transfer deeds in case of equity shares held in physical form. No indemnity is required from the unregistered owners. Unregistered owners if they so desire may also apply on the Form of Acceptance downloaded from the SEBI's website (www.sebi.gov.in).

12.6. Procedure to be adopted in case of non-receipt of the Letter of Offer

❖ **By equity shareholders holding equity shares in physical form**

In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer at the collection centre as mentioned in Para 12.2 above of this Letter of Offer, on plain paper stating their name, address, number of equity shares held, no. of equity shares offered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deeds in case of equity shares held in physical form, so as to reach the Registrars to the Offer on or before the date of closing of the Offer. Shareholders who have lodged their equity shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of equity shares.

12.7. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the equity shares in respect of which the acceptance is being sent in connection with the Offer. Such documents may include, but are not limited to:

- i. duly attested death certificate and succession certificate in case of single shareholder;
- ii. duly attested Power of Attorney if any person apart from the shareholder has signed the Form of Acceptance and/or transfer deed(s);
- iii. in case of companies, the necessary corporate authorization (including applicable resolutions, consents and approvals of the applicable governing bodies of such companies);
- iv. any other relevant documentation.

- 12.8. The Registrar to the Offer will hold in trust the Form of Acceptance, equity share certificates, transfer deeds and other documents on behalf of the shareholders of the Target Company who have tendered in the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares/equity share certificates are dispatched/returned, the Acquirers would not have access to these equity shares until such time.
- 12.9. The Acquirers shall accept all valid fully paid up equity shares tendered (except those which are withdrawn, within the date specified for withdrawal) up to the Offer Size. Equity shares will be acquired by the Acquirers free from lien, charges and encumbrances of any kind whatsoever and together with all the rights attached thereto including the right to dividend, bonus and rights issue thereafter.
- 12.10. If the number of equity shares tendered by the shareholders in connection with the Offer is more than the Offer Size, the acquisition from each shareholder will be as per Regulation 21(6) of the Regulations, on a proportionate basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that, acquisition of equity shares from a shareholder, shall not be less than the minimum marketable lot of 100 equity shares or the entire holding, if it is less than the marketable lot.
- 12.11. The consideration for the equity shares of the Target Company accepted by the Acquirers will be paid by crossed account payee cheques/demand drafts. Such cheques/demand drafts exceeding Rs. 1,500 or unaccepted equity share certificates, transfer deeds and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk, to the sole/first shareholder/unregistered owner. Cheques/demand drafts for Rs. 1,500 or less will be sent under certificate of posting. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint registered holders.
- 12.12. In terms of Regulation 22(5A) of the Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of closing of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrars to the Offer at the collection centre mentioned above as per the mode of delivery indicated therein on or before January 11, 2012.
- 12.13. The withdrawal option can be exercised by submitting the following:
- Registered shareholders should enclose:**
- Duly signed and completed Form of Withdrawal accompanying this LOF.
 - Acknowledgement slip in original/copy of the submitted Form of Acceptance submitted by registered post.
 - In case of partial withdrawal, valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.
- Unregistered owners should enclose:**
- Duly signed and completed Form of Withdrawal.
 - Acknowledgement slip in original/Copy of the submitted Form of Acceptance submitted by registered post.
- 12.14. In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:
- In case of physical equity shares: name; address; distinctive numbers; folio number, number of equity shares tendered and to be withdrawn;
 - Acknowledgement slip in original/Copy of the submitted Form of Acceptance submitted by registered post.
 - The withdrawal of equity shares will be available only for the share certificates/shares that have been received by the Registrar to the Offer/credited to Special Depository Account.
 - The intimation of returned equity shares to the Shareholders will be at the address as per the records of the Target Company /Depository as the case may be.
 - The Form of Withdrawal should be sent only to the Registrar to the Offer.

- In case of partial withdrawal of equity shares tendered in physical form by the registered shareholder, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company.
- The equity shares withdrawn by the Shareholders would be returned by registered post.

12.15. **Payment Consideration**

Payment to those shareholders whose certificates and/or other documents are found valid and in order and are approved by Manager to the Offer and Registrar to the Offer will be paid by way of a crossed account payee Cheque/Demand Draft/Pay Order through Direct Credit (DC)/National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/National Electronic Clearing Services (NECS)/ Electronic Clearing Services (ECS). Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS/ECS are requested to give the authorisation for the same in the Form of Acceptance cum Acknowledgement and enclosed a photocopy of cheque along with form of Form of Acceptance cum Acknowledgement. The consideration to the shareholders will be paid as per the option selected by the shareholders while providing their bank account details mentioned in the Form of Acceptance cum Acknowledgement.

12.16. **Mode of making Payment to the Shareholders whose shares are accepted in the Open Offer**

Electronic Clearing System ('ECS') – Payment would be done through ECS for Shareholders having an account at any of the following 91 centers: Ahmedabad, Bengaluru, Bhubaneswar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Agartala, Asansol, Baroda (Vadorada), Bijapur, Burdwan, Calicut (Kozhikode), Cuttack, Dehradun, Dhanbad, Durgapur, Gadag, Gangtok, Gwalior, Hubli, Indore, Imphal, Jabalpur, Jodhpur, Kakinada, Nashik, Nellore, Panaji, Puducherry, Raipur, Ranchi, Shimla, Shillong, Sholapur, Siliguri, Surat, Tirunelveli, Tirupur, Tirupati, Thrissur, Trichy and Udupi (managed by State Bank of India); Agra, Allahabad, Aurangabad, Erode, Gorakhpur, Jalandhar, Jammu, Kolhapur, Lucknow, Ludhiana, Mysore, Udaipur and Varanasi (managed by Punjab National Bank); Anand, Belgaum, Jamshedpur, Kota, Pune and Salem (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Bhavnagar, Coimbatore, Jamnagar and Rajkot (managed by Bank of Baroda); Ernakulum (Kochi) (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (managed by United Bank of India); Gulbarga, Raichur and Vijaywada (managed by State Bank of Hyderabad); Bikaner and Bhilwara (managed by State Bank of Bikaner and Jaipur); Davanagere, Hassan, Mandya, Shimoga and Tumkur (managed by State Bank of Mysore). This mode of payment would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment through ECS is mandatory for Shareholders having a bank account at any of the above-mentioned 91 centers, except where the Shareholder, being eligible, opts to receive payment through direct credit or RTGS.

Direct Credit ('DC') – Shareholders having bank accounts with the Escrow Banker, as mentioned in the Acceptance cum Acknowledgement Form, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirers.

Real Time Gross Settlement ('RTGS') – Shareholders having a bank account at any of the abovementioned 91 centres and whose amount exceeds Rs. 2.00 Lac, have the option to receive the payment through RTGS. Such eligible Shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-Acknowledgement Form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirers. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholder.

National Electronic Fund Transfer ('NEFT') – Payment shall be undertaken through NEFT wherever the Shareholder's bank has been assigned the Indian Financial System Code ('IFSC'), which can be linked to a MICR, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number while opening and operating the demat

account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to the Shareholder through this method. The process flow in respect of payments by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

For all other Shareholders, and those who have not updated their bank particulars with the MICR code, the payments will be despatched under certificate of posting for value upto Rs. 1,500 and through Speed Post/Registered Post for payments above Rs. 1,500. Such payments will be made by cheques, pay orders or demand drafts drawn on the Escrow Bank and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Shareholders.

13. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders of Croitre at the Office of Systematix Corporate Services Limited at J.K. Somani Building, 2nd Floor, Mumbai Samachar Marg, British Hotel Lane, Fort, Mumbai – 400 001 during the offer period from Monday to Friday except bank holidays till the Offer Closing date of the Offer between 10.00 a.m. to 5.00 p.m.

- 13.1. Certificate of Incorporation, Memorandum and Articles of Association of Croitre Industries Limited.
- 13.2. Certificates from Mr. K. K. Rathi (Membership No. 036461) of M/s Rathi K. K. & Co.; Chartered Accountants about the Acquirers Networth and having adequate resources to fulfil the total obligation under the Offer in full.
- 13.3. Annual Reports of Croitre Industries Limited for the financial years ended 31st March 2009, 31st March 2010, 31st March 2011 and unaudited financials as certified by the Statutory Auditors of the Target Company for the three months period ended on June 30, 2011.
- 13.4. A copy of the Public Announcement and Corrigendum published on October 21, 2011 and December 21, 2011 respectively.
- 13.5. Escrow Account Details opened with IndusInd Bank Limited, Branch: IndusInd Bank Limited, IndusInd House, 425, Dr. Bhadkamkar Marg, Opera House, Mumbai – 400 004 and availability of Cash deposit of Rs. 7.00 Lac (Rupees Seven Lac only) in the said account, being more than 25% of the total consideration payable to the shareholders under the Offer.
- 13.6. A Copy of letter bearing reference number CFD/DCR/TO/SA/OW/37613/11 dated December 13, 2011 received from SEBI in terms of proviso to Regulation 18(2) of the Regulations.
- 13.7. A Copy of Share Purchase Agreement dated October 18, 2011 between the Acquirers and the Seller.
- 13.8. Memorandum of Understanding between the Acquirers and the Manager to the Offer.
- 13.9. Memorandum of Understanding between the Acquirers and the Registrar to the Offer.
- 13.10. Memorandum of Understanding between the Acquirers, Escrow Banker and the Manager to the Offer.
- 13.11. Undertakings given by the Acquirers to the Manager to the Offer for the purpose of this Offer.

14. DECLARATION

- 14.1. We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- 14.2. We are jointly and severally responsible for ensuring compliance with the Regulations. All information contained in this document is true and correct as on date of the Public Announcement, unless stated otherwise.
- 14.3. We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997.

By the Acquirers

Sd/-

Mr. Girdhar S. Bansal

Mr. Deepak S. Bansal

Date: December 16, 2011

Place: Mumbai.

Enclosures:

- (1) Form of Acceptance cum Acknowledgement
- (2) Form of Withdrawal
- (3) Transfer Deed

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

OFFER OPENS ON: DECEMBER 28, 2011
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OFFER CLOSES ON: JANUARY 16, 2012
--

From: - (Individual/Body Corporate/NRI/OCB/FI/MF/Bank/Clearing Member/FII/Non-Resident)

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,

Bigshare Services Private Limited

E/2, Ansa Industrial Estate; Saki Vihar Road;

Sakinaka, Andheri (East); Mumbai - 400 072.

Tel. No.: +91-22-40430200; Fax. No.: +91-22-28475207

E-mail: openoffer@bigshareonline.com

Sub.: Open Offer to purchase of 12,61,278 Equity Shares of CROITRE representing 20% of the Equity & Voting Capital at a price of ₹ 1.75/- (Rupee One and Paise Seventy Five Only) per Equity Share by Mr. Girdhar S. Bansal and Mr. Deepak S. Bansal under SEBI (SAST) Regulations.

Dear Sir,

I/We refer to the Letter of Offer dated December 16, 2011 for acquiring the Equity Shares held by me/us in Croitre.

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

FOR SHARES HELD IN PHYSICAL FORM:

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

Sr. No.	Certificate No.	Distinctive No(s)		No. of Shares
		From	To	
Total Number of Equity Shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

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

I/We note and understand that the Equity Shares would lie in the Escrow Account until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the Equity Shares of Croitre, which are being tendered herewith by me/us under the Offer, are free from lien, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Equity Shares so offered which they may decide to accept in consultation with the Registrar 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, specifying the reasons thereof.

I/We authorize the Acquirers or the Registrar to the Offer to send by Registered Post the draft/cheque in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered (.....)

	Full Name (s)	Signature (s)
First / Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

Address of First/Sole Shareholder

Place:

Date:

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

Name of the Bank _____	Branch _____
Account Number _____	Savings/Current/Others _____
(Please Specify) _____	
I/We want to receive the payment through ECS <input type="checkbox"/> RTGS <input type="checkbox"/> NEFT <input type="checkbox"/> DC <input type="checkbox"/> NECS <input type="checkbox"/>	
In case of ECS, 9- digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
In the case of RTGS/NEFT, 8 digit IFSC number issued by the Bank <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

Business Hours: Monday to Friday between 10.00 a.m. and 4.00 p.m. and on Saturdays from 10.00 a.m. to 1.00 p.m. (except Sundays and public holidays).

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

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

Acknowledgement Slip

Folio No.: _____ Serial No. _____
 Received from Mr. / Ms. _____
 Address: _____

 Number of certificate(s) enclosed _____ Certificates Number(s) _____

 Total number of Share(s) enclosed _____

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Note: All future correspondence, if any should be addressed to Registrar to the Offer at the address mentioned behind in this form. The documents referred to above should be sent to the collection center mentioned overleaf.

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this Offer any time upto three working days prior to the date of closure of Offer. In case you wish to withdraw your acceptance please use this form.	OFFER SCHEDULE
	OFFER OPENS ON: DECEMBER 28, 2011
	LAST DATE OF WITHDRAWAL: JANUARY 11, 2012
	OFFER CLOSES ON: JANUARY 16, 2012

From: - (Individual/Body Corporate/NRI/OCB/FI/MF/Bank/Clearing Member/FII/Non-Resident)

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,

Bigshare Services Private Limited

E/2, Ansa Industrial Estate; Saki Vihar Road;

Sakinaka, Andheri (East); Mumbai - 400 072.

Tel. No.: +91-22-40430200; Fax. No.: +91-22-28475207

E-mail: openoffer@bigshareonline.com

Sub.: Open Offer to purchase of 12,61,278 Equity Shares of CROITRE representing 20% of the Equity & Voting Capital at a price of ₹ 1.75/- (Rupee One and Paise Seventy Five Only) per Equity Share by Mr. Girdhar S. Bansal and Mr. Deepak S. Bansal under SEBI (SAST) Regulations.

Dear Sir,

I/We refer to the Letter of Offer dated December 16, 2011 for acquiring the Equity Shares held by me/us in Croitre.

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

I/We have read the procedure for withdrawal of Equity Shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions as mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Equity Shares from the Offer and I/We further authorize the Acquirers to return to me/us the tendered Equity Share certificate(s)/ Equity Share(s) at my/our sole risk.

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal.

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Equity Shares and also for non-receipt of Equity Shares due to inaccurate/incomplete particulars/instructions.

I/We also note that and understand that the Acquirers will return the original Equity Share certificate(s), Share transfer deeds(s) and Equity Shares only on completion of verification of the documents, signatures carried out by the Registrar to the Offer.

The particulars of tendered original Share certificate(s) and duly signed transfer deed(s) and the Equity Shares we withdraw are detailed below:

Folio No. :

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
		From	To	
	Tendered			
1)				
2)				
3)				
	Withdrawn			
1)				
2)				
3)				
Total Number of Equity Shares				

I/We note and understand the terms of withdrawal of acceptance and request you to return the original Equity Share certificate(s) and valid Equity Share transfer deed(s) will be held in trust for me/us by you and authorize you not to remit the consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirers to reject the Equity Shares so offered which he may decide in consultation with Registrar to the Offer and in terms of the Letter of Offer.

Yours faithfully,

Signed (.....)

	Full Name(s)	Signature(s)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

Place:

Date:

Note: In case of joint holdings, all holders must sign. A corporation/company/body corporate must affix its common seal.

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

Acknowledgement Slip

Folio No.:

Serial No.

Received from Mr. / Ms. _____

Address: _____

Form of withdrawal in respect of _____ Number of Shares
 Certificates representing _____ Number of Shares.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer