**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 DANTA VYAPAR KENDRA LIMITED. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager/ Registrar to the Offer. In case you have recently sold your shares, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

**OPEN OFFER**

By

**Shree Vinay Finvest Private Limited, Larigo Investment Private Limited and K. C. Texofine Private Limited**

(1, British India Street, Kolkata 700 069)

Ph: (033) 2243 0163 Fax: (033) 2248 1720

**To the shareholders of**

**DANTA VYAPAR KENDRA LIMITED**

(Regd. Office: 25D, Harish Mukherjee Road, 1E, 1st Floor, Kolkata 700 025)

Ph (033) 2454 8033/34

To acquire upto 9,49,192 fully paid-up Equity Shares of Rs.10/- each of Danta Vyapar Kendra Limited, by tender, at a price of Rs.30/- per share of Danta Vyapar Kendra Limited representing 20.00% of its paid up equity share and voting capital. These shares will be acquired in cash, in accordance with regulation 20(1)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof, from the existing equity shareholders of Danta Vyapar Kendra Limited.

**Please Note:**

1. This Offer is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").
2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirer would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of Danta Vyapar Kendra Limited to the Acquirer. There are no other statutory approvals required to acquire equity shares that are tendered pursuant to this Offer.
3. 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 closure of the Offer i.e. Thursday, 12 October, 2006.
4. If there is any upward revision/withdrawal of the offer, the same would also be informed by way of Public Announcement in the same newspapers where the original Public Announcement has appeared. The last date for such revision is Friday, 06 October, 2006. Such revised price would be payable for all the shares tendered any time during the offer.
5. **If there is a competitive bid:**

- **The Public Offers under all subsisting bids shall close on the same date.**
- **As the Offer price can not be revised during 7 working days prior to the closing date of the Offers / 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**.

6. The Procedure for acceptance is set out in Para 8 of this Letter Of Offer. A Form of Acceptance cum Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
7. The Public Announcement and Letter of Offer including Form of Acceptance cum Acknowledgement and Form of withdrawal would also available on the SEBI's website www.sebi.gov.in.

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER: |
|---|---|
| MICROSEC<br>**Microsec Capital Limited**<br>Azimgunj House, 2nd Floor<br>7, Camac Street, Kolkata 700 017<br>Tel: (033) 2282 9330(5 lines)<br>Fax: (033) 2282 9335'<br>E-mail: kagarwal@microsec.co.in<br>Contact Person: Mr. Kamlesh Agarwal | **Maheshwari Datamatics Pvt Limited**<br>6, Mangoe Lane, 2nd Floor,<br>Kolkata – 700 001<br>Tel: 91-33-2243-5029/5809<br>Fax: 91-33-2248-4787<br>E-mail: mdpl@cal.vsnl.net.in<br>Contact Person: Mr. S. Rajagopal |

| OFFER OPENS : 28TH SEPTEMBER, 2006 THURSDAY | OFFER CLOSES : 17TH OCTOBER, 2006 TUESDAY |
|---|---|

SCHEDULE OF MAJOR ACTIVITIES OF OFFER

| Activity | Original Schedule | Revised Schedule |
|---|---|---|
| Public Announcement Date | Thursday, 16th February 2006 | Thursday, 16th February 2006 |
| Specified date | Friday,17th March, 2006 | Friday,17th March, 2006 |
| Last Date for a Competitive Bid | Thursday, 9th March 2006 | Thursday, 09th March, 2006 |
| Letter of Offer to be posted to shareholders | Friday, 31st March 2006 | Saturday, 23rd September, 2006 |
| Date of Opening of the Offer | Friday, 07th April 2006 | Thursday, 28th September, 2006 |
| Date of Closing of the Offer | Thursday, 27th April 2006 | Tuesday, 17th October 2006 |
| Last date for revising the Offer Price / No. of Shares | Tuesday, 18th April, 2006 | Friday, 06th October, 2006 |
| Last date for withdrawal of acceptance by shareholders who have accepted the Offer | Monday, 24th April 2006 | Thursday, 12th October, 2006 |
| Date of communicating rejection/ acceptance and payment of consideration for the shares acquired and/or despatch of the share certificates for the rejected shares | Friday, 12th May 2006 | Wednesday, 1st November, 2006 |

**RISK FACTORS**

i. Irrespective of the agreement for purchase of shares, the Acquirers can take control of the Target Company/ get the shares transferred in their name only after completing the offer formalities as set out under Regulations.

ii. In the event that either (a) the regulatory approvals are not received in a timely manner, (b) there is any litigation leading to stay on the Offer or (c) SEBI instructs the Acquirers not to proceed with the offer, then the offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently the payment of consideration to the public shareholders of DVKL, whose shares have been accepted in the offer as well as the return of shares not accepted by the acquirers may be delayed.

iii. The acquirers intend to subscribe to 73.15% of the shares at a price of Rs 10 per share. Consequently it is required to make an offer for 20% of the voting capital of the company under the SEBI (SAST) Regulations. Further, the shares tendered in the offer will lie with the Registrar to the Offer**,** till the completion of the offer formalities. 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 disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

iv. If the aggregate of the valid responses to the offer exceeds offer size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations. In such an event all the equity shares tendered by the applicant may not be accepted.

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

## TABLE OF CONTENTS



## DEFINITIONS

| | |
|---|---|
| Acquirers | Shree Vinay Finvest Private Ltd, Larigo Investment Pvt Ltd & K.C.Texofine Pvt Ltd. |
| DVKL /Target Company | Danta Vyapar Kendra Limited |
| CSE | The Calcutta Stock Exchange Association Ltd |
| UPSE | The Uttar Pradesh Stock Exchange Association Ltd |
| FEMA | Foreign Exchange Management Act, 1999 and subsequent amendments thereto |
| FOA | Form of Acceptance |
| LO | Letter Of Offer |
| Manager to the Offer/MCL | Microsec Capital Limited |
| Offer | Cash Offer being made by the Acquirers to acquire upto 9,49,192 fully paid up equity shares of DVKL representing 20.00% of the paid up equity share capital & voting capital. |
| Offer Period | September 28, 2006 to October 17, 2006 |
| Offer Price | Rs. 30/- Per share payable in cash |
| PA | Public Announcement made by the Acquirers on February 16,2006 |
| RBI | Reserve Bank of India |
| Registrar to the Offer | Maheshwari Datamatics Pvt Limited. |
| SEBI | Securities & Exchange Board of India |
| SEBI Takeover Code or Regulations | Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof. |
| Sellers | "Sellers" means the shareholders of DVKL as listed in point 2.1.2 of this Letter ofOffer; |
| Specified Date | Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of DVKL, to whom the Letter of Offer should be sent i.e. March 17, 2006. |

## 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 DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF DANTA VYAPAR KENDRA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER MICROSEC CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 01, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THIS 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 PROPOSED OFFER.**

## 2. DETAILS OF THE OFFER

2.1 Background of the Offer

2.1.1 This Offer is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof for substantial acquisition of the shares and taking over the management control of the Target Company.

2.1.2 The Acquirers have entered into a Share Purchase Agreement and Conditional Share Purchase Agreement dated February 10, 2006 (Agreement) to acquire 25,23,410 equity shares and 9,48,575 of Rs.10 each representing 53.16% and 19.99% respectively of the paid up equity share capital and voting capital of DVKL at a price of Rs 10 per share (Negotiated Price) payable in cash from the persons detailed below (hereinafter collectively referred to as sellers): -

**Share Purchase Agreement**

| S.N. | Name of the Acquirers | Name of Seller | Addresses | No. of Shares | % |
|---|---|---|---|---|---|
| 1. | Shree Vinay Finvest Private Limited | Sandeep Sharma | C/O Bhagwati Enterprises 25 D Harish Mukherjee Road, IE, First Floor, Kolkata 700025 | 612875 | 12.91 |
| 2. | Larigo Investment Private Limited | Avanti Vyapar Pvt Ltd Private Limited | 36/14, Neem Chand Moitra Street, Kolkata-700035 | 617600 | 13.01 |
| | | Deepmala Commodities Ltd. | 98 Raj Kumar Mukherjee Road, Kolkata 700035 | 300000 | 6.32 |
| 3. | K.C.Texofine Pvt Ltd | Nigolice Trading Pvt Ltd | 161/1 M.G.Road, Kolkata 700007 | 461185 | 9.72 |
| | | Hanuman Forgings & Engineering Pvt Ltd | 72/12 Desh Bandhu Road,Kolkata 700035 | 531750 | 11.20 |
| | **Total** | | | **25,23,410** | **53.16** |

Through Conditional Share Purchase Agreement

| S.N. | Name of the Acquirers | Name of Seller | Addresses | No. of Shares | % |
|---|---|---|---|---|---|
| 1. | Shree Vinay Finvest Private Limited | Ushita Trading & Agencies Ltd | 52 Weston Street Kolkata 700012 | 125000 | 2.64 |
| | | Romanchak Merchandise Pvt Ltd | 2/1 Basak Bagan Lane Kolkata 700006 | 75000 | 1.58 |
| | | Signet Commercial Pvt Ltd | 52 Weston Street Kolkata 700012 | 110010 | 2.32 |
| 2. | Larigo Investment Private Limited | Veena Credit & Holding Pvt Ltd | 72/12 Deshbandhu Road, Kolkata 700035 | 135000 | 2.84 |
| | | R.C.Suppliers Pvt Ltd | 98 Raj Kumar Mukherjee Road, Kolkata 700035 | 125000 | 2.63 |
| | | Gulmohar Advisors Pvt Ltd | 62 Nalini Sett Road , Kolkata 700007 | 86700 | 1.83 |
| 3. | K.C.Texofine Pvt Ltd | Romanchak Merchandise Pvt Ltd. | 2/1 Basak Bagan Lane Kolkata 700006 | 137000 | 2.89 |
| | | Gulmohar Advisors Pvt Ltd | 62 Nalini Sett Road, Kolkata 700007 | 16105 | 0.34 |
| | | Anjaniputra Suppliers Pvt Ltd | 30H/1 B.B.Sengupta Sarani Kolkata 700034 | 138760 | 2.92 |
| | **Total** | | | **948,575** | **19.99** |

2.1.3 Some of the main features of the Agreements are mentioned below:

a. The sellers shall sell, transfer and deliver 25,23,410 shares in favour of the Acquirers or its nominees or associates at a consideration of Rs. 10 (Rupees ten) per share aggregating to Rs. 252, 34,100 (Two Crore fifty two lacs thirty four thousand one hundred) through share purchase agreement dated 10.02.2006.

b. The sellers shall sell, transfer and deliver 948,575 shares in favour of the Acquirers or its nominees or associates at a consideration of Rs. 10 (Rupees ten) per share aggregating to Rs. 94,85,750 (Ninety four lacs eighty five thousand seven hundred fifty) through Conditional Share Purchase Agreement dated 10.02.2006. The sale of such shares shall be reduced to the extent of the actual acceptance of the shares in the open offer made pursuant to Regulation 10 and 12 of SEBI Takeover Code.

c. That the sellers agree to abide by its obligations as contained in SEBI (Substantial Acquisition and Takeovers) Regulations, 1997.

d. That the Acquirers shall comply with all the requirements of SEBI (Substantial Acquisition and Takeovers) Regulations, 1997.

e. In case of non-compliance of any provisions of this Regulation, the agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

The proposed change in control is consequent to the Agreement whose salient features are described in 2.1.3 above: -

2.1.4 The Acquirers will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfilment or outcome of the share purchase agreement and Conditional Share Purchase Agreement and its related conditions.

2.1.5 The Acquirers, the Sellers and the Target Company have confirmed that they have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of the SEBI Act or any other regulations made under the SEBI Act.

2.1.6 After the completion of all formalities related to the acquisition and after complying with formalities required by the Regulations, the Board of Directors may be reconstituted to include additional representatives of the Acquirers on the Board of DVKL.

2.2 Details of the proposed Offer:

2.2.1 The public announcement was made by the Acquirers in compliance with Regulation 15(1) of the Regulations in the following newspapers.

| NEWSPAPERS | LANGUAGE | EDITIONS | DATE |
|---|---|---|---|
| The Financial Express | English | All Editions | Thursday, February, 16, 2006 |
| Jansatta | Hindi | All Editions | Thursday, February, 16, 2006 |
| Dainik Statesman | Bengali | Kolkata | Thursday, February, 16, 2006 |

A corrigendum to the Pulic Announcement has been published in all the newspapers mentioned above on September 20, 2006.

The Public Announcement and the corrigendum to the Public Announcement is also available on SEBI's website http://www.sebi.gov.in.

2.2.2 The Acquirers propose to acquire from the existing equity shareholders of DVKL 9,49,192 fully paid-up Equity Shares of Rs.10/- each of DVKL representing 20.00% of its paid up equity share and voting capital at a price of Rs 30 per share ("Offer Price") payable in cash.

2.2.3 There are no partly paid up equity shares of DVKL.

2.2.4 The Offer is not subject to any minimum level of Acceptances.

2.2.5 Since the date of the PA to the date of this Letter of Offer, the Acquirers have not acquired any shares of DVKL.

2.3 Objects of the Offer and future plans:

2.3.1 The object of the Offer is substantial acquisition of shares and voting rights accompanied with change in control/management of DVKL in accordance with Regulation 10 & 12 of the Regulations.

2.3.2 The Acquirers propose to venture into a suitable business by utilising the corporate structure of DVKL in order to compliment their existing operations after taking necessary regulatory approvals.

2.3.3 The acquirers do not have any plans to dispose off or otherwise encumber any assets of DVKL in the next two years except in the ordinary course of business of DVKL.

2.3.4 The acquirers shall not sale, dispose of or otherwise encumber any substantial assets of DVKL except with the prior approval of the shareholders.

2.3.5 By virtue of this acquisition the Acquirers will get majority shareholding entitling them to exercise management control over the Target Company.

## 3. BACKGROUND OF THE ACQUIRERS

3.1 Shree Vinay Finvest Private Limited ('VFPL')

a) VFPL is a closely held private company limited by shares. The registered and corporate office is situated at 1, British India Street, Kolkata-700 069

b) VFPL was incorporated on 20$^{th}$ March 1991 under the Companies Act 1956. The main activities of VFPL is interest income and trading in securities.

c) VFPL is controlled by Mr. Pramod Goyal along with Mr. Pawan Sharma, the directors of the company

d) The issued and paid up equity share capital of VFPL consists of 16,90,700 equity shares of Rs 10 each aggregating Rs 169.07 Lacs as on date.

| Sl. No. | Category | No. of Shares held | Percentage |
|---|---|---|---|
| | Promoter Group | 16,90,700 | 100.00% |
| | Others | – | – |
| | Total | 16,90,700 | 100.00% |

e) The names of the directors of VFPL are Mr.Pawan Kumar Sharma and Mr.Pramod Goyal.

| Name | Address | Designation | Experience & Qualification |
|---|---|---|---|
| Mr. Pawan Kumar Sharma | 22, Gopan Chandra Mukherjee Lane, Howrah-711 101 | Director | Commerce Graduate, having over fifteen years experience in real estate sector |
| Mr. Pramod Goyal | A-120, Lake Garden Kolkata-700 045 | Director | Chartered Accountant having more than 15 years experience in finance and accounts. |

f) The Sales/Income and Net Profit of the company for the year ended March 31, 2006 and year ended March 31st 2005 stood as Rs.78,85,554/-, Rs. 30,839/- and Rs.37,26,355/- and Rs. 13,674/- respectively and the Book Value; EPS and return on net worth for the same financial years stood at Rs. 39.68, Rs.0.02, 0.05% and Rs.30.96, Rs. 0.01and 0.03% respectively.

3.2 K.C.Texofine Private Limited ('KTPL')

a) KTPL is a closely held private company limited by shares. The registered and corporate office is situated at 1 Crooked Lane, Kolkata-700 069

b) KTPL was incorporated on 18th March 1994 under the Companies Act 1956.The main activities of KTPL is interest income and trading in securities.

c) KTPL is controlled by Mr. Kailash Chandra Chowdhary, the director of the company.

d) The issued and paid up equity share capital of KTPL consists of 19,89,100 equity shares of Rs 10 each aggregating Rs 198.91 Lacs.

| Sl. No. | Category | No. of Shares held | Percentage |
|---|---|---|---|
| | Promoter Group | 19,89,100 | 100.00% |
| | Others | – | – |
| | Total | 19,89,100 | 100.00% |

e) The names of the directors of KTPL are Mr. Kailash Chandra Chowdhary, Mr. Saket Agarwal and Mr. Manish Agarwal.

| Name | Address | Designation | Experience & Qualification |
|---|---|---|---|
| Mr. Kailash Chandra Chowdhary | 591, Block O, New Alipore, Kolkata-700 053 | Director | Commerce Graduate, having over two decades experience in non-banking activities such as imvestmet in stocks and shares |
| Mr. Saket Agarwal | 386A, Block G, Ganga, New Alipore, Kolkata-700 053 | Director | MBA having more than five years of experience in non-banking activities such as investment in stocks and s shares |
| Mr. Manish Agarwal | 386A, Block G, Ganga, New Alipore, Kolkata-700 053 | Director | MBA having more than five years of experience in non-banking activities such as investment in stocks and s shares |

f) The Sales/Income and Net Profit of the company for the year ended March 31, 2006 and year ended March 31st 2005 stood as Rs. 338,394/-, Rs. 185,146/- and Rs.29,18,205/- and Rs. 26,26,472/- respectively and the Book Value; EPS and return on net worth for the same financial years stood at Rs.34.37, Rs.0.09, 0.27% and Rs.32.05, Rs. 1.51 and 4.71 % , respectively.

3.3 Larigo Investment Private Limited ('LIPL')

a) LIPL is a closely held private company limited by shares. The registered and corporate office is situated at 1 Crooked Lane, Kolkata-700 069

b) LIPL was incorporated on 19th February 1988 under the Companies Act 1956. The main activities of LIPL is rental and hire charges income.

c) LIPL is controlled by Mr. Suresh Kumar Agarwal.

d) The issued and paid up equity share capital of LIPL consists of 19,97,020 equity shares of Rs 10 each aggregating Rs 199.70 lacs.

| Sl. No. | Category | No. of Shares held | Percentage |
|---|---|---|---|
| | Promoter Group | 19,97,020 | 100.00% |
| | Others | – | – |
| | Total | 19,97,020 | 100.00% |

e) The names of the directors of LIPL are Mr. Kailash Chandra Chowdhary, Mr. Suresh Kumar Agarwal and Mrs. Kiran Agarwal.

| Name | Address | Designation | Experience & Qualification |
|---|---|---|---|
| Mr. Kailash Chandra Chowdhary | 591, Block O, New Alipore, Kolkata-700 053 | Director | Commerce Graduate, having over two decades experience in non-banking activities such as imvestmet in stocks and shares |
| Mr. Suresh Kumar Agarwal | 386A, Block G, Ganga, New Alipore, Kolkata-700 053 | Director | B-Tech having more than two decades of experience in non-banking such as investment in stocks and shares |
| Mr. Kiran Agarwal | 386A, Block G, Ganga, New Alipore, Kolkata-700 053 | Director | Graduate having a decade experience in non-banking activities such as investment in stocks and shares |

f) The Sales/Income and Net Profit of the company for the year ended March 31, 2006 and year ended March 31, 2005 stood as Rs. 14,37,536/-, Rs 45,478 and Rs. 76,07,918/- 62,86,860/- respectively and the Book Value; EPS and return on net worth for the same financial years stood at Rs.35.08, Rs.0.02, and 0.06%, and Rs. 32.74, 3.64, 11.12% respectively.

3.4 The acquirers have entered into a formal agreement with respect to the present acquisition.

3.5 The net worth of the acquirers as on 31.03.2006 as certified by Arun Sawalka & Co., Chartered Accountants, having their office at 1, Mullick Street, Kolkata-700 007 (Membership No 62360) vide certificate dated 15.09.2006 is as follows;

| Name | Net worth (Rs in Lacs) |
|---|---|
| Shree Vinay Finvest Private Limited | 670.79 |
| K.C.Texofine Private Limited | 683.66 |
| Larigo Investment Private Limited | 700.65 |

3.6 Brief details of the Acquirers:

3.6.1 The Acquirers has authorised Mr. Pramod Kumar Goyal, as his constituted attorney vide a power of attorney dated 10.02.2006 to enter into the share purchase agreement and conditional share purchase agreement to acquire 25,23,410 equity shares aggregating 53.16% and 948,575 equity shares aggregating 19.99% of the share capital respectively from the shareholders of the Target Company. The directors of the acquires have good business relationship for more than a decade.

3.6.2 The Acquirers till date have complied with the relevant provisions of Chapter II of the Regulations till date wherever applicable.

3.6.3 For the purpose of this Offer there are no persons acting in concert as per the provisions of regulation2(1)(e) of the Regulations.

3.6.4 The Acquirers are not on the Board of DVKL, in terms of regulation 22(9) of the Regulations.

3.6.5 The Acquirers do not hold any position on the Board of Directors of any listed company and are not in full time employment of any company.

3.6.6 The acquirers have not made any acquisitions in DVKL through open offer before this offer.

3.6.7 The financial information of Shree Vinay Finvest Private Limited for the last 3 years are as follows:

3.6.8 Profit & Loss Account

**(Rs in lacs)**

| **For the Year Ended 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| Income from Operations | 10.00 | 29.17 | 69.50 |
| Other Income | 7.68 | 8.09 | 9.36 |
| Total Income | **17.68** | **37.26** | **78.86** |
| Total Expenditure | 17.57 | 37.05 | 78.35 |
| Profit before Interest, Depreciation and Tax | 0.12 | 0.22 | 0.50 |
| Depreciation | - | - | - |
| Interest | - | - | - |
| Profit before Tax | 0.12 | 0.22 | 0.50 |
| Provision for Tax | 0.04 | 0.08 | 0.19 |
| **Profit after tax** | **0.07** | **0.14** | **0.31** |

**Balance Sheet**

| **As on 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| **Sources of funds** | | | |
| Paid up share capital | 131.62 | 147.77 | 169.07 |
| Reserves & Surplus (excluding revaluation reserves) | 164.23 | 309.71 | 501.72 |
| Revaluation Reserve | - | - | - |
| Less: Total Miscellaneous Expenditure not written off | 0.14 | - | - |
| **Net Worth** | **295.71** | **457.48** | **670.79** |
| Secured loans | - | - | - |
| Unsecured loans | - | - | - |
| **Total** | **295.71** | **457.48** | **670.79** |
| **Uses of funds** | | | |
| Net Fixed Assets | - | - | - |
| Investments | - | 104.70 | 341.30 |
| Net Current Assets | 295.71 | 352.78 | 329.49 |
| **Total** | **295.71** | **457.48** | **670.79** |

**Other Financial Data**

| | | | |
|---|---|---|---|
| Dividend (%) | - | - | - |
| Earning Per Share (Rs.) * | 0.01 | 0.01 | 0.02 |
| Return on Net worth (%) | 0.03% | 0.03% | 0.05% |
| Book Value Per Share (Rs.)** | 22.47 | 30.96 | 39.68 |

*Profit after tax / number of outstanding equity shares at the close of the year/period.

** Excluding miscellaneous expenditure not written off

*Source: Annual Reports/ Certified Financial Statements from the statutory auditors.*

3.6.9 Significant Accounting Policies of Shree Vinay Finvest Private Limited:

i. The Company follows the Mercantile System of accounting and recognizes Income & Expenditure on accrual Basis.

ii. Investment in Quoted Companies Shares are valued at Cost or Market Price, whichever is lower and unquoted Shares are valued at Cost or Fair value whichever is lower.

iii. Sales are recognized on passing of ownership in Shares.

3.6.10 The financial information of Larigo Investment Pvt Ltd for the last 3 years are as follows:

**Profit & Loss Account**

**(Rs in lacs)**

| **For the Year Ended 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| Income from Operations | - | - | - |
| Other Income | 19.01 | 76.08 | 14.38 |
| Total Income | **19.01** | **76.08** | **14.38** |
| Total Expenditure | 7.69 | 9.20 | 11.17 |
| Profit before Interest, Depreciation and Tax | 11.32 | 66.88 | 3.20 |
| Depreciation | 1.90 | 1.22 | 0.79 |
| Interest | 2.05 | 2.54 | 1.42 |
| Profit before Tax | 7.38 | 63.13 | 0.99 |
| Provision for Tax | (1.91) | 0.26 | 0.54 |
| **Profit after tax** | **9.29** | **62.87** | **0.45** |

**Balance Sheet** **(Rs in lacs)**

| **As on 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| **Sources of funds** | | | |
| Paid up share capital | 132.70 | 172.70 | 199.70 |
| Reserves & Surplus (excluding revaluation reserves) | 170.24 | 392.82 | 501.25 |
| Revaluation Reserve | - | - | - |
| Less: Total Miscellaneous Expenditure not written off | 0.20 | 0.15 | 0.30 |
| **Net Worth** | **302.74** | **565.37** | **700.65** |
| Secured loans | - | - | - |
| Unsecured loans | 34.32 | 14.86 | 16.10 |
| **Total** | **337.06** | **580.23** | **716.75** |

| **Uses of funds** | | | |
|---|---|---|---|
| Net Fixed Assets | 13.11 | 11.89 | 11.10 |
| Investments | 253.82 | 464.54 | 589.57 |
| Net Current Assets | 70.13 | 103.80 | 116.08 |
| **Total** | **337.06** | **580.23** | **716.75** |

**Other Financial Data**

| | | | |
|---|---|---|---|
| Dividend (%) | - | - | - |
| Earning Per Share (Rs.) * | 0.70 | 3.64 | 0.02 |
| Return on Net worth (%) | 3.07% | 11.12% | 0.06% |
| Book Value Per Share (Rs.)** | 22.81 | 32.74 | 35.08 |

*Profit after tax / number of outstanding equity shares at the close of the year/period.

** Excluding miscellaneous expenditure not written off

*Source: Annual Reports/ Certified Financial Statements from the statutory auditors.*

3.6.11 Significant Accounting Policies of Larigo Investment Private Limited:

i. The Company prepares its accounts on accrual basis except otherwise stated.

ii. The Preliminary expenses have been written off over a period 10 years in equal instalments.

iii. Fixed Assets have been stated at cost less depreciation. Depreciation on the same has been provided at written down method as prescribed in Schedule XIV of the Companies Act, 1956.

3.6.12 The financial information of K.C.Texofine Private Limited for the last 3 years are as follows:

**Profit & Loss Account** **(Rs. in lacs)**

| **For the Year Ended 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| Income from Operations | - | - | - |
| Other Income | 7.33 | 29.18 | 3.38 |
| Total Income | **7.33** | **29.18** | **3.38** |
| Total Expenditure | 1.13 | 1.33 | 1.51 |
| Profit before Interest, Depreciation and Tax | 6.20 | 27.85 | 1.87 |
| Depreciation | 0.05 | 0.04 | 0.03 |
| Interest | - | - | - |
| Profit before Tax | 6.15 | 27.81 | 1.84 |
| Provision for Tax | 0.97 | 1.55 | (0.01) |
| **Profit after tax** | **5.18** | **26.26** | **1.85** |

**Balance Sheet**

**(Rs in lacs)**

| As on 31st March | 2004 (Audited) | 2005 (Audited) | 2006 (Audited) |
|---|---|---|---|
| **Sources of funds** | | | |
| Paid up share capital | 145.41 | 173.91 | 198.91 |
| Reserves & Surplus (excluding revaluation reserves) | 243.28 | 383.54 | 485.05 |
| Revaluation Reserve | - | - | - |
| Less: Total Miscellaneous Expenditure not written off | 0.20 | 0.15 | 0.30 |
| **Net Worth** | **388.49** | **557.30** | **683.66** |
| Secured loans | - | - | - |
| Unsecured loans | - | - | - |
| **Total** | **388.49** | **557.30** | **683.66** |
| **Uses of funds** | | | |
| Net Fixed Assets | 0.14 | 0.11 | 0.08 |
| Investments | 373.95 | 538.66 | 668.45 |
| Net Current Assets | 14.40 | 18.54 | 15.13 |
| **Total** | **388.49** | **557.30** | **683.66** |

**Other Financial Data**

| | | | |
|---|---|---|---|
| Dividend (%) | - | - | - |
| Earning Per Share (Rs.) * | 0.36 | 1.51 | 0.09 |
| Return on Net worth (%) | 1.33% | 4.71% | 0.27% |
| Book Value Per Share (Rs.)** | 26.72 | 32.05 | 34.37 |

*Profit after tax / number of outstanding equity shares at the close of the year/period.

** Excluding miscellaneous expenditure not written off

*Source: Annual Reports/ Certified Financial Statements from the statutory auditors.*

3.6.13 Significant Accounting Policies of K.C.Texofine Private Limited:

i. The financial statements have been prepared in accordance with the historical cost convention.

ii. Investments are shown at cost.

iii. Income and expenditure are accounted on accrual basis.

iv. Fixed assets have been stated at cost less depreciation. Depreciation on the same has been provided on w.d.v. basis at the rates prescribed in schedule xiv to the companies act, 1956.

3.7 Disclosures in terms of Regulations 16(ix) of the Regulations:

3.7.1 The Offer to the shareholders of DVKL is made in accordance with regulation 10 & 12 of the Regulations.

3.7.2 The Acquirers propose to carry on Non- Banking Financial activities such as investment in securities by utilising the corporate structure of DVKL in order to compliment their existing operations after taking necessary regulatory approvals.

3.7.3 The Acquirers do not have any plan to dispose off or otherwise encumber any assets of DVKL in the next two years except in the ordinary course of business of DVKL.

3.7.4 The Acquirers shall not sell, dispose of or otherwise encumber any substantial assets of DVKL except with the prior approval of the shareholders.

**4. DISCLOSURE IN TERMS OF REGULATION 21 OF THE SEBI TAKEOVER CODE:**

The members of the existing promoter group of DVKL, to the extent they continue to be shareholders after the proposed acquisition, would not constitute the promoter group of DVKL after the control of the Company is acquired by the acquirers. The total promoter shareholding pursuant to the Offer would depend on the Offer response. Assuming full subscription to the Offer, the total promoter shareholding in DVKL would be 34,72,602 shares representing 73.17% of the total equity capital. Assuming Nil response to the Offer, the total promoter shareholding in DVKL would be 34,71,985 shares representing 73.15% of the total equity capital and hence would not result in the non-promoter shareholding being reduced to less than the limit specified in the Listing Agreement with the stock exchanges for the purpose of continuous listing.

**5. Background of Target Company - Danta Vyapar Kendra Limited**

5.1 Brief History and Main Areas of Operations:

5.1.1 M/s Danta Vyapar Kendra Limited is a Company having its registered office at 25D Harish Mukherjee Road, 1E, 1st Floor, Kolkata 700 025. The company was originally incorporated on 20th November 1982 under the Companies Act, 1956. The registered office of the company was at 34 Ezra Street, Kolkata 700 001 which was subsequently changed to 25D Harish Mukherjee Road, 1E, 1st Floor, Kolkata 700 025, complying with all the relevant requirements of the Act.There was an amalgamation pursuant to section 391 & 394 of the Companies Act, 1956 with M/s. Frankross Vinimay Limited ( FVL), a company incorporated under the Companies Act, 1956 and having its registered office at 25D Harish Mukherjee Road, 1E, 1st Floor, Kolkata 700 025 by Hon'ble High Court of Calcutta vide order dated 11.08.2003 w.e.f. 01.01.2003. The Hon'ble High Court of Calcutta duly approved the scheme of amalgamation and as per scheme of amalgamation all registration of FVL stands transferred in the name of DVKL.

5.1.2 The company entered into another scheme of amalgamation with Mahavir Advisory Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at 25D, Harish Mukherjee Road, 1E, 1st Floor, Kolkata-700 025. The Hon'ble High Court of Kolkata passed an order dated 15.02.2005 u/s 391 & 394 of the Companies Act for the said amalgamation and the effective date was 01.04.2004.

DVKL is not carrying on any NBFC business as per advice of RBI vide their letter No DNBS RO/KOL/NO 3729/09.06.02/Amalgamation/2005-06 dated 27.02.2006.

DVKL has filed petition in the Hon'ble High Court of Calcutta u/s 392 of the Companies Act, 1956 for specific direction to RBI for transferring registration of FVL in the name of DVKL.

5.1.3 M/s. Bhapwati Enterprises, a partnership firm having its registered office at 25D, Harish Mukherjee Road, 1E, First Floor, Kolkata-700 025 is the promoter of DVKL.

5.1.4 DVKL has been dealing in shares and securities and granting loans and advances.

5.1.5 There are no outstanding instruments in nature of warranty/fully convertible debentures/partly convertible debentures etc., which are convertible into equity at a later date. There are no shares under Lock in Period.

5.2 As on the date of this Public Announcement, the Paid-up Equity Share Capital of M/s DVKL is Rs.4,74,59,600/- comprising of 47,45,960 Equity Shares of Rs.10/- each fully paid-up. There are neither partly paid-up shares nor outstanding convertible instruments as on the date of this Public Announcement.

5.3 Share Capital Structure of the target company as on the date of Public Announcement

| **Paid Up Equity Shares of Target Company** | **No. of Shares/ Voting rights** | **% of shares/voting rights** |
|---|---:|---:|
| Fully Paid up Equity Shares | 47,45,960 | 100% |
| Partly Paid Up Equity Shares | Nil | Nil |
| Total paid Up Equity Shares | 47,45,960 | **100%** |
| Total Voting Rights in the Target Company | 47,45,960 | **100%** |

5.4 The Equity Shares of DVKL are listed at the Calcutta Stock Exchange Association Limited and Uttar Pradesh Stock Exchange Association Limited. The Equity Shares are traded infrequently on these Exchanges in terms of explanation (i) to regulation 20(5).

5.5 Details of the changes in share capital of the company since incorporation are as follows:

The present paid up equity share capital of Danta Vyapar Kendra Limited as on the date of the PA is Rs 4,74,59,600 comprising of 47,45,960 fully paid up equity shares of Rs.10/- each. The shares of DVKL are listed in CSE & UPSE only. There are no partly paid-up shares or any preference shares. The equity share capital structure of DVKL is as follows:

| **Details of allotment** | **Shares Issued** | | **Cumulative paid up capital** | **Mode of allotment** | **Identity of allottees** | **Compliance status** |
|---|---|---|---|---|---|---|
| | **Number** | **%** | | | | |
| On incorporation | 70 | 0.00 | 70 | Cash | Subscriber | Complied |
| 16/02/83 | 89,930 | 1.89 | 90,000 | Cash | Promoters | Complied |
| 06/05/83 | 150,000 | 3.16 | 240,000 | Cash | Public | Complied |
| 02/03/04 | 25,93,425 | 54.65 | 28,33,425 | Other than cash | Shares allotted to the shareholders of Frankross Vinimay Ltd (Amalgamating Company) | Complied |
| 09/03/05 | 19,12,535 | 40.30 | 47,45,960 | Other than cash | Shares allotted to the shareholders of Mahavir Advisory Ltd (Amalgamating Company) | Complied |

5.5.1 As on date there are no outstanding convertible instruments such as warrants/FCDs/PCDs etc

5.5.2 The Board of Directors of DVKL as on the date of the PA is as follows:

| **Name of** Directors | **Designati** on | **Date of** appoint nt | **Qual** lifca tion | **Residential** Address | **Experi-** nce | **No. & % of** Shares of DVKL held as on date of P.A. i.e. 10/02/2006 | No. & % of Shares sold through agreement dated 10/02/2006 |
|---|---|---|---|---|---|---|---|
| Mr. Sandeep Sharma | Director | 17-04-03 | B. Com | C–403, V.I.P. ENCLAVE, 4th Floor, Baguiti Kolkata- 700 059 | 5 years | NIL | NIL |
| Mr. Narsingh Mittal | Director | 17-04- 03 | B. Com | 25 D Harish Mukherjee Road, 3ab 3rd Floor, Kolkata- 700 025 | 6 years | NIL | NIL |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Mr. Rajiv Sharma | Director | 22-06-04 | CS | Space Town, Block – 10, 3rd Floor, R. No. 32 Kolkata 700 050 | 6 years | NIL | NIL |
| Mr. Puranmal Agarwal | Director | 24-09-04 | B. Com | 386 A, Block – G New Alipore, Kolkata-700 053 | 25 years | NIL | NIL |

5.5.3 The Acquirers do not have any representatives on the Board of Directors. The details of the existing promoter group and their holding in the Target company as on March 31,2005, March 31, 2004 and March 31, 2003 is as follows:

| **Name of the promoter(s)** | **Address** | **No. of shares as on** | | |
|---|---|---|---|---|
| | | **31/03/2005** | **31/03/2004** | **31/03/2003** |
| Sandeep Sharma | C/o Bhagwati Enterprises 25 D Harish Mukherjee Rd. 1E, First Floor, Kolkata-700 025 | 6,12,875 | 6,12,875 | 1,68,000 |

5.5.4 The Company has filed a petition u/s 392 of the Companies Act, 1956 with the Hon'ble High Court of Calcutta for specific direction to RBI for transfering Registration of FVL in name of DVKL.

5.5.5 There has been merger of Frankross Vinimay Limited (FVL) and Mahavir Advisory Limited (MAL) in DVKL. The FVL was merged with DVKL with effect from 01.01.2003 vide High Court, Calcutta order dated August 11, 2003 and the MAL was merged with DVKL with effect from 01.04.2004 vide High Court, Calcutta order dated February 15, 2005.

5.5.6 As per the available information we state except prior period violation mentioned in Clause 5.9,that the sellers, promoters, other major shareholders & target company, wherever applicable have complied with the applicable provisions of Chapter II of the Regulations.

5.5.7 As per the available information and other documents submitted to us by DVKL, we confirm that DVKL has complied with the conditions as stipulated in the listing agreement including the payment of annual fees. We also confirm that no penal action has been taken by the Stock Exchange till date against DVKL.

5.6 Financial Information

The financial information of DVKL for the last 3 years are as follows:

**Profit & Loss Account**

**(Rs. in lacs)**

| **For the Year Ended 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| Income from Operations | 259.88 | 1,054.63 | 1,425.58 |
| Other Income | 0.12 | 12.88 | 25.37 |
| Total Income | **260.00** | **1,067.51** | **1,450.95** |
| Total Expenditure | 259.90 | 1,051.49 | 1,424.33 |
| Profit before Interest, Depreciation and Tax | 0.10 | 16.02 | 26.62 |
| Depreciation | 0.03 | 8.36 | 26.42 |
| Interest | - | - | - |
| Profit before Tax | 0.07 | 7.66 | 0.20 |
| Provision for Tax | 0.02 | 3.32 | 0.07 |
| **Profit after tax** | **0.04** | **4.34** | **0.13** |

**Balance Sheet**

**(Rs in lacs)**

| **As on 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited)** |
|---|---|---|---|
| **Sources of funds** | | | |
| Paid up share capital | 283.34 | 474.60 | 474.60 |
| Reserves & Surplus (excluding revaluation reserves) | 1,739.72 | 3,417.56 | 3,417.70 |
| Revaluation Reserve | - | - | - |
| Less: Total Miscellaneous Expenditure not written off | 1.10 | 1.14 | 0.77 |
| **Net Worth** | **2,021.96** | **3,891.02** | **3,891.52** |
| Secured loans | - | - | - |
| Unsecured loans | - | - | - |
| **Total** | **2,021.96** | **3,981.02** | **3,891.52** |
| **Uses of funds** | | | |
| Net Fixed Assets | 51.81 | 44.32 | 17.89 |
| Investments | - | - | - |
| Net Current Assets | 1,970.01 | 3,849.28 | 3,874.76 |
| Deferred Tax-Net | 0.14 | (2.58) | (1.13) |
| **Total** | **2,021.96** | **3,891.02** | **3,891.52** |

**Other Financial Data**

| **For the Year Ended 31st March** | **2004 (Audited)** | **2005 (Audited)** | **2006 (Audited** |
|---|---|---|---|
| Dividend (%) | 0.00% | 0.00% | 0.00% |
| Earning Per Share (Rs.)* | 0.00 | 0.09 | 0.00 |
| Return on Net worth (%) | 0.00% | 0.11% | 0.00% |
| Book Value Per Share (Rs.)** | 71.36 | 81.99 | 82.00 |

*Profit after tax / number of outstanding equity shares at the close of the year/period.

** Excluding miscellaneous expenditure not written off

*Source: Annual Reports/ Certified Financial Statements from the statutory auditors*

Note:

1. Miscellaneous expenditure not written off has been deducted against net worth for calculating the book value per share and return on net worth.
2. Contingent Liabilities:
   There has been no contingent liabilities of the Company as on date.

5.7 Reason for fall /rise in income in relevant years are as follow: -

**1. Comparison of Performance for Financial year ended 31st March 2006 vis-à-vis 31st March 2005**

***Revenues***

Income from operations in FY 2006 increased from Rs 1054.63 lacs to Rs 1425.58 lacs in FY 2005 due to better realisation on sale of stocks.

***Other Income***

During the year other income increased from Rs. 12.88 lacs to Rs 25.37 lacs

***Expenditure***

The administrative and other expenses expenditure accounted for Rs. 1424.33 lacs during the year registering an increase of 35.46% over the previous year.

***Depreciation***
Depreciation has increased from Rs 8.36 lacs to Rs 26.42 lacs during the year.
***Profit after tax***
The company has booked profit of Rs.0.13 lacs as compared to Rs. 4.34 lacs in the previous year
**2. Comparison of Performance for Financial year ended 31st March 2005 vis-à-vis 31st March 2004**
***Revenues***
Income from operations in FY 2005 increased from Rs 259.88 lacs to Rs 1054.63 lacs in FY 2004 due to better realisation on sale of stocks.
***Other Income***
During the year other income increased from Rs. 0.12 lacs to Rs 12.88 lacs
***Expenditure***
The administrative and other expenses accounted for Rs.1051.49 lacs in the FY 2005 registering an increase of 304.58% over the FY 2004.
***Depreciation***
Depreciation has increased from Rs 0.03 lacs to Rs 8.36 lacs during the year.
***Profit after tax***
The company has booked profit of Rs.4.34 lacs as compared to Rs. 0.04 lacs in the previous year.

5.8 Pre and Post-Offer Shareholding Pattern of DVKL (based on subscribed & paid up Equity and Voting Capital) is as under: -

| **Shareholder's Catetory** | **Shareholding & voting rights prior to the agreement/acquisition and Offer (A)** | | **Shares/voting rights agreed to be acquired which triggered off Regulations (B)** | | **Shares/voting rights to be acquired in the open Offer (C)** | | **Share holding/ voting rights after Acquisitions/ Offer (A+B+C) (D)** | |
|---|---|---|---|---|---|---|---|---|
| | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % |
| **1. Promoter Group** | | | | | | | | |
| a) Parties to Agreement | 612,875 | 12.91% | - | - | - | - | - | - |
| b) Promoter other than (a) above | - | - | - | - | - | - | | |
| **TOTAL 1 (a + b)** | | | | | | | | |
| **2. Acquirers** | - | - | 3,471,985 | 73.16% | 949,192 | 20.00% | 3,472,602 | 73.17% |
| a) Shree Vinay Finvest Pvt Ltd | - | - | | | | | | |
| b) Larigo Invest. Pvt Ltd | - | | | | | | | |
| c) K.C.Texofine Pvt Ltd | - | - | | | | | | |
| **TOTAL 2 (a + b + c)** | | | | | | | | |
| **3. Parties to the agreement (Other than 1(a) & 2)** | 2,859,110 | 60.24% | - | - | - | - | 948,575 | 19.99% |
| **4) Public Share Holding (other than 1 to 3)** | - | - | - - | - | - | - | - | |
| a) FIs/NRIs/MFs/FIIs /Banks | - | - | - | - | - | - | - | - |
| b. Others | 1,273,975 | 26.84% | | | (949,192) | (20.00%) | 324,783 | 6.84% |
| **5. TOTAL (1+2+3+4)** | **4,745,960** | **100%** | | | | | **4,745,960** | **100%** |

**Note:** The share purchase agreement for sale of 25,23,410 equity shares aggregating 53.16% of the paid-up Equity Share Capital includes 612, 875 equity shares of the promoter aggregating 12.91% of the paid up Equity Share Capital.

The sale/transfer of 948,575 shares aggregating 19.99% Equity Share Capital in favour of the Acquirers shall be reduced to the extent of the actual acceptance of the shares in the open offeri.e in case of 20% acceptance of shares in the open offer no shares shall be acquired under Share Purchase Agreement.

5.9 There has been prior period violation by the promoters of Takeover Code for which appropriate action may be initiated by SEBI against them or the same. Changes in shareholding of the promoters, as and when it happened in the target company along with status of compliance with the applicable provisions of SEBI (SAST) Regulations/other applicable regulations under the SEBIACT 1992 and other statutory requirements, as applicable.

| **SL. No.** | **Name of Promoter** | **For the Year Ended** | **Transfer/ Purchase** | **% of Share Capital** | **Cumulative Balance** | **Compliance status** |
|---|---|---|---|---|---|---|
| 1 | Sandeep **Sharma** | 01.04.1997 (Opening Balance) | 1250 | 0.52% | 1250 | Complied with |
| | | 2002-03 | 166,750 | 69.48% | 168,000 | Not Complied |
| | | 2003-04 | 444,875 | 69.48% | 612,875 | Complied With |

5.10 There was no trading of the shares of DVKL as on the 10/02/2006 i.e. the date of Public Announcement.

5.11 As per the available information, we confirm that there has not been any change in promoter's shareholding since 2003 and they have duly complied with the applicable provisions of SEBI (SAST) Regulations, 1997 and subsequent amendments made thereto.

5.12 Corporate Governance:

M/s. Arun Sawalka & Co, Chartered Accountants, the Statutory Auditors of the company vide their Report on Corporate Governance dated 30.06.2006which formed part of the Annual Report for the year 2005-06 confirmed that (a) the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement (b) the company has maintained records to show the investors grievances against the company and that as on 31st March 2006 there were no investor grievances remaining unattended/ pending for more than 30 days and (c) such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

5.13 Mr. Sandeep Sharma, director of the company is acting as the compliance officer and his address is 25D, Harish Mukherjee Road, 1E, 1st Floor, Kolkata 700 025

## 6. OFFER PRICE & FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price:

6.1.1 The Equity Shares of DVKL is listed on CSE & UPSE only.

6.1.2 The annualised trading turnover during the preceding six calendar months ended September 2005, in CSE is as follows: -

| Name of Stock Exchange | Total no of shares traded during the 6 calendar months prior to the month in which PA was made. | Total No. Of listed Shares | Annualised Trading Turnover (in terms to % of total listed shares) |
|---|---|---|---|
| The Calcutta Stock Association Limited Exchange | Nil | 47,45,960 | N/A |
| The Uttar Pradesh Stock Exchange Association Limited | Nil | 47,45,960 | N/A |

*Source: As per information from CSE & UPSE.*

6.1.3 As the annualised trading turnover (by number of shares) is less than 5% of the total number of listed shares at CSE & UPSE, the shares of the Company are deemed to be infrequently traded on CSE and UPSE in terms of Explanation to Regulation 20(5) of the Regulations. The weekly high and low of the closing price of the shares on CSE & UPSE during the 26 weeks preceding the date of the public announcement as per the available information is NIL.

6.1.4 There is no trading in the shares of DVKL on CSE & UPSE during the last 26 weeks preceding the date of the PA.

6.1.5 In terms of regulation 20(4) of the Regulations, the Offer price of Rs.30/- is justified as follows:

| | |
|---|---|
| Negotiated price per share | Rs 10/- |
| Highest Price paid by the Acquirers for any Acquisitions, including by way of allotment in a Public or right issue or preferential issue during the 26 weeks period prior to the date of PA | N.A. |
| Other parameters as per the financials of DVKL as certified by the Management for the year ended September 30, 2005 | (a) Earning Per Share is Rs 0.00<br>(b) Return on Net worth is 0.00%.<br>(c) Book Value per equity share Rs. 81.99. |

Arun Sawalka & Co. of 1, Mullick Street, Kolkata 700 007 Chartered Accountants having membership no. 62360 have undertaken a valuation exercise to determine the value of equity shares of DVKL and furnished a report in this regard. The relevant extracts of the report dated 10th February, 2006 is stated as under:

a. Profit Earning Capacity Value (PECV): The average profit after tax for last 3 (three) financials years ending March 31st 2003, 2004 and 2005 as per audited annual accounts is Rs. 1.76 Lac. Therefore, the PECV of the company is Re. 0.19 per share based on 20% capitalization rate. The price earning capacity value of the share is arrived as per the erstwhile Controller of Capital Issues (CCI) Guidelines for valuation of shares.

b. Market Based Value: The last traded price of the equity shares on CSE was on 9th March 2005 at Rs10/- per share. (Source: CSE Official Quotation). There is no trading of the shares at UPSE.

c. Considering the Supreme Court decision in the Hindustan Lever Employee Union vs. Hindustan Lever Limited 1995 (83 Com. Cas 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

Market Based Value – 2

Earning Based Value – 2

Given the NAV of Rs 81.99, PECV of Re.0.19 as assessed above and the Market Price Rs 10.00 the share price based on the weighted average would be Rs 20.48 per share.

Therefore, based on the fair value of Rs 20.48 per share as calculated above, the negotiated price under SPA and CSPA of Rs.10/- per share, in the opinion of the Manager to the offer and the Acquirers, the offer price of Rs. 30/-per share is justified in terms of Regulation 20(11) of the Regulations.

6.1.6 It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirers for any acquisition of shares of DVKL from the date of Public Announcement upto 7 working days prior to the closure of the offer viz. April 18, 2006.

6.1.7 There is no non compete agreement entered into between Acquirers and Sellers.

6.2 Details of Firm Financial arrangements: -

6.2.1 The total fund requirement for the acquisition of upto 9,49,192 fully paid up equity shares of DVKL at Rs. 23/- per share is Rs.218,31,416/-( Rupees Two crores eighteen lacs, thirty one thousand, four hundred sixteen only). The total fund requirement for the acquisition of upto 9,49,192 fully paid up equity shares of DVKL at the revised price of Rs. 30/- per share is Rs. 284,75,760 (Rs Two Crores eighty four lacs, seventy five thousand, seven hundred and sixty )

6.2.2 In accordance with Regulation 28 of the Regulations, the Acquirers have opened an Escrow account with Centurion Bank, The Statesman House Branch, Kolkata in the name and style of “Escrow Account-DVKL-Open Offer” in the form of a fixed deposit of Rs. 60,00,000 (Rupees Sixty Lacs.) being more than 25% of the total consideration payable to shareholders under the Offer. The total fund requirement for the Offer has been increased from Rs 218,31,416/- to Rs. 284,75,760 (Rs Two Crores eighty four lacs, seventy five thousand, seven hundred and sixty ) pursuant to revision of offer price from Rs 23/- per share to Rs 30/-.

6.2.3 As required under Regulation 28(9) of SAST Regulations 1997 and amendments made thereto, pursuant to revision of offer price from Rs 23/-per share to Rs 30/- the value of the escrow account has been increased by Rs 700,000/-(Rs Seven lacs only)

6.2.4 The Manager to the Offer, Microsec Capital Limited has been duly authorised by the Acquirers to operate and realise the value of Escrow Account in terms of the Regulations.

6.2.5 The Acquirers have adequate financial resources and has made firm financial arrangement for the implementation of the Offer in full out of their own sources/net worth and no borrowings from Banks/ FIs or Foreign sources is envisaged. Arun Sawalka & Co of 1, Mullick Street, Kolkata 700 007 Chartered Accountants has certified vide its letter dated February 16, 2006 that sufficient resources are available with the Acquirers for fulfilling the obligations under this “Offer” in full.

6.2.6 The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfil the offer obligations.

## 7. TERMS AND CONDITIONS OF THE OFFER

7.1 Statutory Approval

7.1.1 The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the FEMA, for acquiring shares tendered by non-resident shareholders, if any.

7.1.2 As on the date of the PA, to the best of the knowledge of the Acquirers, there are no other statutory approvals and/or consents required. However, the Offer would be subject to all-statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.

7.1.3 In case of delay in the receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to shareholders, subject to the acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the regulations will become applicable.

7.1.4 The Acquirers do not require any approval from its Bankers / Lending Institutions for the aforesaid Offer.

7.2 Other terms

7.2.1 The Letter of Offer (“LO”) together with Form of Acceptance cum Acknowledgement and Form of Withdrawal shall be mailed to the equity shareholders of DVKL (except the acquirers, the persons acting in concert and parties to the agreement, if applicable) whose names appear on the Register of Members of DVKL at the close of business hours on March 17, 2006 (“Specified Date”).

7.2.2 All the owners of the shares, registered or unregistered (except the parties to the agreement) are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

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

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

7.3 Locked-in Shares:

7.3.1 There are no locked-in shares in DVKL.

7.4 Eligibility for accepting the Offer:

7.4.1 The Offer is made to all the public shareholders (except the parties to the agreement) whose names appeared in the register of shareholders on March 17,2006 of the equity shares of DVKL, and to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.5 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 closure of the Offer.

a. The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before October 12, 2006.

b. The withdrawal option can be exercised by submitting the Form of withdrawal attached to this LO. Form of withdrawal will also be available on SEBI’s website: www.sebi.gov.in

c. In case of Non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

Name, address, distinctive numbers, folio number and number of shares tendered or withdrawn.

7.5.1 Incomplete applications, including non-submissions of necessary enclosures, if any, are liable to be rejected.

7.5.2 The instructions and provisions contained in the FOA constitute an integral part of the terms of this offer.

## 8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

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

**Maheshwari Datamatics Pvt Limited**
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001
Tel: 91-33-2243-5029/5809
Fax: 91-33-2248-4787
E-mail: mdpl@cal.vsnl.net.
Contact Person: Mr. S. Rajagopal

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before October 17,2006. Shareholders may send their acceptances as follows: -

| Working Days | Timings | Mode of Delivery |
|---|---|---|
| Monday – Friday | 10.00 A.M. up to 5.00 P.M. | Hand Delivery/Registered Post |
| Saturday | 10.00 A.M. up to 3.00 P.M. | Hand Delivery/Registered Post |

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

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

8.3.1 For Equity Shares held in physical form:

**(i)** **Registered shareholders** should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- **Original share Certificates**
- **Valid share transfer Form(s**) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with DVKL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

**(ii)** **Unregistered owners should** enclose:

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

8.3.2 For equity shares held in Demat Form :

**Beneficial owners** should enclose**:**

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.
- **Photocopy of the delivery instruction in " Off-market" mode or counterfoil of the delivery instruction in "Off- market" mode**, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on October 17, 2006.

8.4 The Registrar to the Offer, M/s. Maheshwari Datamatics Pvt Ltd has opened a special depository account with Shree Bahubali International Ltd. The details of the special depository account are as under:

| | |
|---|---|
| DP Name | Shree Bahubali International Ltd |
| DP ID | IN300773 |
| Client ID | 10162052 |
| Account Name | "Maheshwari Datamatics Pvt Ltd – DVKL-Open- Offer Escrow Account". |
| Depository | National Securities Depository Limited |

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

8.6 The share Certificate(s), share transfer form, Form of Acceptance, Form of Withdrawal and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.

8.7 In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of DVKL. The Public Announcement, LO, Form of Acceptance Cum Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares Offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 17.10.2006. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of beneficial owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number, and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off- market " mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer.

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

8.9 The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by01.11.2006. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond01.11.2006.

8.10 Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders and will be sent by registered post, to those shareholders / unregistered owners at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirers in part or in full except in case of joint holders, cheques / demand drafts/ pay orders, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques / demand drafts / pay orders.

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

8.12 In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be in accordance with Regulation 21(6) of the Regulations, on a proportionate basis. The marketable lot of physical shares is 100 and demat shares is 1.

8.13 The Registrar to the Offer will hold in trust the shares/ share certificates, shares lying in the credit of the special depository account, Form of Acceptance cum Acknowledgement, the transfer Form(s) and Form of Withdrawal, if any, on behalf of the shareholders of DVKL who have accepted the Offer, till the Cheques/ demand draft / pay orders for the consideration and/or the unaccepted shares/ share certificates are despatched or credited back to the beneficial owners DP account.

8.14 In case any person has lodged shares of DVKL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 8.5 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct DVKL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.

8.15 In case any person has tendered his physical shares in DVKL for dematerialisation & such dematerialisation has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the special depository account on or before the Offer closing date together with a copy of delivery instructions acknowledged by the DP in favour of Special depository account.

8.16 In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold.

8.17 The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of closure of the Offer, i.e. on or before 12.10.2006 in terms of Regulation 22(5A).

8.18 The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 12/10/2006. The withdrawal option can be exercised by submitting the form of withdrawal.

8.19 In case of non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

i. In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered/ withdrawn.

ii. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the DP in favour of the Depository Escrow Account.

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

**9. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the office of the Manager to the Offer Microsec Capital Limited 7, Camac Street, Azimganj House 2nd Floor, Kolkata – 700 017 between 10.00 A.M to 2.00 P.M during the period the Offer is open i.e., from 28.09.2006 to 17.10.2006.

i. Memorandum & Articles of Association of DVKL along with Certificate of Incorporation.

ii. Chartered Accountant's Certificates dated 15.09.2006 certifying the Net worth of the acquirers.

iii. Chartered Accountant's Certificate dated 16.02.2006 certifying the adequacy of financial resources with Acquirers to fulfil the Open Offer Obligations.

iv. Copies of Annual reports of the Company for the year ended 31st March , 2004 and 2005 and 2006

v. A letter of Centurian Bank, Statesman House Branch, Kolkata dated 14/02/06 confirming the amount kept in the Escrow Account and empowering solely the Manager to the Offer to operate it.

vi. Copy of the Share Purchase Agreement and Conditional Share Purchase Agreement between Acquirers & Sellers, dated 10/02/2006, which triggered off the Offer.

vii. A Published copy of the Original Public Announcement and Corrigendum to the Public Announcement dated 16/02/2006 and 20.09.2006 respectively

viii. Copy of Fixed Deposit Receipt issued by Centurian Bank, The Statesman House Branch; Kolkata for deposit of Rs.67,00,000 ( Rs Sixty Seven Lacs) including the enhanced deposit pursuant to revision of offer price in terms of the Escrow requirements.

ix. SEBI observation letter no. CFD/DCR/TO/HB/76697/06dated September 14, 2006.

**10. DECLARATION BY THE ACQUIRERS**

The Acquirers accept full responsibility jointly and severally for the information contained in the Letter of Offer and for ensuring compliance with the Regulations.

The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirers.

Shree Vinay Finvest Private Limited,
Larigo Investment Private Limited
and K. C. Texofine Private Limited

**Constituted Attorney**

Place: Kolkata
Date: September 20, 2006

**Enclosures:**

i. Form of Acceptance cum Acknowledgement

ii. Form of Withdrawal

iii. Transfer Deeds(s)

# FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

Date:
To,
**Maheshwari Datamatics Pvt Limited**
6,Mangoe Lane, 2nd Floor,
Kolkata – 700 001

Dear Sir,

**Sub: Open Offer to the shareholders of Danta Vyapar Kendra Limited (DVKL) to acquire from them upto 9,49,192 equity shares of Rs 10/- each aggregating 20.00% of the issued and subscribed share capital of DVKL @ Rs 30 per share.**

I/We refer to the Letter of Offer dated 20.09.2006for acquiring the equity shares held by me/us in DVKL.

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

**SHARES IN PHYSICAL FORM**

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

| SL. No. | Ledger Folio No. | Certificate No(s). | Distinctive No(s). | No. Of shares |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| Total number of equity shares | | | | |

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

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

**SHARES IN DEMATERIALISED FORM**

I/we, holding shares in the dematerialised form, accept the Offer and enclose the photocopy of the Delivery instruction in " Off market" mode, duly acknowledged by the Depository participant ( "DP") in respect of my/our shares as detailed below

| **DP Name** | **DP ID** | **Client ID** | **No of Shares** | **ISIN No.** |
|---|---|---|---|---|
| | | | | INE 894G01015 |
| Total number of shares | | | | |

I/we have done an off market transaction for crediting the shares to the special account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP

I/We note and understand that the shares would reside in the depository account opened for the purposes of this offer until the time the acquirer accepts the shares and make payment of the purchase consideration as mentioned in the letter of offer.

I/We confirm that the equity shares of Danta Vyapar Kendra Limited, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorise the Acquirers to accept the shares so offered which he may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorise the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.
I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/ UCP as may be applicable at my/our risk, the draft/cheque/warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

I/We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,

Signed and Delivered

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

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

Place:

Date:

**Bank Details**

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

Savings/Current/(Others; please specify): ________________________________________

Name of the Bank & Branch: _____________________________________________________

Account Number: ____________________________________________________________

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

**Acknowledgement slip**

Ledger Folio No. ______________ DP ID——————————— Client ID——————————Received from _______________________________ ____________an application for sale of ___________Equity Share(s) of Danta Vyapar Kendra Limited together with _________share certificate(s) bearing Certificate Numbers ___________________________ and ________transfer deed(s)/photocopy of " Off Market" delivery instructions duly acknowledged by the DP.

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

Date of receipt Signature of the official

## FORM OF WITHDRAWAL

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

From:
Name:
Address:

Fax No.
Tel. No.
E-mail:

**OFFER**

| | |
|---|---|
| Opens on | 28, September 2006 |
| Closes on | 17, October 2006 |
| Last date of Withdrawal | 12, October 2006 |

To,

**Maheshwari Datamatics Pvt Limited**
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001

Dear Sir,

**Sub: <u>Open Offer to the shareholders of Danta Vyapar Kendra Limited (DVKL) to acquire from them upto 9,49,192 equity shares of Rs 10/- each aggregating 20.00% of the issued and subscribed share capital of DVKL @ Rs 30 per share.</u>**

I/We refer to the Letter of Offer dated 20.09.2006for acquiring the equity shares held by me/us in Danta Vyapar Kendra Limited.

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

I/We, hereby consent unconditionally and irrevocably to withdraw my/our shares from the Offer and I/We further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e. , October 12, 2006.

I/We note that the Acquirers /PAC/Manager to the Offer/ Registrar to the Offer shall not be liable for any postal delay/loss in transit of the shares held in physical form and also for non-receipt of shares held in the dematerialised form in the DP Account due to inaccurate/incomplete instructions.

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

**SHARES HELD IN PHYSICAL FORM**

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

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

**SHARES HELD IN DEMAT FORM**

I/We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to "Maheshwari Datamatics Pvt Ltd – DVKL-Open- Offer Escrow Account" as per the following particulars:

| | |
|---|---|
| DP ID | IN300773 |

| | |
|---|---|
| DP Name | Bahubali International Limited |
| Beneficiary ID Number | 10162052 |

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

| DP Name | DP ID | Client ID | Name of the Beneficiary | No. of Shares |
|---|---|---|---|---|
| | | | | |

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

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

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

Yours faithfully,

Signed and Delivered

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

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

Place: Date:

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

**ACKNOWLEDGEMENT RECEIPT**

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

Folio No.———————— DP ID———————— Client ID No————————

Number of shares tendered ————————-

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

**Stamp of Registrar** **Signature of official** **Date of Receipt**

**BOOK POST**

*If undelivered, Please return to :*

**Maheshwari Datamatics Pvt Limited**
6, Mangoe Lane, 2nd Floor,
Kolkata – 700 001