DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Draft Letter of Offer is sent to you as a Public Shareholder of Fortune Financial Services (India) Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment adviser/ consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your Equity Shares of Fortune Financial Services (India) Limited held in physical form, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and transfer deed to the member of the stock exchange through whom the said sale was effected.

Open Offer ("Open Offer") by

Sharyans Resources Limited **("Acquirer I")** and Fine Estates Private Limited **("Acquirer II")**

Registered office: 4th Floor, Kalpataru Heritage, 127, M. G. Road, Fort, Mumbai 400 001; Tel: +91-22-4051 2500 Fax: +91-22-4051 2555

AND

Aditya Infotech Private Limited **("Acquirer III")**

Registered office: 801- A, Royal Grace, 28, L. T. Colony Marg No. 2, Dadar (East), Mumbai 400 014; Tel: +91-22-2410 8068

AND

Neostar Developers LLP **("Acquirer IV")**

Registered office: 13, Shree Niketan, 16 Vithalbhai Road, Vile Parle (West), Mumbai 400 056; Tel: +91 -22- 2671 3751

(Acquirer I, Acquirer II, Acquirer III and Acquirer IV collectively referred to as "**Acquirers**")

Along with persons acting in concert

Mr. Sudhir V. Valia **("PAC I")** and Ms. Raksha S. Valia **("PAC II")**

Residing at 801, Aalap Building, 173, Sir Bhalchandra Road, Dadar (East), Mumbai 400 014; Tel: +91-22-2411 4546

AND

Mr. Vijay M. Parekh **("PAC III")** and Mr. Paresh M. Parekh **("PAC IV")**

Residing at 102, Smruti CHS. Ltd., M.G. Cross Road No. 4, Kandivli (West), Mumbai 400 067; Tel: +91-22-2864 6602

(PAC I, PAC II, PAC III and PAC IV collectively referred to as "**PACs**")

Make a cash offer to acquire up to 73,69,958 (Seventy Three Lakh Sixty Nine Thousand Nine Hundred and Fifty Eight) Equity Shares representing 26% (twenty six percent) of the Voting Share Capital, at a price of ₹ 75/- (Rupees Seventy Five only) ("Offer Price") per Equity Share of face value of ₹ 10/- each, as of the 10th (tenth) Working Day from the Closure of the Tendering Period under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time ("SEBI (SAST) Regulations") from the Public Shareholders.

OF

FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

Registered office: K.K. Chambers, 2nd Floor, Sir P. T. Marg, Fort, Mumbai 400 001, Tel: +91-22-2207 7931; Fax: +91-22-2207 2948.

Notes:

1. This Open Offer is being made by the Acquirers and the PACs pursuant to Regulations 3(1), 3(2), 3(3) and 4 of the SEBI (SAST) Regulations.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. This Open Offer is subject to the receipt of the statutory and other approvals as set out in paragraph 6.13. To the best of the knowledge of the Acquirers and the PACs, no other statutory approval(s) are required by any Acquirers and/or the PACs to complete this Open Offer. However, in case of any statutory approval(s) being required at a later date, this Open Offer will be subject to such approval(s) and the necessary applications for such approvals will be made. The current status of statutory approvals is specified in paragraph 6.13 below.
5. Non-resident holders of the Equity Shares, must obtain all approvals required to tender the Equity Shares held by them in this Open Offer (including without limitation the approval from the Reserve Bank of India) and submit such approvals, along with the Form of Acceptance-cum-Acknowledgement (as defined below) and other documents required to accept this Open Offer.
6. **There has been no competing offer as of the date of this Draft Letter of Offer.**
7. If there is any upward revision in the Offer Price or the number of Equity Shares sought to be acquired in the Open Offer, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers and PACs at any time prior to three Working Days prior to the commencement of the Tendering Period, i.e. January 10, 2014, the same shall be informed by the Acquirers and PACs by way of a public announcement in the same newspapers in which the DPS was published. The revised Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period.
8. In the event that the Open Offer is withdrawn, the same shall be informed by the Acquirers and PACs by way of a public announcement in the same newspapers in which the DPS was published.
9. **If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirers, PACs and Target Company, no competitive bid has been announced as of the date of this Draft Letter of Offer.**
10. A copy of the Public Announcement, the Detailed Public Statement and this Draft Letter of Offer (including the Form of Acceptance-cum-Acknowledgment) are also available on the website of the Securities and Exchange Board of India ("**SEBI**"): http://www.sebi.gov.in/.

Elara Capital (India) Private Limited SEBI Registration Number: INM000011104 Address: Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai 400 013 Contact Person: Mr. Jayant Prakash Tel: +91-22-3032 8599; Fax: +91-22-3032 8589 E-mail: jayant.prakash@elaracapital.com Website: http://www.elaracapital.com/	**Purva Sharegistry (India) Private Limited** SEBI Registration No. : INR 000001112 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai 400 011 Contact Person: Mr. V. B. Shah Tel: +91-22-2301 6761/ 8261; Fax: +91-22-2301 2517 Email: busicomp@vsnl.com Website: http://www.purvashare.com/

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THIS OPEN OFFER

Activity	Day and Date
Issue of Public Announcement	Wednesday, November 27, 2013
Publication of Detailed Public Statement in newspapers	Tuesday, December 3, 2013
Last date of filing Draft Letter of Offer with SEBI	Tuesday, December 10, 2013
Last date for public announcement of a competing offer*	Tuesday, December 24, 2013
Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Tuesday, December 31, 2013
Identified Date**	Thursday, January 2, 2014
Last date by which the Letter of Offer will be dispatched to the shareholders	Thursday, January 9, 2014
Last date of upward revision of Offer Price and/ or the Offer Size	Friday, January 10, 2014
Last date by which a committee of independent directors of the Target Company shall give its recommendation to the Public Shareholders	Monday, January 13, 2014
Publication of advertisement containing announcement of the schedule of activities of this Open Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances, in the newspapers where the DPS was published and notified to SEBI, BSE and the Target Company at its registered office	Wednesday, January 15, 2014
Date of commencement of Tendering Period	Thursday, January 16, 2014
Date of Closure of Tendering Period	Wednesday January 29, 2014
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	Wednesday, February 12, 2014
Issue of post-offer advertisement	Wednesday, February 19, 2014
Last date for filing of final report with SEBI	Wednesday, February 19, 2014

**There has been no competing offer as of the date of the* Draft *Letter of Offer.*

***Identified Date is the10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Public Shareholders to whom the Letter of Offer shall be sent.*

RISK FACTORS

The risk factors set forth below pertain to the Underlying Agreements, this Open Offer and are not intended to be a complete analysis of all risks in relation to this Open Offer or in association with the Acquirers, PACs or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in this Open Offer, but are merely indicative. Public Shareholders are advised to consult their stock brokers, tax advisers and/ or investment advisers/consultants, for analysing all the risks with respect to their participation in this Open Offer.

A. RISKS RELATING TO THE UNDERLYING AGREEMENTS

1. The Underlying Agreements will result in a change in ownership, control and management of the Target Company which may have a significant effect on the business, financial condition and the results of operations of the Target Company.

2. Issue and allotment of Subscription Shares (as defined below) to Acquirer II, Acquirer III and Acquirer IV is subject to the receipt of the following approvals (i) receipt of approval from the shareholders of the Target Company in accordance with Section 81(1A) of the Companies Act, 1956, Chapter VII of the SEBI (ICDR) Regulations (as defined below) and other applicable laws; and (ii) receipt of 'in-principle' approval from BSE under Clause 24(a) of the listing agreement for listing of the Subscription Shares.

3. The Underlying Agreements are subject to completion risks as would be applicable to similar transactions.

B. RISKS RELATING TO THIS OPEN OFFER

1. To the best of the knowledge of the Acquirers and the PACs, no statutory approvals are required to complete this Open Offer except as set out in paragraph 6.13. However, in case of any statutory approvals being required by the Acquirers and the PACs at a later date, this Open Offer shall be subject to such approvals and the Acquirers and the PACs shall make necessary applications for such approvals. In case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirers and the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirers and the PACs agreeing to pay interest to the Public Shareholders for delay beyond 10 (ten) Working Days from the Closure of Tendering Period, at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirers and the PACs will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

2. The Acquirers and the PACs will have the right not to proceed with this Open Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations in the event any statutory approval, as may be required, is refused. Furthermore, in case of delay in receipt of any such statutory approvals, this Open Offer process may be delayed beyond the schedule of activities indicated in the Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this Open Offer, as well as the return of Equity Shares not validly accepted in this Open Offer, may be delayed.

3. NRI (as defined below) and OCB (as defined below) who are holders of Equity Shares must obtain requisite approvals required to tender the Equity Shares held by them in this Open Offer (including without limitation, the approval from RBI (as defined below) and FIPB (as defined below)) and submit such approvals, along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs (as defined below), OCBs (as defined below), QFIs (as defined below) and FIIs (as defined below)) had required any approvals (including from the RBI (as defined below) or the FIPB (as defined

below) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Open Offer.

4. In the event that either: (a) there is any dispute including litigation leading to a stay on this Open Offer; or (b) SEBI instructs the Acquirers and the PACs not to proceed with this Open Offer; or (c) there is a delay in receipt of any statutory approvals, then this Open Offer process may be delayed beyond the schedule of activities indicated in the Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this Open Offer, as well as the return of the Equity Shares not validly accepted in this Open Offer, may be delayed.

5. Public Shareholders who have lodged their acceptance to this Open Offer are not entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and dispatch of consideration are delayed.

6. The tendered Equity Shares and documents submitted by the Public Shareholders would be held in trust by the Registrar to the Offer until the process of acceptance of the tendered Equity Shares and payment of consideration to the Public Shareholders is completed. The Public Shareholders will not be able to trade in the Equity Shares which are in the custody of the Registrar to the Offer. During such period, there could be fluctuations in the market price of the Equity Shares. The Acquirers and the PACs and the Manager to the Offer make no assurance with respect to the market price of the Equity Shares both during the Tendering Period and upon the completion of this Open Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision of any Public Shareholder on whether or not to participate in this Open Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Open Offer.

7. The Acquirers and the PACs accept no responsibility for statements made otherwise than in the Public Announcement (PA), the Detailed Public Statement (DPS), the Draft Letter of Offer or the Letter of Offer or in any advertisement or any materials issued by or at the instance of the Acquirers and/or the PACs. Any persons placing reliance on any other source of information will be doing so at their own risk.

8. The Manager to the Offer accepts no responsibility for statements made otherwise than in the PA, the DPS, and the Draft Letter of Offer or the Letter of Offer or in the post issue advertisement or any corrigendum issued by or at the instance of the Acquirers and the PACs. Any persons placing reliance on any other source of information will be doing so at their own risk.

9. The Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe the applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers, the PACs or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

10. The Public Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the Draft Letter of Offer.

11. The Acquirers, the PACs and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in this Open Offer.

12. This Open Offer is subject to completion risks as would be applicable to similar transactions.

C. RISKS RELATING TO THE ACQUIRERS AND THE PACs

1. The Acquirers and the PACs make no assurances with respect to their investment/ divestment decisions relating to their shareholding in the Target Company.

2. The Acquirers and the PACs make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.

3. The Acquirers and the PACs make no assurances with respect to the market price of the Equity Shares before, during or after this Open Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in this Open Offer.

4. The Acquirers and the PACs do not accept responsibility with respect to the information contained in the PA, the DPS, or the Draft Letter of Offer or the Letter of Offer that pertains to the Target Company or the Sellers.

5. Pursuant to the acquisition of Equity Shares by the Acquirers and the PACs under this Open Offer, during the Open Offer period and acquisitions triggering this Open Offer, Acquirer I and Acquirer II will acquire management control of the Target Company, and hence, be classified as the new promoters of the Target Company. Acquirer III and Acquirer IV along with the PACs will be classified as the promoter group of the Target Company. As per Clause 40A of the equity listing agreement entered into by the Target Company with BSE Limited ('**Listing Agreement**') read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, and subsequent amendment thereto (the '**SCRR**'), the Target Company is required to maintain at least 25% (twenty five per cent) public shareholding, as determined in accordance with the provisions of the SCRR, on a continuous basis for listing. Under Regulation 7(4) of the SEBI (SAST) Regulations, the Acquirers, the PACs and/ or the Target Company are required to bring down the non-public shareholding to the level specified and within the time permitted under the provisions of the SCRR. Although the Acquirers and the PACs have undertaken to comply with such public shareholding requirements within one year from the date of Closure of this Open Offer or such longer period as may be prescribed under the SCRR and/ or the Listing Agreement. Any failure to comply with the conditions of the SCRR and/ or the Listing Agreement could have an adverse effect on the price and tradability of the Equity Shares.

Legal Advisor to the Manager to the Offer
Desai & Diwanji
Lentin Chambers
Dalal Street, Fort
Mumbai 400 001

Legal Advisor to the Acquirers and the PACs
P.H. Bathiya & Associates
2, Tardeo AC Market, 4th Floor
Tardeo Road
Mumbai 400 034

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KEY DEFINITIONS

Term	Definition
Acquirer I	Sharyans Resources Limited having its registered office at 4th Floor, Kalpataru Heritage, 127, M. G. Road, Fort, Mumbai 400 001.
Acquirer II	Fine Estates Private Limited having its registered office at 4th Floor, Kalpataru Heritage, 127, M. G. Road, Fort, Mumbai 400 001.
Acquirer III	Aditya Infotech Private Limited having its registered office at 801- A, Royal Grace, 28, L. T. Colony Marg No. - 2, Dadar (East), Mumbai 400 014.
Acquirer IV	Neostar Developers LLP having its registered office at 13, Shree Niketan, 16 Vithalbhai Road, Vile Parle (West), Mumbai 400 056.
Acquirers	Acquirer I, Acquirer II, Acquirer III and Acquirer IV collectively.
Board	The board of directors of the Target Company.
BSE	BSE Limited
CA/ Chartered Accountant	Chartered accountant as defined under the Chartered Accountants Act, 1949.
CDSL	Central Depository Services (India) Limited
Closure of the Tendering Period	17:00 hours on Wednesday, January 29, 2014.
Companies Act, 1956	The Companies Act, 1956 as amended.
Companies Act, 2013	The Companies Act, 2013, as applicable.
Depository Escrow Account	The depository account opened by the Registrar to the Offer with CSDL, bearing DP ID number 12022900 and the beneficiary client ID 1202290000036084.
Depositories	NSDL and CDSL
DP	Depository Participant
DPS/ Detailed Public Statement	Detailed Public Statement, dated December 3, 2013 issued by the Manager to the Offer, on behalf of the Acquirers and the PACs in relation to the Offer and published in newspapers on December 3, 2013 in accordance with Regulations 3(1), 3(2), 3(3) and 4 read with Regulations 13(4), 14 and 15(2) of the SEBI (SAST) Regulations.
Draft Letter of Offer	The Draft Letter of Offer dated December 10, 2013.
Equity Shares	Fully paid up equity share capital of Target Company having face value of ₹10/- each.
FII(s)	SEBI registered foreign institutional investor(s), as defined under SEBI (Foreign Institutional Investors) Regulations, 1995.
FIPB	Foreign Investment Promotion Board.
Form of Acceptance-cum-Acknowledgement	Form of Acceptance-cum-Acknowledgement attached to the Letter of Offer.
Identified Date	Thursday, January 2, 2014, i.e. the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the shareholders of the Target Company to whom the Letter of Offer shall be sent.
Income Tax Act	Income Tax Act, 1961, as amended.

Term	Definition
Letter of Offer	The Letter of Offer to be dispatched to the shareholders of the Target Company.
Listing Agreement	The equity listing agreement entered between the Target Company and BSE.
Manager to the Offer	Elara Capital (India) Private Limited having its registered office at Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai 400 013.
NECS	National Electronic Clearance Service.
NEFT	National Electronic Funds Transfer.
NRI	Non Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas corporate body, as defined under Foreign Exchange Management (Deposit) Regulations, 2000.
Open Offer/ Offer	Open offer being made by the Acquirers and the PACs to the Public Shareholders of the Target Company to acquire up to 73,69,958 (Seventy Three Lakh Sixty Nine Thousand Nine Hundred and Fifty Eight) Equity Shares, representing 26% of the Voting Share Capital, at a price of ₹75/- (Rupees Seventy Five only) per Equity Share.
Offer Period	The period between the date on which the PA was made and the date on which the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this Open Offer, is made, or the date on which this Open Offer is withdrawn, as the case may be.
Offer Price	₹75/- (Rupees Seventy Five only) per Equity Share.
Offer Size	Up to 73,69,958 (Seventy Three Lakh Sixty Nine Thousand Nine Hundred and Fifty Eight) Equity Shares representing 26% of the Voting Share Capital.
PA/ Public Announcement	The public announcement in connection with the Offer dated November 27, 2013 issued by the Manager to the Offer on behalf of the Acquirers and the PACs, in relation to this Open Offer and filed with BSE on November 27, 2013 and to SEBI on November 28, 2013 and sent to the Target Company at its registered office on November 27, 2013.
PAC I	Mr. Sudhir V. Valia residing at 801, Aalap Building, 173, Sir Bhalchandra Road, Dadar (East), Mumbai 400 014.
PAC II	Ms. Raksha S. Valia residing at 801, Aalap Building, 173, Sir Bhalchandra Road, Dadar (East), Mumbai 400 014.
PAC III	Mr. Vijay M. Parekh residing at 102, Smruti CHS Ltd., M.G. Cross Road 4, Kandivli (West), Mumbai 400 067.
PAC IV	Mr. Paresh M. Parekh residing at 102, Smruti CHS Ltd., M.G. Cross Road 4, Kandivli (West), Mumbai 400 067.
PACs	PAC I, PAC II, PAC III and PAC IV collectively.
PAN	Permanent Account Number.
Public Shareholders	All shareholders of the Target Company, other than the Acquirers, the PACs and parties to the Underlying Agreements including persons deemed to be acting in concert with such parties.

Term	Definition
QFIs	Qualified Foreign Investors.
RBI	Reserve Bank of India.
Registrar to the Offer	Purva Sharegistry (India) Private Limited having its office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai 400 011.
₹ / Rs. / INR / Rupees	Indian Rupees.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Seller I	Mr. Nimish C. Shah
Seller II	Ms. Jalpa Nimish Shah
Seller III	Nimish C. Shah (HUF)
Seller IV	Mr. Jagannath T Poonja
Seller V	Ms. Sangeeta Jagannath Poonja
Seller VI	Ms. Aparna Jagannath Poonja
Seller VII	Mr. Abhinay Jagannath Poonja
Sellers	Seller I, Seller II, Seller III, Seller IV, Seller V, Seller VI and Seller VII collectively.
SHA	Shareholders' agreement dated November 27, 2013 between Acquirer I and Acquirer II, on the one hand, and Acquirer III, Acquirer IV and the PACs, on the other hand.
SPA I	Share purchase agreement between Acquirer I and Seller I, Seller II and Seller III dated November 27, 2013.
SPA II	Share purchase agreement between Acquirer IV and Seller IV, Seller V, Seller VI and Seller VII dated November 27, 2013.
SSA	Share subscription agreement between Acquirer II, Acquirer III and Acquirer IV and the Target Company dated November 27, 2013.
Subscription Shares	Subscription Shares shall mean 1,54,66,700 Equity Shares to be issued and allotted to Acquirer II, Acquirer III and Acquirer IV as per the terms and conditions of the SSA.
Target Company	Fortune Financial Services (India) Limited, having its registered office at K.K. Chambers, 2nd Floor, Sir P. T. Marg, Fort, Mumbai 400 001.
Tendering Period	Period commencing from Thursday, January 16, 2014 to Wednesday, January 29, 2014, both days inclusive.
Underlying Agreements	SHA, SPA I, SPA II and SSA collectively.

Term	Definition
Voting Share Capital	2,83,45,990 Equity Shares being the total paid-up share capital of the Target Company as of the 10th Working Day from the Closure of the Tendering Period assuming the preferential issue and allotment of Subscription Shares pursuant to the SSA, as computed in paragraph 2.2.1.
Working Day	Any working day of SEBI.

CURRENCY OF PRESENTATION

In the Draft Letter of Offer, all references to '₹' / 'Rs' / 'Rupees' are references to Indian Rupees. Throughout the Draft Letter of Offer, all figures have been expressed in 'Lakhs' unless otherwise specifically stated. In the Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT 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 DRAFT 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF FORTUNE FINANCIAL SERVICES (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THIS OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, THE PACs OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER 'ELARA CAPITAL (INDIA) PRIVATE LIMITED' HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 10, 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

2. DETAILS OF THE OFFER

2.1 Background to the Offer

2.1.1 This Open Offer is a mandatory Open Offer being made in accordance with Regulations 3(1), 3(2), 3(3) and 4 of the SEBI (SAST) Regulations and is being made as a result of a direct substantial acquisition of Equity Shares and voting rights in and control over the Target Company by the Acquirers along with the PACs, pursuant to the Underlying Agreements.

2.1.2 As on date of the Draft Letter of Offer, the shareholding/ voting rights of the Acquirers and the PACs in the Target Company in the manner provided here below:

S. No.	Name of the Acquirers/ the PACs	No. of Equity Shares / voting rights held	Percentage (%) of Equity Shares/ voting rights held
1.	Acquirer I	20,08,000	15.59
2.	Acquirer II	Nil	-
3.	Acquirer III	6,92,251	5.37
4.	Acquirer IV	Nil	-
5.	PAC I	3,47,791	2.70
6.	PAC II	3,47,791	2.70
7.	PAC III	3,44,460	2.67
8.	PAC IV	3,44,460	2.67
	Total	**40,84,753**	**31.70**

2.1.3 This Open Offer has been triggered by (i) the SHA between Acquirer I and Acquirer II, on the one hand, and Acquirer III, Acquirer IV, PAC I, PAC II, PAC III and PAC IV, on the other hand, to acquire control of the Target Company; (ii) The SPA I between Acquirer I and the Seller I, Seller II and Seller III to acquire 6,34,329 Equity Shares at a negotiated price of ₹75/- (Rupees Seventy Five only) per Equity Share; (iii) The SPA II between Acquirer IV and the Seller IV, Seller V, Seller VI and Seller VII to acquire 4,94,900 Equity Shares at a negotiated price of ₹75/- (Rupees Seventy Five only) per Equity Share; and (iv) The SSA between Acquirer II, Acquirer III, Acquirer IV and the Target Company to subscribe to the Subscription Shares at a price to be decided as per the provisions of SEBI (ICDR) Regulations and subject to applicable provisions of Companies Act, 1956 and Companies Act, 2013 .

2.1.4 As on date of the Draft Letter of Offer, the Sellers collectively hold 13,04,229 Equity Shares in the Target Company. The following table provides the shareholding of the Sellers as on date of the Draft Letter of Offer, as well as their shareholding post-closing of the Underlying Agreements:

S. No.	Name of the Seller	No. of Equity Shares as on date of the Draft Letter of Offer	No. of Equity Shares to be held post-closing of Underlying Agreements
1.	Seller I	4,27,504	1,50,000
2.	Seller II	3,44,025	25,000
3.	Seller III	37,800	Nil
4.	Seller IV	1,94,900	Nil
5.	Seller V	1,00,000	Nil
6.	Seller VI	1,00,000	Nil
7.	Seller VII	1,00,000	Nil
	Total	**13,04,229**	**1,75,000**

2.1.5 As per the filings made by the Target Company to BSE for the quarter ended September 30, 2013 under Clause 35 of the Listing Agreement, the Sellers form part of the 'promoter and promoter group' of the Target Company.

2.1.6 None of the Sellers have been prohibited by SEBI from dealing in securities in terms of any directions issued under Section 11B of the SEBI Act as amended or under any rules or regulations issued thereunder.

2.1.7 Following is a brief summary of the Underlying Agreements which have triggered this Open Offer under Regulations 3(1), 3(2), 3(3) and 4 of the SEBI (SAST) Regulations:

(a) The Acquirers and the PACs have entered into the SHA, wherein it has been agreed that on and from the date of receipt of all regulatory approvals or the completion of this Open Offer, the Acquirers and the PACs shall acquire control of the Target Company, in accordance with the provisions of the SEBI (SAST) Regulations and on such terms and conditions as has been more particularly mentioned in the SHA. The key terms and conditions of the SHA are as follows:

i. Acquirer I and Acquirer II shall assume the primary responsibility of managing the day to day affairs of the Target Company.

ii. Acquirer III, Acquirer IV and the PACs shall have a right to participate in the management of the Target Company by appointing directors or officers of the Target Company.

iii. In the event that any capital is required to be raised by the Target Company for the expansion of its business or for any other purpose, such capital may be raised in a manner that is mutually acceptable to the parties to the SHA.

iv. Each of the Acquirers and the PACs shall co-operate with each other and shall vote accordingly to support and implement the SHA for managing the affairs of the Target Company.

v. The Acquirers and the PACs shall also have the right of first refusal when any of them wish to sell or transfer Equity Shares to a third party.

vi. The Acquirers and the PACs may freely transfer the Equity Shares to their affiliates.

vii. The SHA may be terminated by any of the Acquirers and the PACs if there has been an inaccuracy or misrepresentation in respect to any of the warranties made under the SHA.

(b) Acquirer I has entered into SPA I with Seller I, Seller II and Seller III (collectively referred as '**SPA I Sellers**'), whereunder Acquirer I has agreed to acquire 6,34,329 Equity Shares ('**Sale Shares of SPA I**') from SPA I Sellers, at a price of ₹75/- (Rupees Seventy Five only) per Sale Share of SPA I, aggregating to an amount of ₹4,75,74,675/- (Rupees Four Crore Seventy Five Lakh Seventy Four Thousand Six Hundred and Seventy Five only) payable in cash, subject to the provisions of SEBI (SAST) Regulations and the terms and conditions as contained in SPA I. The key terms and conditions of SPA I are as follows:

i. The Acquirer I and the SPA I Sellers shall enter into an escrow arrangement as per the terms of SPA I.

ii. Subject to the provisions of the SEBI (SAST) Regulations, on closing of SPA I, the Sale Shares of SPA I shall be transferred to Acquirer I.

iii. The SPA I Sellers have agreed to exercise such rights as they have as shareholders of the Target Company to ensure that, between the date of the signing of SPA I and the date of closing specified therein, the Target Company conducts its business in the ordinary course of business and does not undertake certain actions, except in the manner provided in SPA I.

iv. Acquirer I may terminate SPA I, prior to the closing date specified therein, in any of the following circumstances if:

a) there has been an inaccuracy or misrepresentation in respect to any of the SPA I Sellers' warranties or if the SPA I Sellers have breached any covenants specified in the SPA I; or

b) approvals required to acquire Sale Shares of SPA I having been finally refused.

(c) Acquirer IV has entered into SPA II with Seller IV, Seller V, Seller VI and Seller VII (collectively referred as '**SPA II Sellers**'), whereunder Acquirer IV has agreed to acquire 4,94,900 Equity Shares ('**Sale Shares of SPA II**'), at a price of ₹75/- (Rupees Seventy Five only) per Sale Share of SPA II, aggregating to an amount of ₹3,71,17,500/- (Rupees Three Crore Seventy One Lakh Seventeen Thousand and Five Hundred only) payable in cash, subject to the terms and conditions as contained in SPA II. The key terms and conditions of SPA II are as follows:

i. Subject to the provisions of the SEBI (SAST) Regulations, on closing of SPA II, the SPA II Sellers shall transfer the non- lock-in shares from the respective SPA II Sellers demat accounts to Acquirer IV's demat account. Further in respect to the lock-in shares forming part of the Sale Shares of SPA II, the transfer shall take place on the working day immediately after the period of expiry of lock-in or on such date as permissible under the SEBI (SAST) Regulations.

ii. The SPA II Sellers have agreed to exercise such rights as they have as shareholders of the Target Company to ensure that, between the date of the signing of SPA II and the date of closing specified therein, the Target Company conducts its business in the ordinary course of business and does not undertake certain actions, except in the manner provided in SPA II.

iii. Acquirer IV may terminate SPA II, prior to the closing date specified therein, in any of the following circumstances if:

a) there has been an inaccuracy or misrepresentation in respect to any of the SPA II Sellers warranties or if the SPA II Sellers have breached any covenants specified in SPA II; or

b) approvals required to acquire Sale Shares of SPA II having been finally refused.

(d) Acquirer II, Acquirer III and Acquirer IV have entered into SSA with the Target Company, whereunder Acquirer II, Acquirer III and Acquirer IV agreed to subscribe to and the Target Company agreed to issue and allot upto 1,54,66,700 Equity Shares for an amount of ₹75/- (Rupees Seventy Five Only) per Equity Share ('**Subscription Shares**'), for an aggregate consideration of ₹116,00,02,500/-(Rupees One Hundred and Sixteen Crore Two Thousand and Five Hundred only) ('**Allotment Consideration**'), subject to the terms of the SSA and in accordance with the provisions of the SEBI (SAST) Regulations. The key terms and conditions of the SSA are as follows:

i. The Subscription Shares will rank pari passu in all respects.

ii. The Target Company to issue and allot the Subscription Shares to Acquirer II, Acquirer III and Acquirer IV in the manner provided in the SSA and in accordance with the provisions of the SEBI (ICDR) Regulations.

iii. The allotment of the Subscription Shares is subject to the provisions of the SEBI (SAST) Regulations and certain pre-closing conditions under the SSA. These include conditions such as the approval by the Target Company's existing shareholders', under section 81(1A) of the Companies Act, 1956, by way of postal ballot and in compliance with the provisions of applicable law including obtaining applicable regulatory approvals such as in-principle approval from BSE for trading and listing of Subscription Shares.

iv. Acquirer II, Acquirer III and Acquirer IV shall pay to the Target Company the Allotment Consideration for the allotment of Subscription Shares in the manner provided in the SSA and in accordance with the provisions of the SEBI (SAST) Regulations.

v. Subject to the provisions of the SEBI (SAST) Regulations and the pre-closing conditions under the SSA, the board of directors of the Target Company shall allot the Subscription Shares, appoint directors representing Acquirer II, Acquirer III and Acquirer IV on the board of directors of the Target Company, accept resignation of the existing promoters from the board of directors of the Target Company and complete other actions as per the SSA.

vi. Acquirer II, Acquirer III and Acquirer IV may terminate the SSA, prior to the closing date specified therein, in any of the following circumstances if:

a) there has been a inaccuracy or misrepresentation in respect to any of the Target Company's warranties; or

b) approvals required to subscribe to Subscription Shares having been finally refused.

2.1.8 The Board in its meeting held on November 27, 2013 has duly authorised the issue of the Subscription Shares to Acquirer II, Acquirer III and Acquirer IV subject to the approval of the shareholders of the Target Company. A postal ballot notice has been dispatched to shareholders of the Target Company to approve amongst other things the issue of Subscription Shares in accordance with the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013.

2.1.9 None of the Acquirers and the PACs and their respective directors/ partners, as the case may be, have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made there under.

2.1.10 The Acquirers and PACs shall cause to appoint their nominees on the Board after the expiry of the Offer Period. Further, the Acquirers and the PACs may appoint their nominees on the Board during the Offer Period in accordance with the SEBI (SAST) Regulations and other applicable laws.

2.1.11 As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board shall constitute a committee of independent directors to provide its reasoned recommendation on this Open Offer to the Public Shareholders. Such recommendation shall be published at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

2.1.12 This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of the Equity Shares.

2.2 Details of Offer

2.2.1 This Open Offer is being made under Regulations 3 (1), 3 (2), 3 (3) and 4 of the SEBI (SAST) Regulations by the Acquirers and the PACs to the Public Shareholders for the acquisition of up to 73,69,958 (Seventy Three Lakh Sixty Nine Thousand Nine Hundred and Fifty Eight) Equity Shares representing 26% of the Voting Share Capital at a price of ₹75/- (Rupees Seventy Five only) per Equity Shares aggregating to ₹55,27,46,850/- (Rupees Fifty Five Crore Twenty Seven Lakh Forty Six Thousand Eight Hundred and Fifty only) in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the PA, the DPS and the Draft Letter of Offer.

2.2.2 The PA announcing this Open Offer, under Regulations 3 (1), 3 (2), 3 (3) and 4 of the SEBI (SAST) Regulations, read with Regulations 13, 14 and 15 of the of the SEBI (SAST) Regulations, was made on November 27, 2013 to the BSE and a copy thereof was also sent to the Target Company at its registered office and SEBI on November 27, 2013 and November 28, 2013, respectively. A copy of the PA is available on the website of SEBI (http://www.sebi.gov.in/)

2.2.3 The DPS was published on December 3, 2013 which appeared in the following newspapers:

Newspaper	Language	Edition
Financial Express	English	All editions
Jansatta	Hindi	All editions
Mumbai Lakshadeep	Marathi	Mumbai

In terms of the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the DPS was published on December 3, 2013 i.e. within 5 (five) Working Days of the date of PA, viz. November 27, 2013. A copy of the DPS is available on the website of SEBI (http://www.sebi.gov.in/)

2.2.4 Simultaneously with the publication of the DPS, a copy of the DPS was sent through the Manager to the Offer to: (a) SEBI, (b) BSE and (c) the registered office of the Target Company.

2.2.5 The Voting Share Capital has been calculated as follows:

S. No.	Particulars	No. of Equity Shares
A	Total fully paid up Equity Shares as of the date of the PA	1,28,79,290
	Subscription Shares proposed to be issued to:	
B	Acquirer II	33,33,340
C	Acquirer III	40,44,460
D	Acquirer IV	80,88,900
	Voting Share Capital (A + B + C + D)	**2,83,45,990**

2.2.6 As of the date of the Draft Letter of Offer, there are no (i) partly paid-up shares; and (ii) outstanding convertible instruments (warrants/ fully convertible debentures/ partially convertible debentures/ depository receipts), issued by the Target Company, convertible into Equity Shares.

2.2.7 This Open Offer is being made to the Public Shareholders in terms of Regulation 7 (6) of the SEBI (SAST) Regulations.

2.2.8 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as of the date of the Draft Letter of Offer.

2.2.9 This Open Offer is not conditional on any minimum level of acceptance by the Public Shareholders. There is no differential pricing for this Open Offer. All Equity Shares validly tendered by the Public Shareholders pursuant to this Open Offer will be accepted at the Offer Price by the Acquirers and/ or the PACs, in accordance with the terms and conditions contained in the PA, the DPS, the Draft Letter of Offer and the Letter of Offer. In the event that the Equity Shares tendered in this Open Offer by the Public Shareholders are more than the Offer Size, the acquisition of Equity Shares from the Public Shareholders will be on a proportionate basis, as detailed in paragraph 7.7.8 of the Draft Letter of Offer.

2.2.10 The Acquirers, the PACs, the promoters and the promoter group of the Target Company undertake that they will not tender any Equity Shares in this Open Offer.

2.2.11 As on the date of the Draft Letter of Offer, the Acquirers and the PACs have not acquired any Equity Shares after the date of PA.

2.2.12 The Manager to the Offer does not hold any Equity Shares as on the date of the Draft Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares during the Offer Period.

2.3 Object of acquisition and future plans with respect to the Target Company

2.3.1 The Target Company requires funds for (i) its expansion plans; (ii) supporting subsidiaries in order to increase scale of operations; (iii) funding the long-term working capital requirements; and (iv) general corporate purposes.

2.3.2 The primary intention of the Acquirers and the PACs for acquiring Subscription Shares is to infuse the required funds to help the Target Company achieve its growth plans and further the funds are proposed to be utilized to:

(a) meet the capex requirement for expansion and growth plans;
(b) grant loan to subsidiaries for operations;
(c) meet the long term working capital requirements; and
(d) meet funding for other general corporate purposes.

2.3.3 The Acquirers and the PACs with their rich experience and expertise in the allied field intend to promote growth in the Target Company with support from the Target Company's strong management team. However, as of the date of the Draft Letter of Offer, the Acquirers and the PACs cannot ascertain the repercussions, if any, on the employment and the location of the Target Company's places of business.

2.3.4 The Acquirers and the PACs do not have any intention to alienate, restructure, dispose or otherwise encumber any material assets of the Target Company or any of its subsidiaries for the next 2 (two) years from the date of expiry of the Offer Period, except in the ordinary course of business of the Target Company, and except to the extent required for the purpose of restructuring and/ or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any material asset of the Target Company is to be sold, disposed of or otherwise encumbered other than in the ordinary course of business or for the purpose of restructuring and/ or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company within the next 2 (two) years from the date of expiry of the Offer Period, the Acquirers and the PACs undertake that they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company, by way of a special resolution passed by postal ballot, in terms of Regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable laws.

2.3.5 The Acquirers and the PACs reserve the right to streamline/ restructure their holding in the Target Company and/ or the operations, assets, liabilities and/ or businesses of the Target Company and/ or its subsidiaries through arrangements, reconstructions, restructurings, mergers (including but not limited to mergers with or between its subsidiaries), demergers, sale of assets or undertakings and/ or re-negotiation or termination of existing contractual/ operating arrangements. Such decisions will be taken in accordance with procedures set out by applicable law and pursuant to business requirements and are subject to changes in the economic and business scenario.

3. BACKGROUND OF THE ACQUIRERS AND THE PACs

3.1 SHARYANS RESOURCES LIMITED (ACQUIRER I)

3.1.1 Acquirer I, a public limited company, was incorporated as 'Sharyans Resources Limited' on October 16, 1982, under the provisions of Companies Act, 1956. There has been no change in the name of Acquirer I since incorporation. The corporate identification number is L99999MH1982PLC102697.

3.1.2 The registered office of Acquirer I is situated at 4th Floor, Kalpataru Heritage, 127, M. G. Road, Fort, Mumbai 400 001.

3.1.3 The principal activity of Acquirer I is to carry business of investment, credit and real estate development.

3.1.4 Acquirer II is part of the promoter group of Acquirer I. Acquirer I does not have any relationship with Acquirer III, Acquirer IV or the PACs except in relation to this Open Offer.

3.1.5 Mr. Vijay Choraria is the person in control/promoter of Acquirer I. Acquirer I is not part of any group.

3.1.6 As on the date of the Draft Letter of Offer, Acquirer I holds 20,08,000 Equity Shares representing 15.59% voting rights in the Target Company. Acquirer I is neither a promoter nor is it a part of the promoter group of the Target Company. Further, none of the directors or key managerial employees of Acquirer I hold any interest/ relationship/ shares in the Target Company except for the transactions contemplated and detailed in paragraph 2.1.

3.1.7 As on date of the Draft Letter of Offer, Acquirer I has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.1.8 The shareholding pattern of Acquirer I is as follows*:

S. No.	Shareholder's category	Number of shares held	Percentage (%) of shares held
1.	Promoter and promoter group	96,08,083	55.31
2.	FIIs/ Mutual Funds / FIs / Banks	13,66,565	7.87
3.	Public	63,95,352	36.82
	Total Paid Up Capital	**1,73,70,000**	**100.00**

**As on December 6, 2013.*

3.1.9 The details of the board of directors of Acquirer I, as on date of the Draft Letter of Offer, are as follows:

S. No.	Name & designation	DIN	Qualification & experience	Date of appointment
1.	Mr. V.R. Galkar (Chairman & Independent Director)	00009177	He is a Chartered Accountant and holds a degree of Bachelor in Law. He was with LIC for over 22 years where he handled various areas including Planning, Housing Finance, Marketing, etc.. He is a partner in M/s Sarda & Pareek, Chartered Accountants.	August 12, 2010
2.	Mr. Vijay Choraria (Managing Director)	00021446	He is a Chartered Accountant and holds a degree of Bachelor in General Law. He has over 25 years of experience in the real estate and financial markets. He is on the board of several reputed companies.	May 20, 1993
3.	Mr. Mahesh Shirodkar (Non-Executive Director)	00897249	He holds a degree of Bachelor of Commerce. He has over 31 years of experience in the travel and tourism industry. He is currently the managing director of Tamarind Tours Private Limited. He is also on the board of Bling Entertainment Solutions Private Limited.	March 17, 2009
4.	Mr. Manish Goswami (Independent Director)	01075923	He holds a degree of Bachelor of Commerce. He is the Chairman and Managing Director of Siddhant Cinevision Limited, a major content provider for various leading general entertainment channels in Hindi. His company, Siddhant Cinevision Limited has produced over 35 major television series and he has earned his own niche in the highly competitive television industry to reign as one of the 5 top producers in the realm of television industry in India.	February 4, 2011

***Note:** None of the directors of Acquirer I is a director of the Target Company or hold any Equity Shares as of the date of the Draft Letter of Offer.*

3.1.10 Brief financial details of Acquirer I, based on the audited consolidated financial statements for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 and limited review of consolidated financials, as certified by the statutory auditor, for the six month period ended September 30, 2013 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	FY Ending March 31,			For the six month period ended September 30, 2013 (Unaudited)
	2011 (Audited)	2012 (Audited)	2013 (Audited)	
Profit & Loss Statement				
Income from Operations	11,587.36	12,954.46	13,833.45	7,002.10
Other Income	486.58	493.66	236.36	319.88
Total Income	12,073.94	13,448.12	14,069.81	7,321.98
Total Expenditure	12,466.30	12,927.59	13,036.12	6,677.14
Profit Before Depreciation Interest and Tax	(392.36)	520.53	1,033.69	644.84
Depreciation	267.57	292.14	298.90	132.49
Interest	639.29	876.92	977.06	550.63
Profit Before Tax	**(1,299.22)**	**(648.53)**	**(242.27)**	**(38.28)**
Provision for Tax	20.26	(254.98)	(20.34)	(5.16)
Profit After Tax	**(1,021.61)**	**(92.76)**	**140.71**	**630.76**
Balance Sheet Statement				
Sources of funds				
Paid up share capital	1,487.00	1,487.00	1,737.00	1,737.00
Reserves and Surplus (excluding revaluation reserves)	15,718.37	15,432.70	17,058.95	17,716.87
Net worth	17,205.37	16,919.70	18,795.95	19,453.87
Minority Interest	720.75	621.73	683.27	661.77
Secured loans	1,366.07	2,413.70	129.99	798.75
Unsecured loans	700.00	2,571.43	4,779.74	8,101.83
Total	**19,992.19**	**22,526.55**	**24,388.94**	**29,016.22**
Uses of funds				
Net fixed assets	1,172.70	1,171.83	1,101.17	1,054.77
Investments	6,380.22	7,547.24	8,694.54	14,970.07
Deferred tax asset/(liabilities)	643.48	1,080.51	1,290.04	1,417.29
Net current assets	11,795.80	12,726.97	13,303.19	11,574.09
Total	**19,992.19**	**22,526.55**	**24,388.94**	**29,016.22**
Other Financial Data				
Dividend (%)	**5.00**	**5.00**	**5.00**	**-**
Earnings Per Share* (In ₹)	**(6.87)**	**(0.62)**	**0.91**	**3.63**

**Annualised basis for the audited numbers and on an unannualised basis for the unaudited (limited review) numbers.*

3.1.11 As of September 30, 2013, there are no other contingent liabilities of Acquirer I, except for the following:

a) Corporate guarantee issued by Acquirer I on behalf of its subsidiaries amounting to ₹2,900 lakhs; and

b) Taxation matter relating to which an appeal is pending before the Commissioner Income Tax (Appeals). The amount contested by Acquirer I is ₹11.32 lakhs.

3.1.12 Acquirer I and its directors have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.1.13 All the equity shares of Acquirer I are listed on the BSE and NSE. The equity shares of Acquirer I are traded in the permitted category.

3.1.14 The closing market price of equity shares as on December 9, 2013 of Acquirer I on BSE and NSE is ₹34.30 and ₹34.45 respectively. *(Source: BSE- http://www.bseindia.com/; NSE- http//www.bseindia.com/).*

3.1.15 Acquirer I has complied with all the provisions under Clause 49 of the Listing Agreement relating to corporate governance.

3.1.16 The name and other details of the Compliance Officer **-**

Name: Ms. Bina Sanjeev Shah, Company Secretary.

Address: A-61, Highland View C. H. S., Highland Complex, M. G. Road, Charkop Village, Kandivli (West), Mumbai 400 067.

3.1.17 This Open Offer is not being made in terms of Regulations 9(1)(b), 9(1)(c) or 9(1)(d) of the SEBI (SAST) Regulations.

3.2 FINE ESTATES PRIVATE LIMITED (ACQUIRER II)

3.2.1 Acquirer II, a private limited company, was incorporated as ‘Fine Estate Consultants Private Limited’ on December 7, 1989 under the provisions of Companies Act, 1956. Subsequently, its name was changed to ‘Fine Estates Private Limited’ and a fresh certificate of incorporation was issued on June 23, 2005, by the Registrar of Companies Mumbai, Maharashtra. There has been no other change in the name of Acquirer II since incorporation. The corporate identification number is U70100MH1989PTC054543.

3.2.2 The registered office of Acquirer II is situated at 4th Floor, Kalpataru Heritage, 127, M. G. Road, Fort, Mumbai 400 001.

3.2.3 Acquirer II is currently engaged in the business of investment and real estate development.

3.2.4 Acquirer II is part of the promoter group of Acquirer I. Acquirer II does not have any relationship with Acquirer III, Acquirer IV or the PACs except in relation to this Open Offer.

3.2.5 The person in control of Acquirer II is Mr. Vijay Choraria. Acquirer II is not part of any group.

3.2.6 As on the date of the Draft Letter of Offer, Acquirer II does not hold any Equity Shares. Acquirer II is neither is it a promoter nor a part of the promoter group of the Target Company. Further, none of the directors or key managerial employees of Acquirer II hold any interest/ relationship/ shares in the Target Company except for the transactions contemplated and detailed in paragraph 2.1.

3.2.7 Since Acquirer II has never held any Equity Shares the relevant provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations are not applicable.

3.2.8 The shareholding pattern of Acquirer II, as on date of the Draft Letter of Offer, is as follows:

S. No.	Shareholder's category	Number of shares held	Percentage (%) of shares held
1.	Promoter and promoter group	64,311	100
2.	FIIs/ Mutual Funds / FIs / Banks	-	-
3.	Public	-	-
	Total Paid up Capital	64,311	100

3.2.9 The details of the board of directors of Acquirer II, as on date of this Draft Letter of Offer, are as follows:

S. No.	Name & Designation	DIN	Qualification & Experience	Date of appointment
1.	Mr. Vijay Choraria (Director)	00021446	He is a Chartered Accountant and holds a degree of Bachelor in General Law. He has over 25 years of experience and has been actively involved in the real estate and financial markets. He is on the board of several reputed companies.	July 23, 1993
2.	Mrs. Shobhag Devi Choradia (Director)	00024311	She has investments in real estate and is in business of leasing out properties.	December 31, 1994
3.	Mr. Ramnath Kunniseri Srinivasan (Director)	00027316	He is a Certified Associate of Indian Institute of Bankers (CAIIB) and holds a degree of Master of Commerce. He has worked in Bank of Baroda for over 20 years across departments and specialized in foreign exchange and trade finance. He has also worked as software consultant for Infrasoft Technologies Private Limited for developing banking software.	March 10, 2012

Note: *None of the directors of Acquirer II is a director of the Target Company or hold any Equity Shares as of the date of the Draft Letter of Offer.*

3.2.10 Brief financial details of Acquirer II based on the audited financial statements for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 and limited review financials, as certified by the statutory auditor, for the six month period ended September 30, 2013 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	FY Ending March 31,			For the six month period ended September 30, 2013 (Unaudited)
	2011 (Audited)	2012 (Audited)	2013 (Audited)	
Profit & Loss Statement				
Income from Operations	315.49	384.80	307.69	137.47
Other Income	118.42	73.31	164.85	752.96
Total Income	433.91	458.11	472.54	890.43

Particulars	FY Ending March 31,			For the six month period ended September 30, 2013 (Unaudited)
	2011 (Audited)	2012 (Audited)	2013 (Audited)	
Total Expenditure	103.36	223.05	221.74	85.70
Profit Before Depreciation Interest and Tax	330.55	235.06	250.80	804.74
Depreciation	3.44	8.48	24.17	9.77
Interest	168.47	71.09	197.60	353.46
Profit Before Tax	158.63	155.48	29.03	441.51
Provision for Tax	21.03	36.19	14.93	89.06
Profit After Tax	137.60	119.29	14.10	352.44
Balance Sheet Statement				
Sources of funds				
Paid up share capital	643.11	894.31	894.31	894.31
Reserves and Surplus (excluding revaluation reserves)	1465.41	1584.70	1598.80	1951.24
Net worth	1529.72	2479.01	2493.11	2845.55
Secured loans	-	33.28	1016.65	1482.74
Unsecured loans	454.00	1000.00	200.00	1793.54
Total	**1983.72**	**3512.29**	**3709.76**	**6121.84**
Uses of funds				
Net fixed assets	37.90	95.20	84.00	75.16
Investments	3507.97	4464.78	4364.62	4299.39
Net current assets	(1,562.14)	(1,047.69)	(738.86)	1747.29
Total	**1983.72**	**3512.29**	**3709.76**	**6121.84**
Other Financial Data				
Earnings Per Share* (In ₹)	213.96	185.48	21.92	548.03

**Annualised basis for the audited numbers and on an unannualised basis for the unaudited (limited review) numbers.*

3.2.11 Acquirer II and its directors have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.2.12 As of March 31, 2013, there are no other contingent liabilities of Acquirer II, except for the following:

a) The estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹792.11 lakhs; and

b) Equitable mortgage of certain immoveable property owned by the Acquirer II against a loan of ₹1,000 lakhs sanctioned to Acquirer I.

3.2.13 The equity shares of Acquirer II are not listed on any of the stock exchange.

3.3 ADITYA INFOTECH PRIVATE LIMITED (ACQUIRER III)

3.3.1 Acquirer III, a private limited company, was incorporated as 'Hetpreet Investment & Consultancy Private Limited' on September 13, 1990, under the provisions of Companies Act, 1956. Subsequently, its name was changed to 'Aditya Infotech Private Limited' and a fresh certificate of incorporation was issued on April 29, 1998, by the Registrar of Companies, Mumbai, Maharashtra. There has been no other change of name of Acquirer III since incorporation. The corporate identity number of Acquirer III is U65990MH1990PTC058156.

3.3.2 The registered office of Acquirer III is situated at 801- A, Royal Grace, 28, L. T. Colony Marg No. 2, Dadar (East), Mumbai 400 014.

3.3.3 Acquirer III is currently engaged in the business of information technology consultancy and investment.

3.3.4 The persons in control of Acquirer III are PAC I and PAC II.

3.3.5 Acquirer III does not have any relationship with Acquirer I, Acquirer II or the PAC III and PAC IV except in relation to this Open Offer. However, PAC I is one of the persons in control of Acquirer III and is also the designated partner of Acquirer IV. Acquirer III is not part of any group.

3.3.6 As on the date of the Draft Letter of Offer, Acquirer III holds 6,92,251 Equity Shares representing 5.37% voting rights in the Target Company. Acquirer III is neither a promoter nor is it a part of the promoter group of the Target Company. Further, none of the directors or key managerial employees of Acquirer III hold any interest/ relationship/ shares in the Target Company except for the transactions contemplated and detailed in paragraph 2.1.

3.3.7 As on date of the Draft Letter of Offer, Acquirer III has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.3.8 The shareholding pattern of Acquirer III, as on date of the Draft Letter of Offer, is as follows:

S. No.	Shareholder's category	Number of shares held	Percentage (%) of shares held
1.	Promoter and promoter group	46,000	100
2.	FIIs/ Mutual Funds/ FIs/ Banks	Nil	Nil
3.	Public	Nil	Nil
	TOTAL PAID UP CAPITAL	46,000	100

3.3.9 The details of the board of directors of Acquirer III are as follows:

S. No.	Name & designation	DIN	Qualification & experience	Date of appointment
1.	Mr. Shaunak Jitendra Valia (Director)	00651418	He has completed higher secondary and has an experience of over 7 years in real estate sector.	February 7, 1997
2.	Ms. Rajni Jitendra Valia (Director)	00654520	She holds a degree of Bachelor of Arts and has an experience of over 5 years in real estate sector.	October 24, 1996
3.	Mr. Nilesh Mahendra Gandhi (Director)	00028536	He holds a degree of Bachelor of Commerce and has an experience of over 21 years in the pharmaceutical industry.	May 16, 2013
4.	Mr. Sunil Roshanlal Ajmera (Director)	00065545	He is a Chartered Accountant and Company Secretary and has a vast knowledge and experience in accountancy and secretarial field.	May 16, 2013

***Note**: None of the directors of Acquirer III is a director of the Target Company or hold any Equity Shares as of the date of the Draft Letter of Offer.*

3.3.10 Brief financial details of Acquirer III based on the audited financial statements for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 and limited review financials, as certified by the statutory auditor, for the six month period ended September 30, 2013 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	FY Ending March 31, 2011 (Audited)	2012 (Audited)	2013 (Audited)	For the six month period ended September 30, 2013 (Unaudited)
Profit & Loss Statement				
Other Income	20.97	(1.06)	6.94	(7.75)
Total Income	20.97	(1.06)	6.94	(7.75)
Total Expenditure	30.29	8.37	8.97	0.05
Profit Before Depreciation Interest and Tax	(9.32)	(9.43)	(2.04)	(7.80)
Depreciation	0.75	0.82	0.48	-
Profit Before Tax	(10.07)	(10.25)	(2.52)	(7.80)
Provision for Tax	0.13	(0.05)	-	-
Profit After Tax	(10.20)	(10.20)	(2.52)	(7.80)
Balance Sheet Statement				
Sources of funds				
Paid up share capital	46.00	46.00	46.00	46.00
Reserves and Surplus (excluding revaluation reserves)	0.06	(10.14)	(12.65)	(20.46)
Net worth	46.07	35.86	33.35	25.54
Secured loans	0.00	0.15	-	-
Unsecured loans	0.00	4.40	-	1,521.00
Total	46.06	40.41	33.35	1,546.54
Uses of funds				
Net fixed assets	2.97	2.37	-	-
Investments	36.37	35.75	15.45	520.40
Net current assets	6.73	2.29	17.90	1,026.14
Total	46.06	40.41	33.35	1,546.54
Other Financial Data				
Earnings Per Share*(In ₹)	(22.17)	(22.18)	(5.47)	(16.97)

**Annualised basis for the audited numbers and on an unannualised basis for the unaudited (limited review) numbers.*

3.3.11 Acquirer III and its directors have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.3.12 As of September 30, 2013, there are no contingent liabilities of Acquirer II.

3.3.13 The equity shares of Acquirer III are not listed on any of the stock exchange.

3.4 NEOSTAR DEVELOPERS LLP (ACQUIRER IV)

3.4.1 Acquirer IV, a private limited company, was incorporated as ‘Neostar Developers Private Limited’ on December 7, 2007 under the provisions of Companies Act, 1956. Subsequently, it was converted into a limited liability partnership under the provisions of the Limited Liability Partnership Act, 2008 and the name of Acquirer IV was changed to ‘Neostar Developers LLP’ vide a fresh certificate of incorporation dated July 20, 2011, bearing identity number AAA-5656, issued by the Registrar of Companies Mumbai, Maharashtra. There has been no other change in the name of Acquirer IV since incorporation.

3.4.2 The registered office of Acquirer IV is situated at 13, Shree Niketan, 16 Vithalbhai Road, Vile Parle (West), Mumbai 400 056.

3.4.3 Acquirer IV was re-constituted vide the deed of re-constitution dated October 24, 2013, pursuant to which PAC I, PAC III, Vision Finstock Limited, Sheji Builders Limited and Sejraj Financial Services Limited became the partners of Acquirer IV.

3.4.4 Acquirer IV is engaged in the business of acquisition and development of real estate.

3.4.5 PAC I and PAC III are the designated partners of Acquirer IV. Acquirer IV does not have any relationship with Acquirer I, Acquirer II, PAC II or PAC IV except in relation to this Open Offer. However, PAC I is one of the designated partner of Acquirer IV and is also one of the persons in control of Acquirer III.

3.4.6 Acquirer IV is not part of any group.

3.4.7 As on the date of the Draft Letter of Offer, Acquirer IV does not hold any Equity Shares. Acquirer IV is neither a promoter nor is a part of the promoter group of the Target Company. Other than the transactions contemplated as detailed in paragraph 2.1 and the Equity Shares already held by PAC I and PAC III, none of the partners or key managerial employees of Acquirer IV hold any directorship/ interest/ relationship/ shares in the Target Company.

3.4.8 Since Acquirer IV has never held any Equity Shares the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations are not applicable.

3.4.9 The details of the designated partners of Acquirer IV are as follows:

S. No.	Name of Designated Partner	DPIN	Qualification & experience	Date of appointment
1.	Mr. Sudhir V. Valia	00005561	He is a Chartered Accountant and also holds a degree of Bachelor of Commerce. He has over 31 years of experience in finance, taxation, strategic planning in the pharmaceuticals sector and real estate business.	22.10.2013
2.	Mr. Vijay M. Parekh	00203333	He holds a degree of Bachelor of Commerce. He has over 25 years of experience in the real estate sector.	22.10.2013

3.4.10 The capital/ profit sharing ratio of Acquirer IV is as follows:

S. No.	Name	Proportion (in %)
1.	Vision Finstock Limited	33.00
2.	Sejraj Financial Services Limited	33.00
3.	Sheji Builders Limited	32.00
4.	Mr. Sudhir V. Valia	1.00
5.	Mr. Vijay M. Parekh	1.00
	Total	**100**

3.4.11 Brief financial details of Acquirer IV based on the audited financial statements for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 and limited review financials, as certified by the statutory auditor, for the six month period ended September 30, 2013 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	FY Ending March 31,			For the six month period ended September 30, 2013 (Unaudited)
	2011 (Audited)*	2012 (Audited)	2013 (Audited)	
Profit & Loss Statement				
Income from Operations	0.00	1,994.05	0.00	0.00
Other Income	0.00	0.00	0.00	20.68
Total Income	0.00	1,994.05	0.00	20.68
Total Expenditure	0.14	0.15	0.44	0.10
Profit Before Depreciation Interest and Tax	(0.14)	1,993.89	(0.44)	20.58
Profit Before Tax	(0.14)	1,993.89	(0.44)	20.58
Provision for Tax	0.00	616.16	0.00	(6.17)
Profit After Tax	(0.14)	1,377.73	(0.44)	14.41
Balance Sheet Statement				
Sources of funds				
Paid up share capital/ Capital Contribution	1.00	1,388.81	1,388.37	1,011.00
Reserves and Surplus (excluding revaluation reserves)	(2.51)	(2.78)	0.00	0.00
Net worth	(1.50)	1,386.03	1,385.59	1,011.00

Particulars	FY Ending March 31,			For the six month period ended September 30, 2013 (Unaudited)
	2011 (Audited)*	2012 (Audited)	2013 (Audited)	
Unsecured loans	2.00	0.00	0.00	0.00
Total	0.49	1,386.03	1,385.59	1,011.00
Uses of funds				
Net current assets	0.49	1,386.03	1,385.59	1,011.00
Total	0.49	1,386.03	1,385.59	1,011.00
Other Financial Data				
Earnings Per Share (In ₹)**	(1.44)	NA	NA	NA

**Acquirer IV was a private limited company during the financial year ended March 31, 2011.*
***Annualised basis for the audited numbers and on an unannualised basis for the unaudited (limited review) numbers.*

3.4.12 Acquirer IV and its partners have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.4.13 As of September 30, 2013, there are no contingent liabilities of Acquirer IV.

3.5 MR. SUDHIR V. VALIA (PAC I)

3.5.1 Mr. Sudhir V. Valia (PAC I), aged 57 years, son of Mr. Vrundavandas P. Valia, residing at 801, Aalap Building, 173, Sir Bhalchandra Road, Dadar (East), Mumbai 400 014, is a Chartered Accountant and holds a degree of Bachelor of Commerce. He has over 31 years of experience in finance, taxation, strategic planning in the pharmaceuticals sector and real estate business.

3.5.2 PAC I is the spouse of PAC II. PAC I is in joint control of Acquirer III and he is also a designated partner in Acquirer IV.. PAC I is not related to Acquirer I, Acquirer II, PAC III and PAC IV.

3.5.3 PAC I is not part of any group.

3.5.4 The net worth of PAC I is more than ₹20,000 lakhs as certified *vide* certificate dated November 27, 2013 by Mr. Ajay Mehta (Membership no. 102720) of M/s. A D Mehta & Co., Chartered Accountant, having office at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22-2416 5476.

3.5.5 As on date of the Draft Letter of Offer, PAC I has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.5.6 PAC I has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.5.7 As on date of the Draft Letter of Offer, except in (i) Sun Pharmaceutical Industries Limited; and (ii) Sun Pharma Advanced Research Company Limited, PAC I is not a director in any other listed company.

3.5.8 As on date of the Draft Letter of Offer, except in Sun Pharmaceutical Industries Limited, PAC I is not a whole time director in any other company.

3.5.9 On May 17, 2012, PAC I purchased 3,47,791 Equity Shares representing 2.70% voting rights in the Target Company, on the floor of the BSE. As on date of the Draft Letter of Offer, PAC I holds 3,47,791 Equity Shares. PAC I is neither a promoter nor is he a part of the promoter group of the Target Company. PAC I is neither a director nor an employee of the Target Company.

3.5.10 As on the date of the Draft Letter of Offer, Mr. Chintan Vijay Valia, a member on the Board, is the son-in-law of PAC I. Mr. Chintan Vijay Valia shall recuse himself from participating in any deliberations of the Board or vote on any matter in relation to this Open Offer.

3.5.11 Other than as disclosed above, PAC I does not hold any interest/ relationship/ shares in the Target Company.

3.6 MS. RAKSHA S. VALIA (PAC II)

3.6.1 Ms. Raksha S. Valia (PAC II), aged 53 years, wife of Mr. Sudhir V. Valia (being PAC I), residing at 801, Aalap Building, 173, Sir Balchandra Road, Dadar (East), Mumbai 400 014, holds a degree of Bachelor of Commerce.

3.6.2 PAC II is the spouse of PAC I. PAC II is in joint control of Acquirer III. PAC II is not related to Acquirer I, Acquirer II, Acquirer IV, PAC III or PAC IV.

3.6.3 PAC II is not part of any group.

3.6.4 The net worth of PAC II is more than ₹20,000 lakhs, as certified *vide* certificate dated November 27, 2013 by Mr. Ajay Mehta (Membership no. 102720) of M/s. A D Mehta & Co., Chartered Accountant, having office at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22-2416 5476.

3.6.5 As on date of the Draft Letter of Offer, PAC II has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.6.6 PAC II has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.6.7 As on date of the Draft Letter of Offer, PAC II is not a director in any listed company.

3.6.8 As on date of the Draft Letter of Offer, PAC II is not a whole time director in any company.

3.6.9 On May 17, 2012, PAC II purchased 3,47,791 Equity Shares representing 2.70% voting rights in the Target Company, on the floor of the BSE. As on date of the Draft Letter of Offer, PAC II holds 3,47,791 Equity Shares. PAC II is neither a promoter nor is she a part of the promoter group of the Target Company. PAC II is neither a director nor an employee in the Target Company.

3.6.10 As on the date of the Draft Letter of Offer, Mr. Chintan Vijay Valia, a member on the Board, is the son-in-law of PAC II. Mr. Chintan Vijay Valia shall recuse himself from participating in any deliberations of the Board or vote on any matter in relation to this Open Offer.

3.6.11 Other than as disclosed above, PAC II does not hold any interest/ relationship/ shares in the Target Company.

3.7 MR. VIJAY M. PAREKH (PAC III)

3.7.1 Mr. Vijay M. Parekh (PAC III), aged 50 years, son of Mr. Mohanlal Ramji Parekh, residing at 102, Smruti CHS Ltd., M.G. Cross Road 4, Kandivli (West), Mumbai 400 067 India, holds a degree of

Bachelor of Commerce. He has over 25 years of experience in the real estate sector.

3.7.2 PAC III is not related to Acquirer I, Acquirer II, Acquirer III, PAC I and PAC II. PAC III is a designated partner in Acquirer IV. PAC III and PAC IV are brothers.

3.7.3 PAC III is not part of any group.

3.7.4 The net worth of PAC III is more than ₹5,000 lakhs, as certified *vide* certificate dated November 27, 2013 by Mr. Ajay Mehta (Membership no. 102720) of M/s. A D Mehta & Co., Chartered Accountant, having office at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22-2416 5476.

3.7.5 As on date of the Draft Letter of Offer, PAC III has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.7.6 PAC III has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulation made under the SEBI Act.

3.7.7 As on date of the Draft Letter of Offer, PAC III is not a director in any listed company.

3.7.8 As on date of the Draft Letter of Offer, PAC III is not a whole time director in any company.

3.7.9 On May 17, 2012, PAC III purchased 3,44,460 Equity Shares representing 2.67% voting rights in the Target Company, on the floor of the BSE. As on date of the Draft Letter of Offer, PAC III holds 3,44,460 Equity Shares. PAC III is neither a promoter nor is he a part of the promoter group of the Target Company. PAC III is neither a director nor an employee in the Target Company.

3.7.10 Other than as disclosed above, PAC III does not hold any interest/ relationship/ shares in the Target Company.

3.8 MR. PARESH M. PAREKH (PAC IV)

3.8.1 Mr. Paresh M. Parekh (PAC IV), aged 47 years, son of Mr. Mohanlal Ramji Parekh, residing at 102, Smruti CHS Ltd., M.G. Cross Road 4, Kandivli (West), Mumbai 400 067, holds a degree of Bachelor of Commerce. He has 15 years of experience in civil construction and real estate development.

3.8.2 PAC IV is not related to Acquirer I, Acquirer II, Acquirer III, Acquirer IV, PAC I and PAC II. PAC III and PAC IV are brothers.

3.8.3 PAC IV is not part of any group.

3.8.4 The net worth of PAC IV is more than ₹5,000 lakhs, as certified *vide* certificate dated November 27, 2013 by Mr. Ajay Mehta (Membership no. 102720) of M/s. A D Mehta & Co., Chartered Accountant, having office at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22-2416 5476.

3.8.5 As on date of the Draft Letter of Offer, PAC IV has complied with all applicable provisions of Chapter V of SEBI (SAST) Regulations.

3.8.6 PAC IV has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

3.8.7 As on date of the Draft Letter of Offer, PAC IV is not a director in any listed company.

3.8.8 As on date of the Draft Letter of Offer, PAC IV is not a whole time director in any company.

3.8.9 On May 17, 2012, PAC IV purchased 3,44,460 Equity Shares representing 2.67% voting rights in the Target Company, on the floor of BSE. As on date of the Draft Letter of Offer, PAC IV holds 3,44,460 Equity Shares. PAC IV is neither a promoter nor is he a part of the promoter group of the Target Company. PAC IV is neither a director nor an employee of the Target Company.

3.8.10 Other than as disclosed above, PAC IV does not hold any interest/ relationship/ shares in the Target Company.

4. BACKGROUND OF TARGET COMPANY

4.1 The Target Company, a listed public company, was incorporated as 'Fortune Financial Services (India) Private Limited' on June 14, 1991, under the provisions of Companies Act, 1956 as a private limited company. It was subsequently converted into a public limited company and a fresh certificate of incorporation dated October 20, 1994 was issued and the name of the Target Company was consequently changed to 'Fortune Financial Services (India) Limited'. There has been no other change in the name of the Target Company since its incorporation. The corporate identity number of the Target Company is L65910MH1991PLC062067. The registered office of the Target Company is situated at K. K. Chambers, 2nd Floor, Sir P. T. Marg, Fort, Mumbai 400 001.

4.2 All the Equity Shares are presently listed on BSE (Scrip Code: 530023) and its ISIN is INE924D01017. The Equity Shares were earlier listed on Ahmedabad Stock Exchange Limited, Delhi Stock Exchange Limited and Madras Stock Exchange Limited.

4.3 The Equity Shares are frequently traded on BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

4.4 As on date of the Draft Letter of Offer, the capital structure of the Target Company is as follows:

Paid up Equity Shares	No. of Equity Shares/ voting rights	Percentage (%) of Equity Shares/ voting rights
Fully paid up Equity Shares	1,28,79,290	100
Partly paid up Equity Shares	Nil	Nil
Total paid up Equity Shares	1,28,79,290	100
Total voting rights in Target Company	1,28,79,290	100

4.5 As on the date of the Draft Letter of Offer, the Equity Shares have not been suspended from trading on the BSE.

4.6 As on date of the Draft Letter of Offer, all the Equity Shares have been listed on the BSE.

4.7 As of the date of the Draft Letter of Offer, there are no (i) partly paid-up shares; (ii) outstanding convertible instruments (warrants/ fully convertible debentures/ partially convertible debentures/ depository receipts) issued by the Target Company convertible into Equity Shares.

4.8 As on date of the Draft Letter of Offer, following are the directors in the Target Company:

S. No.	Name	Designation	DIN	Date of appointment
1.	Mr. Nimish C. Shah	Managing Director	00233136	March 6, 1992
2.	Mr. Manoj Gulabrai Patel	Non-Executive Director	02566288	September 16, 2008
3.	Mr. Chintan Vijay Valia	Non-Executive Director	05333936	March 25, 2013
4.	Mr. Pankaj Rasiklal Bhuta	Independent Director	00171570	July 31, 2013
5.	Mr. Nishit Mohanlal Dhruva	Independent Director	01641751	July 31, 2013

4.9 There has been no merger / de-merger/ spin-off involving the Target Company in the last 3 years, from the date of the Draft Letter of Offer.

4.10 Based on the audited consolidated financial statements for the financial year ended on March 31, 2011, March 31, 2012 and March 31, 2013 and limited review of consolidated financials, as certified by the statutory auditor, for the six month period ended September 30, 2013 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars		**FY Ending March 31,**			**For the six month period ended September 30, 2013 (Unaudited)**
		2011 (Audited)	**2012 (Audited)**	**2013 (Audited)**	
Profit & Loss Statement					
Income from Operations		9,011.05	7,921.75	6,046.50	2,490.05
Other Income		128.97	113.02	242.52	121.79
Total Income		9,140.02	8,034.77	6,289.02	2,611.84
Total Expenditure		6,377.90	6,678.55	6,543.32	2,474.35
Profit Before Depreciation Interest and Tax		2,762.12	1,356.22	(254.30)	137.49
Depreciation		285.47	243.49	172.83	57.20
Interest		682.81	1,231.63	897.71	464.53
Profit Before Tax		1,793.84	(118.90)	(1,324.84)	(384.24)
Provision for Tax		657.02	102.25	(62.97)	26.46
Profit After Tax		1,136.82	(221.15)	(1,261.87)	(410.70)
Balance Sheet Statement					
Sources of funds					
Paid up share capital		1,227.93	1,287.93	1,287.93	1,287.93
Reserves and Surplus (excluding revaluation reserves)		10,007.90	10,311.86	9,049.99	8,639.29
Share Application Money		300.00	-	-	-
Net worth		11,535.83	11,599.79	10,337.92	9,927.22
Secured loans		11,785.90	3.72	-	15,764.87
Unsecured loans		3,009.61	-	-	-
Total		**26,331.34**	**11,603.51**	**10,337.92**	**25,692.09**
Uses of funds					
Net fixed assets		771.57	557.69	399.57	346.90
Investments		1,023.83	0.05	0.05	0.05
Net current assets		24,427.62	10,952.74	9,854.21	25,263.66
Total miscellaneous expenditure not written off		108.32	93.03	84.09	81.48
Total		**26,331.34**	**11,603.51**	**10,337.92**	**25,692.09**
Other Financial Data					
Dividend (%)		20.00	5.00	-	-
Earnings Per Share* (In ₹)	Basic	9.58	(1.74)	(9.80)	(3.19)
	Diluted	9.42	(1.74)	(9.80)	(3.19)

** Annualised basis for the audited numbers and on an unannualised basis for the unaudited (limited review) numbers.*

4.11 As on date of the Draft Letter of Offer, the pre-Offer and post-Offer shareholding pattern of the Company is as follows:

Shareholders' Category	Shareholding/ voting rights prior to the agreement/ acquisition and this Open Offer		Equity Shares/ voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations, 2011				Shareholding/ voting rights post SPA I, SPA II and SSA		Equity Shares/ voting rights to be acquired in this Open Offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and this Offer	
	(A)		Under SPA I and SPA II (B)		Under SSA				(C)		(A) + (B) + (C) = (D)	
	No.	% of pre-issue voting share capital	No.	% of pre-issue voting share capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital
(1) Promoter group												
a. Parties to agreement, if any	13,04,229	10.13	(11,29,229)	(8.77)	-	-	1,75,000	0.62	-	-	- *	-
b. Promoters other than (a) above	3,84,200	2.98	-	-	-	-	3,84,200	1.35	-	-	- *	-
Total 1 (a+b)	16,88,429#	13.11	(11,29,229)	(8.77)	-	-	5,59,200	1.97	-	-	-	-
(2) Acquirers and PACs												
a. Acquirers (i+ii+iii+iv)												
(i) Acquirer I	20,08,000	15.59	6,34,329	4.93	-	-	26,42,329	9.32				
(ii) Acquirer II	-	-	-	-	33,33,340	11.76	33,33,340	11.76	73,69,958	26.00	2,80,50,640**	98.97
(iii) Acquirer III	6,92,251	5.37	-	-	40,44,460	14.27	47,36,711	16.71				

Shareholders' Category	Shareholding/ voting rights prior to the agreement/ acquisition and this Open Offer (A)		Equity Shares/ voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations, 2011 — Under SPA I and SPA II (B)		Under SSA		Shareholding/ voting rights post SPA I, SPA II and SSA		Equity Shares/ voting rights to be acquired in this Open Offer (Assuming full acceptances) (C)		Shareholding/ voting rights after the acquisition and this Offer (A) + (B) + (C) = (D)	
	No.	**% of pre-issue voting share capital**	**No.**	**% of pre-issue voting share capital**	**No.**	**% of Diluted Voting Share Capital**	**No.**	**% of Diluted Voting Share Capital**	**No.**	**% of Diluted Voting Share Capital**	**No.**	**% of Diluted Voting Share Capital**
(iv) Acquirer IV	-	-	4,94,900	3.84	80,88,900	28.54	85,83,800	30.28				
b. PACs (i+ii+iii+iv)												
(i) PAC I	3,47,791	2.70	-	-	-	-	3,47,791	1.23				
(ii) PAC II	3,47,791	2.70	-	-	-	-	3,47,791	1.23				
(iii) PAC III	3,44,460	2.67	-	-	-	-	3,44,460	1.22				
(iv) PAC IV	3,44,460	2.67	-	-	-	-	3,44,460	1.22				
Total 2 (a+b)	40,84,753	31.70	11,29,229	8.77	1,54,66,700	54.56	2,06,80,682	72.97	73,69,958	26.00	2,80,50,640**	98.97
(3) Parties to agreement other than 1 (a) & 2	-	-	-	-	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement, PAC and Acquirers)												
Institutions	10,53,690	8.18	-	-	-	-	10,53,690	3.72				

Shareholders' Category	Shareholding/ voting rights prior to the agreement/ acquisition and this Open Offer		Equity Shares/ voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations, 2011				Shareholding/ voting rights post SPA I, SPA II and SSA		Equity Shares/ voting rights to be acquired in this Open Offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition and this Offer	
	(A)		Under SPA I and SPA II (B)		Under SSA				(C)		(A) + (B) + (C) = (D)	
	No.	% of pre-issue voting share capital	No.	% of pre-issue voting share capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital	No.	% of Diluted Voting Share Capital
(FIs/ MFs /FIIs/ Banks/ SFIs) (Indicate names)									response from each category of shareholders		response from each category of shareholder s	
Others	60,52,418	47.01	-	-	-	-	60,52,418	21.35				
Total 4 (a+b)	71,06,108	55.19	-	-	-	-	71,06,108	25.06				
GRAND TOTAL (1 + 2+ 3 + 4)	**1,28,79,290**	**100**	**-**	**-**	**1,54,66,700**	**54.56**	**2,83,45,990**	**100.00**	**-**	**-**	**2,83,45,990**	**100.00**

 # includes 6,00,000 Equity Shares which are under lock-in till date July 28, 2014.

** Post the completion of this Open Offer, the existing promoters of the Target Company shall be classified under the public category.*

*** As on the date of the Draft Letter of Offer, the Public Shareholders hold 71,06,108 Equity Shares i.e. 25.07% of the Voting Share Capital.*

4.12 The Target Company is in process of acquisition of the other businesses/entities as mentioned hereunder:

4.12.1 Intime Equities Limited (formerly known as Fortune Equity Brokers (India) Limited), one of the subsidiary companies of the Target Company has entered into a share purchase agreement dated July 10, 2013 with ITI Capital Holdings Private Limited. ('**ITI Capital**') for acquiring 100% of the total paid up capital of ITI Financial Services Limited ('**ITI Financial Services**') and its wholly owned subsidiary ITI Investor Services Limited ('**ITI Investor Services**'), payable in cash. ITI Capital is the wholly owned subsidiary of Acquirer I. ITI Financial Services and ITI Investor Services are in the business of stock broking and commodity broking business with memberships in various stock exchanges and commodity exchanges in India. The acquisition is subject to receiving all necessary regulatory approvals. ITI Financial Services and ITI Investor Services are currently in the process of obtaining the same.

4.12.2 The Target Company has entered into a memorandum of understanding dated November 14, 2013 ('**MoU**') with Antique Finance Private Limited to acquire the share broking business of Antique Stock Broking Limited ('**Antique'**). Antique had filed a petition dated August 17, 2013 before the High Court of Judicature at Bombay ('**Court**') under sections 391-394 of the Companies Act, 1956 to demerge its securities trading division from Antique to a new company ('**Scheme**'). The Scheme was approved by the Court *vide* its order dated November 18, 2013 subject to the receipt of the statutory approvals. The parties have agreed under this MoU to enter into a definitive agreement for acquisition of the share broking business of Antique at a future date.

4.12.3 Fortune Credit Capital Limited ('**Fortune Capital**'), a subsidiary company of the Target Company has entered into a business transfer agreement ('**BTA**') dated November 14, 2013 with Antique Capital Markets Private Limited ('**Antique Capital**') for acquiring the investment banking business along with the related assets as a going concern on a slump sale basis. In terms of the BTA, prior to closing, Antique Capital is required to surrender its SEBI registration certificate to act as a merchant banker. The BTA is subject to certain condition precedents and condition subsequent.

4.12.4 The Target Company has entered into multiple MoUs each dated July 22, 2013 ('**MoUs'**) with some of the existing shareholders of the Xperitus Insurance Brokers Private Limited ('**Xperitus'**). As per the MoUs, the Target Company proposes to acquire 51% of the equity share capital in Xperitus from the existing shareholders, subject to approvals from the Insurance Regulatory and Development Authority and other regulatory authority. Further, the MoUs shall stand terminated by mutual consent of the parties or in the event the acquisition of the equity share capital in Xperitus is not completed within nine months from the date of the MoUs.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 Justification of Offer Price

5.1.1 The Equity Shares of the Target Company are listed on BSE. The Equity Shares having Scrip Code 530023 are traded in the permitted category on BSE.

5.1.2 The annualised trading turnover in the Equity Shares on BSE based on trading volume during the twelve calendar months prior to the month of PA (November, 2012 to October, 2013) is as given below:

Stock exchange	Total No. of Equity Shares traded during the Twelve calendar months prior to the month of PA (A)	Weighted average of total number of listed Equity Shares during this period (B)	Annualised trading turnover as % of total Equity Shares listed at (B)
BSE	27,67,958	1,28,79,290	21.49

(Source: BSE trading information **-** *http://*www.bseindia.com/*)*

5.1.3 Based on the above information, the Equity Shares are frequently traded on the BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.1.4 The Offer Price of ₹75/- (Rupees Seventy Five only) per fully paid-up Equity Share has been determined and justified in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price (in ₹ Per Equity Share)
1.	Highest negotiated price per Equity Share for any acquisition under the Underlying Agreements attracting the obligation to make the PA	75.00
2.	The volume-weighted average price paid or payable for acquisition by the Acquirers or by any person acting in concert with them, during 52 weeks immediately preceding the date of PA	75.00
3.	The highest price paid or payable for any acquisition by the Acquirers or by any person acting in concert with them, during 26 weeks immediately preceding the date of the PA	75.00
4.	The volume-weighted average market price of such shares for a period of 60 trading days immediately preceding the date of PA as traded on BSE	61.79

5.1.5 In view of various parameters considered and presented in the table above, in the opinion of the Acquirers, the PACs and the Manager to the Offer, the Offer Price, being the highest of the prices mentioned above, is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

5.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. *(Source: Based on the filings available on BSE website)*

5.1.7 As on date of the Draft Letter of Offer, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers and the PACs shall comply with Regulations 18(4) & 18(5) of SEBI (SAST) Regulations and other applicable provisions of SEBI (SAST) Regulations for the said revision in the Offer Price or Offer Size.

5.1.8 If the Acquirers and the PACs acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations. Provided that no such acquisition shall be made by the Acquirers and the PACs after the third Working Day prior to the commencement of the Tendering Period of this Open Offer and until the expiry of the Tendering Period of this Open Offer. Further, in accordance with Regulations 18(4) and 18(5) of the SEBI

(SAST) Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirers and the PACs shall (i) make public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneously notify to BSE, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.

5.2 Financial Arrangements

5.2.1 Total funding requirement for this Open Offer (assuming full acceptances), i.e. for acquisition of 73,69,958 (Seventy three lakhs sixty nine thousand nine hundred and fifty eight) Equity Shares at the Offer Price of ₹75/- (Rupees Seventy Five only) per Equity Share, is ₹55,27,46,850/- (Rupees Fifty Five Crore Twenty Seven Lakh Forty Six Thousand Eight Hundred and Fifty only) ('**Maximum Consideration**'). This Offer is not subject to differential pricing.

5.2.2 The Acquirers and the PACs have adequate financial resources and have made firm financial arrangements for fulfilling the payment obligations under this Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations and the Acquirers and the PACs are able to implement this Open Offer. The obligations under this Open Offer shall be met by the Acquirers and the PACs through internal accruals and no borrowings from any bank and/ or financial institution are envisaged.

5.2.3 Mr. Ajay Mehta (Membership no. 102720) partner of M/s. A.D. Mehta & Co., Chartered Accountant, having their office situated at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22- 2416 5476 , *vide* his certificate dated November 27, 2013 has certified on the basis of their scrutiny of the books of accounts, records and documents of the Acquirers and the PACs, that the Acquirers and the PACs have adequate and firm financial resources to enable them to meet their financial obligations relating to this Open Offer.

5.2.4 By way of security for performance of obligations by the Acquirers and the PACs under the SEBI (SAST) Regulations, an unconditional, irrevocable and on demand bank guarantee dated November 30, 2013 ('**Bank Guarantee**') has been issued by Yes Bank Limited, a scheduled commercial bank having its branch office at 11/48, Shopping Centre, Diplomatic Enclave, Malcha Market, Chanakyapuri, New Delhi 110 021 ('**BG Issuer**'), on behalf of the Acquirers and the PACs in favour of the Manager to the Offer. The Bank Guarantee is valid up to and including May 29, 2014. The Bank Guarantee is for an amount up to ₹14,00,00,000 (Rupees Fourteen Crores only) being the amount required under Regulation 17(1) of the SEBI (SAST) Regulations. The BG Issuer is neither an affiliate of the Acquirers, the PACs or the Target Company nor is part of the same group as that of the Acquirers, the PACs or the Target Company.

5.2.5 In accordance with Regulation 17 (4) of the SEBI (SAST) Regulations, the Acquirers, the PACs and the Manager to the Offer have entered into an escrow agreement dated November 27, 2013 with Yes Bank Limited, a banking company duly incorporated under laws of India and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and acting through its office at Nehru Centre, 9th Floor, Discovery of India building, Dr. Annie Besant Road, Worli, Mumbai 400 018 ('**Escrow Banker**'). The Acquirers have opened an escrow account under the name and style of '**FFSIL Open Offer Escrow Account**' ('**Escrow Account**') with the Escrow Banker and made therein a cash deposit of ₹55,27,469/- (Rupees Fifty Five Lakh Twenty Seven Thousand Four Hundred and Sixty Nine only), which is in excess of 1% (one percent) of the Maximum Consideration. The opening of the Escrow Account has been confirmed vide its letter dated November 30, 2013 issued by Escrow Banker. The cash deposit in the Escrow Account has been confirmed vide the statement of account issued by the Escrow Banker.

5.2.6 The Acquirers and the PACs confirm that the funds lying in the Escrow Account will be utilized exclusively for the purposes of this Open Offer. Further, the Acquirers and the PACs have authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.7 In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account and/ or Bank Guarantee shall be increased by the Acquirers and the PACs prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

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

6. TERMS AND CONDITIONS OF THE OPEN OFFER

6.1 This Open Offer is being made by the Acquirers and the PACs to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on January 2, 2014, i.e. the Identified Date; (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on January 2, 2014, i.e. the Identified Date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the Closure of the Tendering Period for this Open Offer, i.e. January 29, 2014 but who are not the registered Public Shareholders.

6.2 This Open Offer is being made under Regulations 3(1), 3(2), 3(3) and 4 of the SEBI (SAST) Regulations by the Acquirers and the PACs to the Public Shareholders for the acquisition of up to 73,69,958 (Seventy Three Lakh Sixty Nine Thousand Nine Hundred and Fifty Eight) Equity Shares representing 26% of the Voting Share Capital at a price of ₹75/- (Rupees Seventy Five only) per Equity Shares aggregating to ₹55,27,46,850/- (Rupees Fifty Five Crore Twenty Seven Lakh Forty Six Thousand Eight Hundred and Fifty only) in cash, subject to the terms and conditions mentioned in the PA, the DPS and the Draft Letter of Offer.

6.3 There has been no revision in the Offer Price or the Offer Size as of the date of the Draft Letter of Offer. In the event of acquisition of the Equity Shares by the Acquirers and the PACs during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers and/ or the PACs shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

6.4 An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers and the PACs shall: (i) make a public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its registered office.

6.5 Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Open Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Open Offer in any way.

6.6 Each Public Shareholder to whom this Open Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Open Offer.

6.7 The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity

Shares are free and clear from all liens, charges and encumbrances. The Acquirers and the PACs shall acquire the Equity Shares of the Public Shareholders that are validly accepted in this Open Offer, together with all rights attached thereto, including all rights to dividends, bonus and rights offers declared thereof.

6.8 The acceptance of this Open Offer is entirely at the discretion of the Public Shareholders. The Acquirers and the PACs shall not be responsible for any loss of share certificate(s) and the Offer acceptance documents including Form of Acceptance-cum-Acknowledgement during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

6.9 The acceptance of this Open Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in, signed by the applicant Public Shareholder(s), which should be received by the Registrar to the Offer at the address below on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance cum-Acknowledgement or if any condition is inserted therein by the Public Shareholder, the Manager to the Offer and the Acquirers and the PACs reserve the right to reject the acceptance of this Open Offer by such Public Shareholder.

6.10 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms of this Open Offer.

6.11 The Public Shareholders who have accepted this Open Offer by tendering their Equity Shares and requisite documents in terms of the PA, the DPS and the Letter of Offer are **not** entitled to withdraw such acceptance during the Tendering Period for this Open Offer.

6.12 There shall be no discrimination in the acceptance of lock-in and non lock-in Equity Shares in the Offer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.

6.13 Statutory and other approvals

6.13.1 As on the date of the Draft Letter of Offer, to the best of knowledge of the Acquirers and the PACs, no statutory approvals are required to acquire the Equity Shares that are tendered pursuant to this Open Offer or to complete this Open Offer other than as discussed in this paragraph 6.13. In case of any other statutory approvals being required by the Acquirers and the PACs, at a later date before the Closure of the Tendering Period, this Open Offer shall be subject to such approvals and the Acquirers and the PACs shall make the necessary applications for such approvals.

6.13.2 The Target Company is in the process of making an application to BSE for an in-principle approval under Clause 24 (a) of the Listing Agreement, for the Subscription Shares to be issued as per the terms of the SSA.

6.13.3 Approvals from BSE, NSE, MCX-SX, MCX, NCDEX, CDSL, SEBI, RBI or any other regulatory bodies or authorities, if required, shall be obtained by the Target Company and/ or its subsidiaries.

6.13.4 The Acquirers and the PACs will have the right not to proceed with this Open Offer in the event any of the statutory approvals required for this Open Offer or for effecting the acquisitions attracting the obligation to make this Open Offer are finally refused or occurrence of other circumstances set out in Regulation 23 (1) (a) of the SEBI (SAST) Regulations. In the event of withdrawal of this Open Offer, a public announcement will be made within two Working Days of such withdrawal, in the same newspapers in which the DPS was published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.

6.13.5 In case of delay in receipt of any such statutory approvals mentioned in this paragraph 6 of the Draft Letter of Offer or which may be required by the Acquirers and the PACs at a later date, as per

Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that the non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers and the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirers and the PACs agreeing to pay interest to the Public Shareholders for delay beyond 10 (ten) Working Days at such rate, as may be specified by SEBI. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers and the PACs have the option to make payment to such holders of the Equity Shares in respect of whom no other statutory approvals are required in order to complete this Open Offer.

6.13.6 NRIs and OCBs who are holders of Equity Shares must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Open Offer (including without limitation the approval from RBI or FIPB) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required in terms of the Draft Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Open Offer.

6.13.7 There are no conditions as stipulated in the Underlying Agreements, the meeting of which would be outside the reasonable control of the Acquirers and/ or the PACs in view of which this Open Offer might be withdrawn under Regulation 23 (1)(c) of the SEBI (SAST) Regulations.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER

7.1 The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be mailed to the Public Shareholders, whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective Depositories as of the close of business on January 2, 2014, i.e. the Identified Date.

7.2 The Public Shareholders can also download the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI website at http://www.sebi.gov.in/, or obtain it from the Registrar to the Offer and send in their acceptances to the Registrar to the Offer by filling the same.

7.3 The Public Shareholders who wish to accept this Open Offer can hand-deliver the Form of Acceptance cum- Acknowledgement along with the other documents required to accept this Open Offer, so as to reach the Registrar to the Offer during business hours on or before 17:00 hours January 29, 2014, i.e. the Closure of the Tendering Period, in accordance with the procedure as set out in the Letter of Offer at the address:

Attention	:	Mr. V. B. Shah
Name	:	Purva Sharegistry (India) Private Limited
Address	:	9, Shiv Shakti Industrial Estate, J. R. Boricha Marg Opp. Kasturba Hospital Lane, Lower Parel (East) Mumbai 400 011
Tel	:	+91-22-2301 6761/ 8261
Fax	:	+91-22-2301 2517
E-mail	:	busicomp@vsnl.com
Website	:	http://www.purvashare.com/

7.4 The Equity Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirers, the PACs or the Target Company.

7.5 Public Shareholders who are holding Equity Shares in physical form

7.5.1 The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Open Offer will be required to duly complete, sign and send the Form of Acceptance-cum-Acknowledgement in accordance with the instructions contained therein, by sole/ joint Public 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. This order cannot be changed or altered nor can any new name be added for the **purpose of accepting this Open Offer. Original Equity Share certif**icate(s) and valid transfer deed(s), duly completed and signed, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement along with self-attested copy of PAN card of all the transferors are required to be submitted.

7.5.2 Valid transfer deed(s) should be duly signed as transferor(s) by the sole/ joint Public 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(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (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 its seal of office and membership number or manager of the transferor's bank.

Notwithstanding that the signature(s) of the transferor(s) has 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 in this Open Offer.

7.5.3 For Equity Shares held in physical mode by resident Public Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement, but receipt of other documents including the original share certificates, valid share transfer deeds and PAN, prior to the Closure of the Tendering Period, the Acquirers and the PACs may, in their sole discretion, deem such Equity Shares to have been accepted under this Open Offer.

7.6 Public Shareholders who are holding Equity Shares in dematerialized form

7.6.1 Beneficial owners (i.e. holders of Equity Shares in dematerialized form) who wish to tender their Equity Shares in this Open Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with the photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the DP, in favour of the Depository Escrow Account. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein, by the sole/ joint Public Shareholder(s) whose name appears in the beneficiary account and in the same order therein. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder(s) of the Equity Shares only.

7.6.2 The Registrar to the Offer has opened a special depository account with RRS Shares & Stock Brokers Private Limited called PSIPL Escrow A/c – FFSIL Open Offer. The Public Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Depository Escrow Account:

Depository Participant Name	RRS Shares & Stock Brokers Private Limited
DP ID	12022900
Client ID	1202290000036084
ISIN	INE924D01017
Account Name	PSIPL Escrow A/c – FFSIL Open Offer

Depository	CDSL

7.6.3 It is the sole responsibility of the Public Shareholder to ensure credit of their Equity Shares tendered in this Open Offer in the Depository Escrow Account above, on or before January 29, 2014, i.e. Closure of the Tendering Period.

7.6.4 The Public Shareholders having their beneficiary account in NSDL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with CDSL.

7.6.5 The Forms of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Depository Escrow Account before the Closure of the Tendering Period are liable to be rejected.

7.6.6 For each delivery instruction, the beneficial owner should also submit a separate Form of Acceptance-cum-Acknowledgement.

7.6.7 For Equity Shares held in dematerialized form by resident Public Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement/ photocopy of the delivery instruction/ other documents required, but receipt of the Equity Shares in the Depository Escrow Account before the close of this Open Offer, the Acquirers and the PACs may, at their sole discretion, deem the Equity Shares to have been accepted under this Open Offer.

7.7 Public Shareholders who have sent their Equity Shares for dematerialization:

7.7.1 The Public Shareholders who have sent their Equity Shares for dematerialization and who wish to tender their Equity Shares in this Open Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Public Shareholder's DP, in accordance with the instructions mentioned in paragraph 7.6 above. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein by the sole/ joint Public Shareholder(s) whose name(s) appears on the share certificates and in the same order and as per the specimen signature lodged with the Target Company.

7.7.2 Such Public Shareholders need to ensure that the process of getting their Equity Shares dematerialized is completed in time for the credit in the Depository Escrow Account, to be received on or before January 29, 2014, i.e. Closure of the Tendering Period, or else their application will be rejected. Alternatively, if the Equity Shares sent for dematerialization are yet to be processed by the Public Shareholder's DP, the Public Shareholder can withdraw its dematerialization request and tender the physical Equity Share certificate(s) in this Open Offer as per the procedure mentioned in paragraph 7.5 above.

7.7.3 Unregistered Public Shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number, together with the original Equity Share certificates, valid transfer deed(s) and the original contract note(s) issued by the broker through whom they acquired their Equity Shares, either by hand delivery or by registered post, so that the same are received on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period. Valid share transfer deeds, as received from the market, duly executed in favour of the unregistered owner(s) as the proposed transferee(s) along with self-attested copy of PAN card of all the transferees, should be submitted along with the application. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance. An additional valid share transfer deed should be duly signed by the unregistered owner(s) as transferor(s) by the sole/ joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details as mentioned above.

Attestation, where required (as indicated in the share transfer deed) (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 its seal of office and membership number or manager of the transferor's bank. No indemnity is required from the unregistered Public Shareholders. In case the Equity Share certificate(s) and the transfer deed(s) are lodged with the Target Company/ its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/ its transfer agents, of the Equity Share certificate(s) and the transfer deed(s). The Public Shareholders should ensure that the Equity Share certificate(s) and above documents reach the Registrar to the Offer on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period.

7.7.4 The Public Shareholders should also provide all relevant documents, which are necessary to ensure transfer of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

(a) duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single Public Shareholder) if the original Public Shareholder is no more;

(b) duly attested power of attorney if any person apart from the Public Shareholder has signed the application form and/ or transfer deeds;

(c) in case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;

(d) banker's certificate certifying inward remittances of funds for acquisition of Equity Shares; and

(e) any other relevant documents.

7.7.5 In case of non-receipt of the Letter of Offer, the Public Shareholders may send their acceptance to this Open Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favour of the Depository Escrow Account, so as to reach the Registrar to the Offer, on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period. In case of physical Equity Shares, original Equity Share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Public 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 the Equity Shares. Public Shareholders who have sent their Equity Shares for dematerialization/ re-materialization need to ensure that the process of getting Equity Shares dematerialized/ rematerialized is completed well in time so that the credit in the Depository Escrow Account is received or physical Equity Share certificates are received by the Registrar to the Offer on or before 17:00 hours on January 29, 2014, i.e. Closure of the Tendering Period, else their application would be rejected.

7.7.6 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Open Offer. Applications in respect of the Equity Shares that are the subject of litigation, wherein the Public Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/ orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Open Offer. The

Draft Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.7.7 The Registrar to the Offer will hold in trust the Equity Shares tendered in this Open Offer, held in both physical form and in credit of the Depository Escrow Account, the Forms of Acceptance-cum-Acknowledgement, and the transfer form(s) and other documents submitted on behalf of the Public Shareholders whose Equity Shares have been validly accepted in this Open Offer, till completion of formalities relating to this Open Offer. In case of the Equity Shares tendered in physical form, where the original Equity Share certificates are required to be split, all the documents will be returned only upon receipt of the Equity Share certificates from the Target Company.

7.7.8 If the aggregate valid responses to this Open Offer by the Public Shareholders are more than the Offer Size, then the offers received from the Public Shareholders will be accepted 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 the Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is one Equity Share.

7.7.9 Unaccepted Equity Share certificates, transfer deeds and other documents, if any, will be returned by registered post at the Public Shareholders'/ unregistered Public Shareholders' sole risk to the sole/ first Public Shareholder. The unaccepted Equity Shares held in dematerialized form will be credited back to the same account from which they were tendered. It will be the responsibility of the Public Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. The Public Shareholders holding the Equity Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. It is advised that the demat account is maintained till the completion of this Open Offer formalities.

7.7.10 For the purpose of payment to those Public Shareholders whose Equity Shares are validly accepted, the Acquirers and the PACs shall open a special escrow bank account as required under Regulation 21 of the SEBI (SAST) Regulations. The said payment to the Public Shareholders whose Equity Shares are validly accepted, will be by way of a bankers' cheque/ demand draft/ direct credit/ NEFT/ RTGS/ NECS. The Public Shareholders who opt for receiving consideration through NEFT/ RTGS/ NECS are requested to give the authorization for the same in the Form of Acceptance-cum-Acknowledgement and enclose a photocopy of cheque along with the Form of Acceptance-cum-Acknowledgement. In case of the Public Shareholder(s) holding the Equity Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/ first named holder at his registered address (at its own risk). For Equity Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary (position download to be provided by the depositories) will be considered and the payment shall be processed with the said bank particulars and not from any details provided in the Form of Acceptance-cum-Acknowledgement. The decision regarding the acquisition (in part or full), or rejection of, the Equity Shares tendered in this Open Offer and (i) any corresponding payment for the acquired Equity Shares and/ or (ii) the Equity Share certificates for any rejected Equity Shares, will be dispatched to the Public Shareholders by registered post or by ordinary post, as the case maybe, at the Public Shareholder's sole risk. The Equity Shares held in dematerialized form to the extent not acquired under this Open Offer will be credited back to the same account from which they were tendered.

7.7.11 For Public Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/ not credited through NEFT/ RTGS/ NECS, due to technical errors or incomplete/ incorrect bank account details, payment consideration will be dispatched through registered/ speed post at the Public Shareholder's sole risk.

7.7.12 All bankers' cheques/ demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Equity Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the Public Shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the bankers' cheque/ demand draft.

7.7.13 Compliance with Tax requirements

(a) General

(i) As per the provisions of Section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration (without interest) payable under this Open Offer would be chargeable to capital gains under Section 45 of the Income Tax Act or as business profits under Section 28 of the Income Tax Act as the case may be, the Acquirers and the PACs are required to deduct taxes at source (including surcharge and education cess). Further, since the payment of any interest (paid for delay in payment of Offer Price) by the Acquirers and the PACs to a non-resident Public Shareholder(s) will be chargeable to tax, as income from other sources under Section 56 of the Income Tax Act or as business profits under Section 28 of the Income Tax Act as the case may be, the Acquirers and the PACs are required to deduct taxes at source.

(ii) In case of non-receipt of statutory/ regulatory approvals, if any, within time, SEBI has the power to grant an extension of time to the Acquirers and the PACs for payment of consideration to Public Shareholders subject to the Acquirers and the PACs agreeing to pay interest for the delay, as directed by SEBI under Regulation 18 (11) of the SEBI (SAST) Regulations.

(iii) As per the provisions of Section 194A and 195 of the Income Tax Act, a body corporate responsible for paying to residents and non-residents (including FII) any income by way of interest is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess, as applicable). Since the interest payable to the Public Shareholders on being directed by SEBI under Regulation 18(11) of the SEBI (SAST) Regulations will be chargeable to income tax under the Income Tax Act, the Acquirers and the PACs under Section 194A and 195 of the Income Tax Act will be required to deduct tax at source (including, in the case of non-residents, surcharge and education cess, as applicable) on such interest income at the rate as may be applicable in each case depending on the residential status and the category of person to which the Public Shareholder belongs.

(iv) In view of provisions of section 206AA of Income Tax Act resident and non-resident Public Shareholders (including FIIs) are required to submit their PAN to the Registrar to the Offer, along with the Form of Acceptance-cum-Acknowledgment. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and the PACs will arrange to deduct tax at the rate of 20% or at the rate in force or at the rate specified in the relevant provisions of the Income Tax Act whichever is higher.

(v) Each Public Shareholder shall certify its tax residence status (i.e., whether resident or non-resident) and its tax status (i.e., whether individual, firm, company, association of persons/ body of individuals, trust, any other, etc.) by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirers and the PACs, it would be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted at the maximum rate as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act on the entire consideration and interest, if any, payable to such Public Shareholder.

(vi) Securities transaction tax will not be applicable to the Equity Shares accepted in this Open Offer. Accordingly, exemption of long term capital gain from payment of income tax thereon as envisaged in Section 10 (38) of the Income Tax Act will not apply to the gain arising on consideration paid against Equity Shares accepted under this Open Offer.

(vii) Any Public Shareholder claiming benefit under any double taxation avoidance agreement between India and any other foreign country should furnish tax residence certificate provided to him/ it by the Income Tax Authority of such other foreign country of which he/ it claims to be a tax resident.

(viii) Tax deduction at source in respect of payment of consideration for Equity Shares surrendered in this Open Offer, wherever deductible, will be on the gross consideration (and not on the income comprised in the gross consideration) except in the case where certificate under Section 195/ 197 of the Income Tax Act is furnished by the Public Shareholder specifies otherwise.

(b) Tax to be deducted in Case of Non-resident Public Shareholders (other than FII):

(i) All non-resident Public Shareholders, who desire that no tax should be deducted at source or tax should be deducted at lower rate or on lesser amount, shall be required to submit certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement indicating the extent to which the tax is required to be deducted at source by the Acquirers and the PACs before remitting the consideration. The Acquirers and the PACs will arrange to deduct taxes at source in accordance with such certificate. In absence of certificate under Sections 195(3) or 197 of the Income Tax Act, paragraph 7.8.15(b)(ii) and 7.8.15(b)(iii) below will apply.

(ii) Except in the case falling under paragraph 7.8.15(b)(iii) below, the Acquirers and the PACs will arrange to deduct tax at the applicable rate as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act on the entire gross consideration and interest if any, payable to such Public Shareholder. The Acquirers and the PACs will not take into consideration any other details and documents (including self-certified computation of tax liability or the computation of tax liability certified by any tax professional like Chartered Accountant, etc.) submitted by the Public Shareholder for deducting lower amount of tax at source.

(iii) In case of an individual non-resident Public Shareholder, who is either a citizen of India or a person of Indian origin, who has himself/ herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under this Open Offer, the rate of tax deduction at source would be 10% (ten percent) plus applicable surcharge and education cess on entire gross consideration and 30% (thirty percent) plus applicable surcharge and education cess on interest.

However, to be eligible for this lower rate of tax deduction at source, the Public Shareholder will have to furnish a copy of his/ her demat account clearly reflecting the fact that Equity Shares held in that account are in repatriable mode. Further, copy of the demat account should also reflect that the Equity Shares were held for more than 12 months prior to the date on which the Equity Shares, if any, are accepted under this Open Offer.

In case of Equity Shares being held in physical mode, the Public Shareholder will have to furnish certificate from his/ her bank to the effect that the purchase consideration of these Equity Shares was paid out of non-resident external account of the Public Shareholder concerned.

(c) Withholding tax implications for FIIs:

(i) As per provisions of section 196 D (2) of the Income Tax Act, no deduction of tax at source will be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act to a FII.

(ii) A FII should certify ('**FII Certificate**') the nature of its income arising from the sale of Equity Shares as per the Income Tax Act (whether capital gains or otherwise) by tick marking on the appropriate option provided in the Form of Acceptance-cum-Acknowledgement for this purpose.

(iii) In the absence of FII Certificate to the effect that their income from sale of Equity Shares is in the nature of capital gains, the Acquirers and the PACs will deduct tax at the maximum rate applicable to the category to which such FII belongs (i.e. a company or a trust) on the entire gross consideration payable to such FII. In any case, if the FII submits a certificate under Section 195(3) or Section 197 of the Income Tax Act from the Income-tax authorities while tendering the Equity Shares, indicating the amount of tax to be deducted by the Acquirers and the PACs under the Income Tax Act the Acquirers and the PACs will deduct tax in accordance with the same.

(iv) In respect of interest income, if the FII submits a certificate under Section 195(3) or Section 197 from the Income Tax Authorities indicating the amount of tax to be deducted by the Acquirers and the PACs under the Income Tax Act the Acquirers and the PACs will deduct tax in accordance with the certificate under Section 195(3) or Section 197 so submitted. In absence of such certificate under Section 195(3) or Section 197 of the Income Tax Act the Acquirers and the PACs will arrange to deduct tax at the rate applicable to the category to which such FII belongs (i.e. a company or a trust).

(d) Tax to be deducted in case of resident Public Shareholders

(i) In absence of any specific provision under the Income Tax Act the Acquirers and the PACs will not deduct tax on the consideration payable to resident Public Shareholders for acquisition of Equity Shares.

(ii) The Acquirers and the PACs will deduct the tax at the stipulated rates on interest, if any, payable to resident Public Shareholders, if the amount of interest payable is in excess of ₹5,000 (Rupees Five Thousand).

(iii) The resident Public Shareholder claiming no tax is to be deducted or tax to be deducted at a lower rate on interest amount, should submit along with the Form of Acceptance-cum-Acknowledgement certificate under Section 197 of the Income Tax Act from the income tax authorities indicating the amount of tax to be deducted by the Acquirers and the PACs, or in the case of resident Public Shareholder not being a company or firm, a self-declaration in Form 15G or Form 15H, as may be applicable.

The self-declaration in Form 15G or Form 15H would not be valid unless the Public Shareholder furnishes PAN in such declaration. In case the aforesaid certificate under Section 197 of the Income Tax Act or Form 15G or 15H, if applicable, is not submitted, the Acquirers and the PACs will arrange to deduct tax at the rate as may be applicable to the category of the Public Shareholder under the Income Tax Act.

(iv) No tax is to be deducted on interest amount in the case of resident Public Shareholder being a mutual fund as per Section 10(23D) of the Income Tax Act or a bank/ an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a copy of the relevant registration or notification along with the Form of Acceptance-cum-Acknowledgement.

(e) Issue of withholding tax certificate

(i) The Acquirers and the PACs will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars in accordance with the Income Tax Act read with the Income Tax Rules, 1962.

(f) Withholding taxes in respect of overseas jurisdictions:

(i) Apart from the above, the Acquirers and the PACs will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdiction where the non-resident Public Shareholder is a resident for tax purposes ('**Overseas tax**').

(ii) For this purpose, the non-resident Public Shareholder shall duly represent in the Form of Acceptance cum-Acknowledgement the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Public Shareholder is a tax resident and the Acquirers and the PACs will be entitled to rely on this representation at their sole discretion.

(g) All Public Shareholders are required to indicate, at the place provided for this purpose in the Form of Acceptance-cum-Acknowledgement, their residential status and the category of person to which they belong. Further, Public Shareholders who wish to tender their Equity Shares must submit the following information/ documents along with the Form of Acceptance-cum-Acknowledgement:

(i) Information requirement in case of FII Public Shareholder:

(A) Self attested copy of PAN card;

(B) Certificate from the income-tax authorities under Section 195 (3)/ 197 of the Income Tax Act wherever applicable;

(C) SEBI registration certificate for FII (including sub–account of FII);

(D) Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the FII claims to be a tax resident, wherever applicable;

(E) RBI and other approval(s) obtained for acquiring the Equity Shares, if applicable.

(ii) Information requirement in case of non-resident Public Shareholder (other than FII):

(A) Self attested copy of PAN card;

(B) Certificate from the income tax authorities under Section 195(3)/ 197 of the Income Tax Act, wherever applicable;

(C) Tax Residence Certificate provided by the income tax authority of foreign country of which the FII claims to be a tax resident, wherever applicable;

(D) Copy of relevant pages of demat account in case of Non Resident (other than FII) if the shares are claimed to have been held for more than twelve months prior to the date of acceptance, if any, of share under the Offer;

(E) Copies of relevant pages of demat account in case of a Public Shareholder claiming benefit of clause mentioned in paragraph 7.8.15(b)(iii) above. Also banker's certificate related to payment for acquisition of shares in convertible foreign exchange in case shares are held in physical form;

(F) RBI and other approval(s) obtained for acquiring the Equity Shares, if applicable.

(iii) Information requirement in case of resident Public Shareholder:

(A) Self attested copy of PAN card;

(B) If applicable, self declaration form in Form 15G or Form 15H;

(C) Certificate from the income tax authorities under Section 197 of the Income Tax Act wherever applicable;

(D) For mutual funds/ banks/ other specified entities under Section 194A(3)(iii) of the Income Tax Act– Copy of relevant registration or notification (applicable only for the interest payment, if any).

(h) The tax deducted under this Open Offer is not the final liability of the Public Shareholders or in no way discharges the obligation of Public Shareholders to disclose the consideration received pursuant to this Open Offer in their respective tax returns. The tax rates and other provisions may undergo changes.

(i) The Public Shareholders are advised to consult their respective tax advisers for assessing the tax liability, pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they may take. The Acquirers, the PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

8. DOCUMENTS FOR INSPECTION

The following documents shall be available for inspection to the Public Shareholders at the office of the Manager to the Offer at Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati BapatMarg, Elphinstone Road West, Mumbai 400 013, between 10:00 hours to 17:00 hours on all working days (except Saturdays, Sundays and bank holidays) till the Closure of the Tendering Period, i.e. Wednesday, February 12, 2014:

8.1 Certified true copies of the certificate of incorporation, memorandum of association and articles of association of Acquirer I, Acquirer II, Acquirer III and the LLP Agreement dated July 20, 2011 of Acquirer IV and deed of re-constitution dated October 24, 2013;

8.2 Copies of the certificates, issued by Mr. Ajay Mehta (Membership no. 102720) of M/s. A D Mehta & Co., Chartered Accountant, having its office at D-66, Anant Nagar, S.V. Road, Near N.L. High School, Malad (West), Mumbai 400 064, certifying the net worth of PAC I, PAC II, PAC III and PAC IV;

8.3 Copy of certificate from Mr. Ajay Mehta (Membership no. 102720) of M/s. A. D. Mehta & Co., Chartered Accountant, having office at D-66, Anant Nagar, S.V. Road, Malad (West), Mumbai 400 064, Tel: +91-22-2416 5476, certifying the adequacy of financial resources on the basis of their scrutiny of the books of accounts, records and documents of the Acquirers and the PACs, that the Acquirers and the PACs have adequate and firm financial resources to enable them to meet their financial obligations relating to this Open Offer;

8.4 Copy of the annual reports of the Target Company, Acquirer I, Acquirer II, Acquirer III and Acquirer IV for the financial years ended on March 31, 2011, March 31, 2012 and March 31, 2013 and limited review certificate for the six month period ended September 30, 2013 of Acquirer I, Acquirer II, Acquirer III and Acquirer IV;

8.5 Copy of the letter dated November 30, 2013, from Yes Bank Limited, confirming the amount deposited in the Escrow Account;

8.6 Escrow Agreement between the Acquirers, the PACs, Yes Bank Limited and the Manager to the Offer, dated November 27, 2013;

8.7 Copy of the share subscription agreement dated November 27, 2013 entered into between Acquirer II, Acquirer III, Acquirer IV and the Target Company;

8.8 Copy of the shareholders' agreement between the Acquirers and the PACs dated November 27, 2013;

8.9 Copy of the share purchase agreement dated November 27, 2013 by and between Acquirer I and the Seller I, Seller II and Seller III;

8.10 Copy of the share purchase agreement dated November 27, 2013 by and between Acquirer IV and Seller IV, Seller V, Seller VI and Seller VII;

8.11 Copy of the PA, published copy of the DPS and the Open Offer opening public announcement;

8.12 Copy of the recommendation dated [●] made by the Target Company's committee of independent directors, as required under Regulation 26(7) of the SEBI (SAST) Regulations;

8.13 Copy of the letter dated [●] from SEBI containing its comments on the Draft Letter of Offer; and

8.14 Copy of agreement entered into with the DP for opening the special depository account.

9. DECLARATION BY THE ACQUIRERS AND THE PACS

9.1 The Acquirers along with the directors/ designated partners of Acquirer I, Acquirer II, Acquirer III and Acquirer IV, PAC I, PAC II, PAC III and PAC IV accept jointly and severally full responsibility for the obligations of the Acquirers and the PACs, as laid down in terms of the SEBI (SAST) Regulations and for the information contained in the Draft Letter of Offer except information pertaining to the Target Company in the Draft Letter of Offer. All information pertaining to the Target Company in the Draft Letter of Offer has been obtained from the Target Company and publicly available sources.

9.2 The Acquirers and the PACs shall be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations.

9.3 The information contained in the Draft Letter of Offer is as of the date of the Draft Letter of Offer, unless expressly stated otherwise.

9.4 The persons signing the Draft Letter of Offer on behalf of the Acquirers and PACs have been duly and legally authorized by the respective Acquirers and the PACs to sign the Draft Letter of Offer.

For and on behalf of

Sharyans Resources Limited **(Acquirer I)** Authorized Signatory **Date:** December 10, 2013	**Fine Estates Private Limited** **(Acquirer II)** Authorized Signatory **Date:** December 10, 2013	**Aditya Infotech Private Limited** **(Acquirer III)** Authorized Signatory **Date:** December 10, 2013	**Neostar Developers LLP** **(Acquirer IV)** Authorized Signatory **Date:** December 10, 2013
Sudhir V. Valia **(PAC I)** **Date:** December 10, 2013	**Raksha S. Valia** **(PAC II)** **Date:** December 10, 2013	**Vijay M. Parekh** **(PAC III)** **Date:** December 10, 2013	**Paresh M. Parekh** **(PAC IV)** **Date:** December 10, 2013