DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 15(2) READ WITH REGULATION 13(4) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED TO THE PUBLIC SHAREHOLDERS OF

HYDRO S & S INDUSTRIES LIMITED

Registered Office : Dhun Building, 3rd Floor, 827 Anna Salai, Chennai-600 002, Tel.: 044-28521736, Fax : 044-28520420
E-mail: info@hssil.com

Open Offer("Offer"/"Open Offer") for acquisition of upto 16,65,874 equity shares ("Offer Shares"), representing 26% of the emerging equity share capital of Hydro S & S Industries Limited ("Target Company"), to the Public Shareholders of the Target Company by Kingfa Sci. & Tech. Co., Ltd. Guangzhou, China ("Acquirer").

This Detailed Public Statement (**"DPS"**) is being issued by **Master Capital Services Ltd.**, "Manager to the Offer", on behalf of the Acquirer, in compliance of Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (hereinafter referred to as **"SEBI (SAST) Regulations"**) pursuant to Public Announcement dated 20th May, 2013 (**"PA"**), in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulation, filed on 20th May, 2013 with Bombay Stock Exchange Limited (**"BSE"**), Madras Stock Exchange Ltd. (**"MSE"**), National Stock Exchange of India Ltd. (**"NSE"**), Securities and Exchange Board of India (**"SEBI"**) and the Target Company at its registered office, in terms of Regulation 14(2) of the SEBI (SAST) Regulations.

I. ACQUIRER, TARGET COMPANY AND OFFER

A. Information about the Acquirer

1. The Acquirer, a limited company, was incorporated in May, 1993 under the name Guangzhou Tianhe Hi-tech Industrial Development Zone Kingfa Sci. and Tech. Development Co., Ltd. under Chinese Law. The name was changed in January, 1996 to Guangzhou Kingfa Sci. and Tech. Development Co., Ltd., further in December, 2002 changed to Guangzhou Kingfa Sci. and Tech. Co., Ltd. and finally to Kingfa Sci. and Tech. Co. Ltd. in September, 2007. The Acquirer is registered with Guangzhou Administration for Industry and Commerce, under registration no. 440101000176979. It has its registered office at 33, Kefeng Road, Science Town, Guangzhou Hi-Tech Industrial Development Zone, City Guangzhou, China - 510663. Tel: (86)020-66221361, Fax: (86)020-66221341, E-Mail id: xdm2012@kingfa.com.cn.
2. The Acquirer is engaged in the business of manufacturing, R&D and sale of high quality plastic products. The Acquirer primarily offers fire-retardant resin, reinforced and toughened resins, plastic alloys, wood-plastics composites and functional & biodegradable plastics. Its products are used in automobile, information technology, electronics, telecommunications, household appliances, construction, lighting and electrical tools, and other industries. The Acquirer exports its products to approximately 30 countries including the United States, Canada, Japan, Malaysia, Thailand, Mexico, India, and South Korea under the "Kingfa" trademark and provides service to more than 10000 clients globally.
   The Acquirer is currently having manufacturing facilities at five locations in China and has consistently scaled up its production capacity from 770000 mts. per year in 2008 to 1400000 mts in the year 2012 through strategic development spreading over eastern, western, southern and northern part of China.
   The Acquirer has 14 subsidiaries with total land area of nearly 2700000 Sq meters, covering southern, eastern, northern and western part of China and the marketing network spread all over the world.
3. The Acquirer belongs to "Kingfa Group" of China.
4. There is no other person/entity acting as a Person Acting in Concert with the Acquirer for the purpose of this instant Offer.
5. There are no litigations pending against the Acquirer.
6. As of the date of this DPS, the Acquirer has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended **("SEBI Act").**
7. The Promoters of the Acquirer are Mr. Yuan Zhimin, Mr. Song Ziming, Ms. Xiong Haitao, Mr. Xia Shiyong, Mr. Li Nanjing & Ms. Xiong Lingyao. Mr. Yuan Zhimin is the founder.
8. The Shareholding pattern of the Acquirer as on the date of this DPS is as under:

Sr. No.	Shareholder Category	No of Shares	% of total capital
1	Promoters		
	Mr. Yuan Zhimin	451,323,366	17.13
	Mr. Song Ziming	260,755,838	9.90
	Ms. Xiong Haitao	158,855,360	6.04
	Mr. Xia Shiyong	91,935,544	3.49
	Mr. Li Nanjing	90,169,754	3.42
	Ms. Xiong Lingyao	47,938,214	1.82
Total		**1,10,09,78,076**	**41.80**
2	FII/ Mutual-Funds/FIs/Banks	27,24,84,443	10.34
3	Public	1,26,09,37,481	47.86
	Total Paid up Capital	**2,63,44,00,000**	**100.00**

9. The Shares of the Acquirer are listed on the Shanghai Stock Exchange since 23rd June, 2004. Redeemable Bonds issued on 24th July, 2008 are also listed on the Shanghai Stock Exchange.
10. The Acquirer has not acquired any equity shares of the Target Company during preceding twelve months from the date of PA, directly or indirectly.
11. Presently the Acquirer, its promoters and its directors have no relationship with the Target Company except that the Acquirer has entered into Share Purchase Agreement **("SPA")** dated 20.05.2013 with all the Promoters Group Shareholders of the Target Company **("Sellers")** for acquiring 42,60,700 fully paid equity shares of face value of INR 10.00 each **("Sale Shares")** and assume management control of the Target Company.
12. The brief consolidated financials of the Acquirer are as under:

CNY/INR in Lakhs

Particulars	F.Y. Ended 31.12.2012 (Audited)		F.Y. Ended 31.12.2011 (Audited)		F.Y. Ended 31.12.2010 (Audited)	
	(CNY)	(INR)	(CNY)	(INR)	(CNY)	(INR)
Total Income	123866.04	1085066.55	118490.98	1037980.97	103432.58	906069.44
Profit after Tax	7752.00	67907.49	9377.82	82149.66	5699.72	49929.58
Earning Per Share (EPS)INR	0.29	2.58	0.42	3.68	0.41	3.63
Net Worth	80607.53	706121.97	47627.48	417216.69	37609.19	329456.50

Source: The financial information set forth above has been extracted from the audited consolidated financial statements of the Acquirer as at and for years ended 31st. December (F.Y. - Finacial Year).

Since the financial statements of the Acquirer are prepared in CNY, the functional currency of the China & the Acquirer, they have been converted into INR for purpose of convenience of translation.
1 CNY=INR 8.76.

B. Sellers

The details of Sellers, who constitute the entire Promoter Group of the Target Company are as under:

Sr. No.	Name of Seller	Address of Seller	Nature of entity	No. & % of Shares held as of PA	% of Emerging voting capital of the TC
1	Mrs. Vidya Srinivasan & Mr. Venkataraman Srinivasan	3 (old no.2), Satyanarayana Avenus, Chennai 600 028	Individuals	14,64,390	22.85
2	Mrs. Vidya Srinivasan & Mr. Murali Venkatraman	3 (old no.2), Satyanarayana Avenus, Chennai 600 028	Individuals	9,32,000	14.55
3	Mrs. Vidya Srinivasan & Mr. Narayan Sethuraman	3 (old no.2), Satyanarayana Avenus, Chennai 600 028	Individuals	7,99,700	12.48
4	Mr. Murali Srinivasan Venkatraman (HUF)	126(old no.80), Dr. Radhakrishnan Salai, Mylapore, Chennai-600004	Individuals	82,300	1.29
5	Mr. Narayan Sethuramon (HUF)	3(old no.2), Satyanarayana Avenus, Chennai 600 028	Individuals	82,300	1.29
6	Mr. Venkataraman. Srinivasan	3(old no.2), Satyanarayana Avenus, Chennai 600 028	Individuals	82,500	1.29
7	Mr. Sri Ram Murali	126(old no.80), Dr. Radhakrishnan Salai, Mylapore, Chennai-600004	Individual	1,477	0.02
8	M/s Vensunar Holdings Pvt. Ltd. incorporated under the Companies Act, 1956.CIN No. is U65993TN1983PTC008667	4, Venkatesa Agraharam Road, Mylapore, Chennai 600004	Private Limited Company	2,49,370	3.89
9	M/s Galaxy Investments Pvt. Ltd. incorporated under the Companies Act, 1956. CIN No. is U65993TN1983PTC009994	4, Venkatesa Agraharam Road, Mylapore, Chennai 600004	Private Limited Company	78,913	1.23
10	M/s Narbod Constructions Pvt. Ltd. incorporated under the Companies Act, 1956. CIN No. is U45201TN1970PTC005856	9 Tarapore Avenue, Harrington Road, Chetpet, Chennai 600 034	Private Limited Company	4,00,000	6.24
11	Mr. Dinshaw K. Parakh	6 Tarapore Avenue, Harrington Road, Chetpet, Chennai 600 034	Individual	56,250	0.88
12	Mrs. Nargesh K Parakh	6, Tarapore Avenue, Harrington Road, Chetpet, Chennai 600 034	Individual	27,000	0.42
13	Mr. Dinaz Bhabha	6, Tarapore Avenue, Harrington Road, Chetpet, Chennai 600 034	Individual	4,500	0.07
	Total			42,60,700	66.50

The Sellers have not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the SEBI Act or under any regulations made there under.

After closure of the Offer, Sellers will not hold any equity shares of the Target Company.

C. Target Company

Hydro S & S Industries Ltd.

1. The Target Company was incorporated on November 10, 1983 under the name and style **M/s S & S Filled Fibers Limited**, under the Companies Act, 1956 with the Registrar of Companies, Chennai and obtained a Certificate of Incorporation bearing Number 18-10438. The name of the Company was changed to M/s Hydro S &S Industries Limited vide ROC Certificate issued on October 17, 1989. The CIN number of the Target Company is **L25209TN1983PLC010438**. The Registered Office of the Target Company is located at Dhun Building, 3rd Floor, 827, Anna Salai, Chennai – 600 002, Tel: 044-28521736, Fax : 044-28520420 E-mail: info@hssil.com.
2. The issued and subscribed share capital of the Target Company on date of **PA & DPS** is INR 6,40,72,040 (Rupees Six Crores Forty Lakhs Seventy Two Thousands Forty only) consisting of 64,07,204 fully paid up Shares of face value of INR 10.00 each.
3. There are no partly paid up equity shares in the Target Company.
4. As on the date of this DPS, the Target Company does not have any outstanding convertible instrument (warrants /FCDs/PCDs) etc.
5. The Target Company is in the business of producing, refining, modifying, developing, manufacturing, buying, selling-including exporting from and importing into India supplying and otherwise dealing in all kinds of polypropylene compounds, derivatives and by-products thereof.
6. The shares of the Target Company are listed on BSE & MSE. Its shares are traded on National Stock Exchange (NSE) under arrangement with MSE. The shares of the Target Company are not frequently traded at the Stock Exchanges.
7. The Brief financials of the Target Company are as under:

INR in Lakhs

Particulars	As on 31.03.2013 Audited	As on 31.03.2012 Audited	As on 31.03.2011 Audited
Total Income	15741.58	15024.39	14023.76
Profit after Tax	-504.83	2.49	104.80
Earning Per Share (EPS)INR	-7.88	0.04	1.64
Net Worth	1986.79	2491.62	2489.14

As certified by M/s. P. Srinivasan & Co., Chartered Accountant, (Membership No.021007) having its office at No.6/24, Sambasivam Street, T. Nagar, Chennai-600017, Tel No. 044-28151105, E-Mail: psgopalan@gmail.com, vide their certificate dated 23.05.2013.

D. Details of the Offer

1. This Offer is made to all the public equity shareholders of the Target Company (i.e. other than the Acquirer and the Sellers), to acquire up to 16,65,874 equity shares of face value of INR 10.00 each at an offer price of INR 42.70 per equity shares **("Offer Price")**, payable in **cash**, aggregating to INR 7,11,32,820.00 (Rupees Seven Crores Eleven Lakhs Thirty Two Thousand Eight Hundred twenty only) **("Offer Size")**.
2. The Offer Shares represent 26% of the paid up equity share capital of the Target Company as on the 10th Working day (with **"Working Day(s)"** as defined under the SEBI (SAST) Regulations) after the closure of the tendering period under the Open Offer **("Emerging Voting Capital")**.
3. The Offer is **subject** to the following statutory approvals:
   i. Valid approvals from Chinese Government/Authorities, for investment in India, for amounts required for acquisition of Sale Shares and consideration to be paid under this mandatory Open Offer under SEBI(SAST) Regulations and miscellaneous expenses.
   ii. As on the date of this DPS, no other statutory approvals are required by the Acquirer to acquire the equity shares that are tendered pursuant to the Offer other than indicated above.
   iii. However, the Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer.
4. The Acquirer and Sellers have entered into the SPA, pursuant to which and subject to the satisfaction or waiver, if applicable, of the conditions contained in the SPA, the Sellers have agreed to sell, and the Acquirer has agreed to purchase in cash 42,60,700 equity shares of the total paid up equity share capital of the Target Company at a price of Rs 25.00 (Rupees Twenty Five Only) per equity shares representing 66.50% of the total paid up equity share capital of the Target Company from the Sellers and the Acquirer to assume management control of the Target Company. The condition precedent for the SPA to become effective is as per Para D (3) above.
5. The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations.

E. The Acquirer currently does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company, after requisite approval of the shareholders, if required.

F. Pursuant to the Offer (assuming full acceptance) and the completion of the acquisition of Sale Shares as envisaged under the SPA, the Acquirer shall be identified as part of the promoter & promoter group of the Target Company and shall control 92.50% of the Emerging Voting Capital of the Target Company and have management control. In the event the shareholding of the Acquirer increases beyond the maximum permissible non-public shareholding limit of 75 % as provided under the Securities Contracts (Regulations) Rules, 1957, as amended (SCRR), the Acquirer shall increase the level of public shareholding in the Target Company to the minimum level required under clause 40A of the Listing Agreement and Rule 19A of the SCRR within the time limits specified therein and through the permitted routes available under the Listing Agreement including any other such route as may be approved by SEBI from time to time.

G. The Acquirer has created an escrow deposit of more than 100% of the Offer Size and in terms of regulation 22(2) of SEBI(SAST) Regulations intends to assume management control of the Target Company after expiry of 21 Working Days from the date of this DPS.

II. BACKGROUND TO THE OFFER

1. This Offer by the Acquirer is made in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations pursuant to entering into SPA with the Sellers/promoters of the Target Company.
2. The Acquirer has entered into a SPA on 20.05.2013, to acquire 42,60,700 (Forty Two Lakhs Sixty Thousand Seven Hundred Only) fully paid equity shares of face value INR 10/- each, representing 66.50% of the issued and subscribed equity share capital of the Target Company at the rate INR 25.00 per fully paid share, from Sellers, representing Promoters Group shareholding of the Target Company and assume management control of the Target Company, as per the terms agreed upon and as defined in the SPA.
3. The Offer Price is payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
4. The prime objective of the Acquirer is to acquire substantial acquisition of shares/voting rights and assume management control of the Target Company. The Acquirer's business is in line with the Target Company's business. Acquisition of substantial stake in the Target Company will strengthen the global market position of the Acquirer. The Acquirer proposes to continue with the existing business of the Target Company and may restructure the existing line of business in line with "Kingfa Group" objective and explore various opportunities to maximize the business synergies with the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS OF THE ACQUIRER;

	Number of Equity Shares	%(1)
Shareholding as of the date of Public Announcement	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil
Shares proposed to be acquired through SPA	42,60,700	66.50
Shares proposed to be acquired under this Offer	16,65,874	26.00
Post Offer Shareholding (2)	59,26,574	92.50

(1) Computed on the basis of the Emerging Voting Capital.
(2) Assuming full acceptance in the Offer.

The Directors, Promoters of the Acquirer and the Acquirer as on the date of this DPS do not hold any equity shares of the Target Company and there are no agreement(s) for purchase of shares of the Target Company, other than the SPA mentioned above.

IV. OFFER PRICE

1. The equity shares of the Target Company are listed on BSE, MSE and traded at NSE under arrangement with MSE ("Stock Exchanges"). . The equity shares of the Target Company are not frequently traded on any Stock Exchange within the meaning of explanation 2(j) of SEBI (SAST) Regulations, since the trading turnover during the preceding 12 (Twelve) calendar months ended 30.04.2013 on either BSE, MSE or NSE , is less than 10% of the total number of equity shares of the Target Company, as under:

Name of the Exchange	Total number of shares traded during May 1, 2012 to April 30, 2013	Total Number of listed shares as on April 30, 2013	Trading Turnover (% to total listed shares)
BSE	490366	64,07,204	7.65
MSE	Not Functional	64,07,204	-
NSE (Traded under arrangement with MSE)	249666	64,07,204 (Under permitted category)	3.90

Source : www.bseindia.com and www.nseindia.com

2. The Offer Price of INR 42.70 (Rupees Forty Two and Paise Seventy only) per fully paid-up equity share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, in view of the following:

Sr. No.	Details	INR
A	The highest negotiated price per fully paid equity share of the Target Company (as per SPA) attracting the obligation to make a PA of this Offer	25.00
B	The volume weighted average price paid or payable for acquisitions, by the Acquirer or the PAC during the fifty two weeks immediately preceding the date of the PA	-
C	The highest price paid or payable for any acquisition by the Acquirer or the PAC during the twenty six weeks immediately preceding the date of the PA	-
D	The volume weighted average market price of Equity Shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on the NSE, being the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, the shares being frequently traded	Not Applicable
E	Fair value as per other financial parameters as per Audited Balance Sheets upto period ending 31.03.2013*	12.69
F	Industry Average P/E Multiple**	17.25
	Offer Price P/E Multiple	1067.50

· The fair value has been certified by M/s. P.Srinivasan & Co., Chartered Accountant, (Membership No.021007) having its office at No.6/24, Sambasivam Street, T. Nagar, Chennai-600017, Tel No. 044-28151105, E-Mail: psgopalan@gmail.com, vide certificate dated 23.05.2013.

** (Source: Ace Equity dated 21.05.2013 in respect of Plastic Products Industry)

The Offer Price of INR 42.70 (Rupees Forty Two and Paise Seventy Only) is higher than A, B, C, D and E above, and meets requirements under the SEBI (SAST).

NOTE :

i. The Acquirer being a new entrant into the Indian market, has requested the Sellers to provide certain consultancy services of an advisory nature to assist the new management of the Target Company for a period of 12 (twelve) months on and from the assuming control (**"Closing Date"**). Accordingly, as per the SPA, the Acquirer has agreed that Consultant Company (a company owned and controlled by the Sellers in which the Sellers have shareholding which is inter-se the Sellers in the same proportion as in the Target Company) shall execute a consultancy agreement (**"Consultancy Agreement"**) with the Target Company for a period of 12 (twelve) months from the Closing Date subject to applicable provisions under the SEBI(SAST) Regulations, for a lump sum fee of INR 750.00 lakhs payable at the end of the consultancy period.

   Assuming the receipt of fee as envisaged in the proposed Consultancy Agreement, as indirect receipt in the hands of the Sellers, the total realisation per fully paid Sale Share of INR 10.00 each of the Target Company is INR 42.61 (i.e. INR 25.00 per share under the SPA from the Acquirer and INR 17.61as indirect realization by way of consultancy fee from the Target Company). Hence, the Acquirer has offered price of INR 42.70 per fully paid share to the Public Shareholders, though, it is much higher than INR 25.00 per share under SPA.

ii. The Offer would be revised in the event of any corporate action like bonus, split etc. where the record date for effecting such corporate action falls within 3 Working Days prior to the commencement of the tendering period in the Offer

iii. The Acquirer may revise the Offer Price at its discretion or pursuant to any acquisition by the Acquirer at a price which is higher than the Offer Price at any time prior to 3 Working Days prior to the commencement of the tendering period under the Offer. In the event of such a revision, the Acquirer shall, (a) make a corresponding increase to the Escrow Amount, as more particular set out in Part V - Financial Arrangements of this DPS below, (b) make a public announcement in the same newspapers in which this DPS is published, and (c) simultaneously with such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such a revision.

V. FINANCIAL ARRANGEMENTS

1. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of its own sources. M/s Shulun, certified Public Accountants LLP., CPA registration no. 440300690907; having his office at 4F, No. 61 Nan Jing, Dong Road, Shanghai, China- 200002, Tel. No. 86-755- 8258 4728; Fax No. 86-21-63392558 vide certificate dated 20.5.2013 have certified that sufficient resources are available with the Acquirer for fulfilling the obligations under this Offer in full.
2. The Acquirer has not borrowed funds for the purpose of this Open Offer.
3. The total fund requirement for the Offer (assuming full acceptance i.e. 100% of funds required) is INR 7,11,32,820.00 (Rupees Seven Crores Eleven Lakhs Thirty Two Thousands Eight Hundred Twenty only) (**"Escrow Amount"**). In accordance with Regulation 17 of the SEBI (SAST) Regulations. The Acquirer has created an **"Escrow Account"** bearing account no. 0166000100000027871 with the Escrow Agent, i.e., Industrial and Commercial Bank of China, Mumbai Branch (ICBC, Mumbai) on 21.05.2013. Since, remittance of funds from China requires prior approval of Chinese Government/ Authorities ICBC, Mumbai has secured CNY 89,93,820.00 (equivalent to INR 7,86,95,925.00 at a conversion rate of 1CNY= 8.75 INR and being more than the Escrow Amount) in account no. 360202892920076097 of the Acquirer with ICBC, Third Sub Branch, Guangzhou, China and confirmed the same to the Manager to the Offer vide its letter dated 21.05.2013. Escrow Deposit will be transferred to ICBC, Mumbai Branch after receipt of permissions from the Chinese Government.
4. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations.
5. In case of any upward revision in the Offer Price or the Offer Size, the Escrow Amount shall be increased by the Acquirer prior to effecting such revision, in terms of regulation 17(2) of the SEBI (SAST) Regulations.
6. A Tripartite Escrow Agreement dated 21.5.2013 has been entered into between ICBC, Mumbai, the Acquirer and the Manager to the Offer governing the operation of Escrow Account, including details of acceptance of Escrow Amount and transfer to ICBC, Mumbai by ICBC, Guangzhou, China.
7. By this Escrow Agreement, the Acquirer has authorized Master Capital Services Limited, Manager to the Offer to realize the value of the Escrow Account, in terms of Regulation 17(5) of the SEBI (SAST) Regulations.

VI. Statutory Approvals / Other Approvals Required For the Offer

1. The Offer is **subject** to the following statutory approvals:
   i. Valid approvals from Chinese Government/Authorities, for investment in India, for amounts required for acquisition of Sale Shares and consideration to be paid under this mandatory Open Offer under SEBI(SAST) Regulations and miscellaneous expenses.
   ii. As on the date of this DPS, no other statutory approvals are required by the Acquirer to acquire the equity shares that are tendered pursuant to the Offer other than those indicated above.
   iii. However, the Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer.
2. **Other Approvals**
   i. No approval is required to be obtained from the Acquirer's Banks/Financial Institutions for the Offer.
   ii. In terms of Regulation 18(11) of SEBI(SAST) Regulations, the Acquirer shall be responsible to pursue all other statutory approvals required, by the Acquirer in order to complete the Open Offer without any default, neglect or delay.
   iii. Non – resident Indian ("NRI") and overseas corporate body ("OCB") holders of the Equity shares, must obtain all approval required to tender the equity shares held by them in this offer (including without limitation the approval from the Reserve Bank of India ("RBI"), since the equity shares validly accepted in this offer will be acquired by a non resident entity) and submit such approvals along with the Form of Acceptance-cum -Acknowledgement (as defined below) and other documents required to accept this Offer.

   Barring unforeseen circumstances, the Acquirer would endeavor to obtain all such approvals referred in clause VI above and complete all procedures relating to Offer within 10 days of the expiry of the tendering period in terms of Regulation 18(11) of SEBI(SAST) Regulations,
3. In case of a delay in receipt of any statutory approvals applicable to the Offer, SEBI may if satisfied that such delay in the receipt of the requisite statutory approval was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, 2011, permit the Acquirer to delay commencement of the tendering period for the Offer pending receipt of such statutory approvals or grant extension of the time to the Acquirer to make payment of the consideration to the public shareholders whose shares have been accepted in this offer. However, if the Acquirer fails to fulfill its obligations under the SEBI(SAST) Regulations of the Offer, Regulation 17(9) of the SEBI (SAST) will become applicable and the amount lying in the Escrow Account or the Special Escrow Account shall become liable to forfeiture.
4. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals as at VI(i) above or those which become applicable after the date of DPS, are refused, the Acquirer shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) within 2 Working Days of a such withdrawal make a Public Announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, in the same newspaper in which DPS is published.

VII. THE TENTATIVE SCHEDULE OF ACTIVITIES UNDER THIS OFFER IS AS FOLLOWS:

Activity	Date	Day
Public Announcement (PA)	20-05-2013	Monday
Detailed Public Statement (DPS)	27-05-2013	Monday
Filing of the Draft Letter of Offer ("DLOO") with SEBI	03-06-2013	Monday
Last date for a Competitive Offer	17-06-2013	Monday
Last date for SEBI observation on Draft Letter of Offer ("DLOO") (in the event SEBI does not seek clarifications or additional information from the Manager to the Offer).#	24-06-2013	Monday
Identified Date*	26-06-2013	Wednesday
Last date by which the Letter of Offer (LOO) will be dispatched to the public shareholders	03-07-2013	Wednesday
Last date for revising the Offer Price / Offer Size.	05-07-2013	Friday
Last date by which the committee of Independent Directors of the Target Company shall give its recommendations.	08-07-2013	Monday
Last date of Publication of the Offer opening Public Announcement.	09-07-2013	Tuesday
Date of commencement of Tendering Period (Offer Opening Date)	10-07-2013	Wednesday
Date of expiry of Tendering Period (Offer closing Date)	23-07-2013	Tuesday
Last date of communicating rejection / acceptance and payment of consideration for applications accepted / return of unaccepted shares certificates / credit of unaccepted equity shares to demat account.	06-08-2013	Tuesday
Last Date of publication of the Offer closing Public Announcement	13-08-2013	Tuesday

#Expected date of receipt of final comments from SEBI on DLOO

**The Identified Date is only for the purposes of determining the public shareholders as on such date to whom the Letter of Offer would be mailed to. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company shall be eligible to participate in this Offer at any time prior to the closure of this Offer*

VIII. PROCEDURE FOR TENDERING OF SHARES IN THE CASE OF NON RECEIPT OF LETTER OF OFFER

1. All public shareholders, whether holding equity shares in dematerialized form or physical form, registered or unregistered, are eligible to participate in this Offer at any time during the tendering period of this Offer.
2. The Letter of Offer specifying the detailed terms and conditions of this offer along with the Form of Acceptance -cum-Acknowledgement ("**Form of Acceptance**") will be mailed to all the public shareholders (other than those party to the SPA dated 20.05.2013) whose name appears in the register of members of the Target Company as at the close of business hours on the Identified Date(ie 26.06.2013).
3. The public shareholders who wish to tender their equity shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer to the appointed **Registrar to the offer M/s Skyline Financial Services Pvt. Ltd., D-153A, First Floor, Okhla Industrial Area, Phase-1, New Delhi- 110020 Tel nos.: 011-64732681/64732688; Fax: 011-26812682, Email: virenr@skylinerta.com**, in accordance with the instructions contained in the Letter of Offer and Form of Acceptance. Applicants, who cannot hand deliver documents at the collection centers, as will be mentioned in the Letter of Offer, may send such documents by registered post or by courier, at their own risk and cost, to the Registrar to the Offer.
4. In case of the equity shares held in dematerialized form, the Depository Participant("DP") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off market" mode duly acknowledge by the DP for transferring the equity shares, as per the instruction given below:

Depository Participant	Master Capital Services Ltd.
DP ID	IN 301143
Client ID	11209802
Account Name	Skyline-Kingfa-Open Offer- Escrow Account
Depository	National Securities Depository Limited (NSDL)

It is the sole responsibility of the public shareholders to ensure credit of their respective equity shares in the depository account above, prior to the closure of the Offer.

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

5. The public shareholders who are holding equity shares in the physical form and who wish to tender their respective equity shares in the Offer are required to submit the duly signed Form of Acceptance addressed to the Registrar to the Offer together with the original share certificate(s), valid transfer deed(s), and such other documents as may be specified in the Letter of Offer and the Form of Acceptance, either by hand delivery on weekdays or by registered post, so as to reach the Registrar to the Offer on or before the closure of the tendering period i.e not later than 23.07.2013 in accordance with the instruction specified in the Letter of Offer and the Form of Acceptance.
6. Person who have acquired equity shares but whose name do not appeared in the register of members of the Target Company as on Identified Date, or unregistered owners or those who have acquired equity shares after the Identified Date, or who does not receive the Letter of Offer, may also participate in this Offer by submitting an application on plain paper giving details regarding their Offer as set out in the PA, this DPS and the Letter of Offer, which may be obtained from the SEBI's website (www.sebi.gov.in) or from the Registrar to the Offer - Skyline Financial Services Pvt. Ltd.

The detailed procedure for tendering the equity Shares in this Offer will be available in the Letter of Offer.

IX. OTHER INFORMATION

1. **The Directors of the Acquirer accept full responsibility for the information contained in the PA and this DPS (other than such information that has been sourced from public sources or provided and confirmed by the Target Company) and shall be jointly and severally responsible for the fulfillment of the obligations of the Acquirer under the Offer and as laid down in SEBI (SAST) Regulations.**
2. **This DPS and the PA would also be available on SEBI's Websites (www.sebi.gov.in).**

MANAGER TO THE ISSUE

mastertrust
IN MASTER I TRUST

MASTER CAPITAL SERVICES LTD
SCO 22-23, Sector 9-D, Chandigarh - 160009
Tel.: 91-172-4848000, Fax : 91-172 - 2745865;
www.mastertrust.co.in
Contact Person: Mr. Jagmohan Singh
Email: jagmohan.singh@mastertrust.co.in
SEBI Re**gn. No. INM000000107**

REGISTRAR TO THE ISSUE

TOWARDS EXCELLENCE

Skyline Financial Services Private Limited
D-153 A, Ist Floor, Okhla Industrial Area, Phase – I,
New Delhi-110 020 Tel.: +91 11 30857575 (10 Lines)
Fax: +91 11 30857562 www.skylinerta.com
Contact Person: **Mr. Virender Rana**
Email : virenr@skylinerta.com
SEBI Regn. No. INR000003241

Place : Chandigarh

Date : 27.05.2013