# PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

# JRG SECURITIES LIMITED

**(Registered Office: Velliappallil Buildings, T. B. Road, Pala - 686 575; Kerala)**

## CASH OFFER FOR ACQUISITON OF EQUITY SHARES FROM SHAREHOLDERS OF JRG SECURITIES LIMITED

**This Public Announcement ("PA") is being issued by Meghraj SP Corporate Finance (Private) Limited ("Meghraj SP" or "the Manager to the Offer") on behalf of Duckworth Limited (hereinafter referred to as "the Acquirer"), a wholly owned subsidiary of Baring India Private Equity Fund II Limited, pursuant to and in compliance with Regulation 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("SEBI (SAST) Regulations" or "the Regulations").**

### 1) Background to the offer

a. Duckworth Limited, a company incorporated on 27th day of May 2005 under Section 24 of the Companies Act 2001 in the Republic of Mauritius having its registered office at C/o Multiconsult Limited, 10, Frere Felix de Valois Street, Port-Louis, Mauritius, being the Acquirer within the meaning of the Regulation 2(1)(b) of the SEBI (SAST) Regulations. The Acquirer has agreed, vide a Share and Warrant Subscription Agreement ("SWSA") dated July 27, 2007 to subscribe to the equity shares of JRG Securities Limited ("JRG" or "the Target" or "the Target Company") being the Target Company as defined in Regulation 2 (1)(o) of the SEBI (SAST) Regulations, which has agreed to issue and allot on Preferential Issue basis an aggregate of 10,382,174 equity shares ("share") of face value Rs.10/- (Rupees Ten only) each for cash at a premium of Rs.38/- (Rupees Thirty eight only) per share (pricing for which is determined in accordance with the SEBI (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto, as applicable.

b. At the meeting of the Board of Directors of the Target Company held on July 27, 2007, the Board of Directors have proposed to issue and allot on a preferential basis ( "the Preferential Issue"):

i. 10,382,174 fully paid up equity shares to the Acquirer at a price of Rs.48/- per equity share and 13,333,333 warrants to the Acquirer convertible at the option of the holder into one equity share of Rs.10/- each for every warrant at a price of Rs.48/- including premium of Rs.38/- per share and;

ii. 1,657,237 warrants to the Promoters convertible at the option of the holder into one equity share of Rs.10/- each for every warrant at a price of Rs.48/- including premium of Rs.38/- per share.

c. The Preferential Issue by JRG is conditional upon the approval of shareholders of JRG and other requisite approvals.

d. On completion of the Preferential Issue of equity shares, the post issue share capital of JRG will comprise of 23,174,496 fully paid-up equity shares of Rs. 10/- each ("the Post Issue Voting Capital") and the Acquirer will hold 10,382,174 equity shares constituting 44.80% of the Post Issue Voting Capital. Accordingly, pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations, the Acquirer is making an Offer to the public shareholders of JRG to acquire up to 20% (4,634,900 equity shares)of the Post Issue Voting Capital .

e. The salient features of the SWSA entered into between the Acquirer, Promoters of JRG viz. Mr. Regi Jacob, Mr. Giby Mathew and Mr. Jiji Antony ("the Promoters") and JRG on July 27, 2007 are as under:

i. In the event that the shareholders approval and other requisite approvals are not received, the SWSA shall stand terminated.

ii. The Acquirer has agreed to subscribe to 10,382,174 equity shares of JRG issued on a preferential basis at a price of Rs. 48/- per equity share for consideration to be paid in cash.

iii. The Acquirer has also agreed to subscribe to 13,333,333 warrants of JRG issued on a preferential basis convertible at the option of the holder into one equity share of Rs.10/- each for every warrant at a price of Rs. 48/- including premium of Rs.38/- per share.

iv. The Promoters have also agreed to subscribe to 1,657,237 warrants (828,619 warrants shall be issued to Mr. Regi Jacob and 828,618 warrants shall be issued to Mr. Giby Mathew) issued on a preferential basis convertible at the option of the holder into one equity share of Rs.10/- each for every warrant at a price of Rs. 48/- including premium of Rs.38/- per share.

v. Subject to receipt of approval from the shareholders of JRG and other requisite approvals, the Acquirer shall pay an amount of Rs.498,344,352 (Rupees Forty nine crores eighty three lakhs forty four thousand three hundred and fifty two only) representing the total consideration for 10,382,174 equity shares and an amount of Rs.64,000,000 (Rupees Six crores forty lakhs only) representing 10% of the total consideration for 13,333,333 warrants of JRG.

vi. Subject to receipt of approval from the shareholders of JRG and other requisite approvals, the Promoters shall pay an amount of Rs.7,954,738 (Rupees Seventy nine lakhs fifty four thousand seven hundred and thirty eight only) representing 10% of the total consideration for 1,657,237 warrants of JRG.

vii. The Target Company shall complete the allotment of equity shares and warrants under preferential basis subject to shareholders approval and in accordance with SEBI (DIP) Guidelines, the Companies Act, 1956 and other applicable laws.

viii. The option to exercise the right for conversion of warrants into equity shares shall be available to the Acquirer and the Promoters any time within 18 months from the date of allotment.

ix. The Acquirer and the Promoters agree that they shall jointly convert their respective warrants into equity shares of the Target Company. Upon such conversion, an Open Offer would be triggered under the SEBI (SAST) Regulations. It has been agreed that they shall jointly make an Open Offer and acquire shares in the same proportion to their warrants which have been converted. However, in the event the Promoters or the Acquirer choose to convert their warrants independently then in such a situation the Promoters or the Acquirer (as applicable) shall solely be responsible to comply with the Regulations.

x. Reconstitution of Board: The Acquirer will appoint the Chairman and Managing Director & CEO of the Target Company as long as the Acquirer holds more than 20% of the voting rights in the Target Company. The current Chairman shall continue as Chairman Emeritus. The present Managing Director shall continue to be a Director of the Target Company for a period of at least 3 years from the date of signing this SWSA. The Promoters shall be entitled to appoint one member on the Board of JRG. The Promoters shall have, inter alia, all the rights set out in SWSA, as long as they hold a minimum of 9% in the Target Company.

xi. Tag Along Rights: If at any time the Acquirer decides to sell the Shares held by it to any third party (buyer) which constitutes change in control in favour of the buyer, the Promoters shall have Tag Along Rights of their entire shareholding at their option subject to the same terms and conditions offered by the buyer to Acquirer.

xii. JRG will form an NBFC and invest Rs.250,000,000 (Rupees twenty five crores only) from the proceeds of the preferential allotment. The Acquirer shall also invest Rs.264,035,088 (Rupees twenty six crores forty lakhs thirty five thousand and eighty eight only) into the NBFC at a 40% premium so as to get a 43% stake in the NBFC.

f. On July 27, 2007 ("Board Meeting Date"), the Board of Directors of JRG have passed appropriate resolutions for approving, inter alia, the Preferential Issue and for convening an Extra Ordinary General Meeting ("EGM") on August 24, 2007, to obtain approval of the shareholders in terms of Section 81(1A) of the Companies Act, 1956 and to authorize the Board of Directors to allot equity shares and warrants to the Acquirer and the Promoters as applicable.

g. JRG has intimated to the Bombay Stock Exchange (BSE) where its shares are listed vide its letter dated July 27, 2007 that consequent to the Preferential Allotment, the Acquirer would hold 10,382,174 equity shares of JRG.

### 2) The Offer

a. The Acquirer is making an Offer under Regulation 10 and 12 of the SEBI (SAST) Regulations to the public shareholders of JRG to acquire up to 4,634,900 fully paid-up equity shares of Rs.10/- each, representing 20% of the Post Issue Voting Capital, at a price of Rs.49/- (Rupees Forty Nine only) per share ("Offer Price"), payable in cash and subject to the terms and conditions mentioned hereinafter ("the Offer").

b. The Promoter Group comprises of Mr. Regi Jacob, Mr. Giby Mathew, Mr. Jiji Antony, Mr. Jerry Mathew, Ms. Mini Regi and Ms. Manju Mathew ("Collectively referred to as Promoter Group").

c. There are no persons acting in concert within the meaning of Regulation 2(1)(e) of the SEBI (SAST) Regulations.

d. As on the date of this PA, the Acquirer does not hold any equity shares of JRG.

e. Subject to the receipt of the approval from the shareholders of JRG and other requisite approvals for the Preferential Issue and other terms and conditions set out in this PA and the Letter of Offer to be sent to the shareholders of JRG, the Acquirer will acquire equity shares up to the extent as mentioned in the Para 2(a)above.

f. Following consummation of transaction disclosed in Para 1(a) above and the Offer mentioned in Para 2(a) above, the Acquirer will hold 64.80 % of the Post Issue Voting Capital in JRG. In the event the shareholders approval is refused, or shares as mentioned in Para 1(a) are not allotted by JRG, the Offer will not be consummated and equity shares which have already been tendered, if any, will be released, subject to the provision of the SEBI (SAST) Regulations.

g. The Offer is not conditional to any minimum level of acceptance.

h. This Offer is not a competitive bid.

i. Pursuant to the second provision to Regulation 22(7) of the SEBI (SAST) Regulations, the Acquirer has agreed to deposit in the Escrow Account on the date of this PA, 100% (one hundred per cent) of the purchase consideration payable to the shareholders assuming full acceptance of all the shares offered to be purchased in this Offer. Consequently, the Acquirer may exercise its right to nominate directors in accordance with the terms of the SWSA, at any time after a period of 21 (twenty one) days from this Public Announcement.

j. The Acquirer has not acquired nor has been allotted any equity shares of JRG during the 52-week period prior to the date of this PA. The Acquirer or their directors have not acquired any equity shares in JRG at a price above the offer price of Rs.49 per share, including by way of allotment in public or rights issue or by way of preferential allotment by JRG during the 26-week period prior to the date of this PA save and except the allotment as contemplated and as mentioned in Para 1 above.

k. The equity shares of JRG are listed on the Bombay Stock Exchange (BSE) and are frequently traded. The annualized trading turnover based on the trading volume of the shares of JRG on the above mentioned stock exchanges during January 2007 to June 2007 (6 calendar months preceding the month in which the PA is made) is as under:

| Name of Stock Exchange | Total no. of shares traded during the 6 calendar months prior to the month in which PA is made | Total No. of Listed shares | Annualized Trading Turnover (as a % to total listed shares) |
|---|---|---|---|
| BSE | 2,708,914 | 12,792,322 | 21.17 |

(Source : www.bseindia.com)

l. The Offer Price of Rs.49/- (Rupees Forty Nine only) per equity share is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations in view of the following:

| Particulars | Price |
|---|---|
| a) Negotiated Price under the SWSA referred to in Sub Regulation 1 of Regulation 14 of SEBI (SAST) Regulations | Rs.48.00 |
| b) Highest Price paid by the Acquirer for acquisition, if any, including by way of allotment in a public or rights issue of preferential issue during the 26 week period preceding the Board Meeting Date | Rs.48.00 |
| c) The average of weekly high and low of the closing prices of the shares of JRG on stock exchange, where it is most frequently traded, during the 26 week preceding the Board Meeting Date | Rs.34.55 |
| d) the average of daily high and low of the prices of the shares of JRG on stock exchange, where it is most frequently traded, during the 2 week preceding the Board Meeting Date | Rs.48.98 |

m. This PA is being issued in Business Standard - English Daily (All editions), Pratahkal - Hindi Daily (Mumbai, Udaipur and Jaipur Edition) and Deepika (All Kerala Editions) as per Regulation 15(1) of the Regulations.

### 3) Information about the Acquirer

a. Duckworth Limited is a Private Company Limited by Shares, incorporated under Section 24 of the Companies Act 2001 in the Republic of Mauritius and having its registered office at C/o Multiconsult Limited, 10, Frere Felix de Valois Street, Port-Louis, Mauritius.

b. Duckworth Limited was originally incorporated on May 27, 2005 as Baring India Public Equity Limited which was incorporated as a Private Company Limited by Shares and designated as Limited Life Company on the same date. The name was subsequently changed to Duckworth Limited on July 10, 2007.

c. Duckworth Limited obtained its Global Business License on May 30, 2005 and is regulated by the Financial Services Commission. Its Principal Activities is to act as a Collective Investment Scheme.

d. The subscribed capital is one ordinary share of USD 1 each.

e. Duckworth Limited is a wholly owned subsidiary of Baring India Private Equity Fund II Limited.

f. The Board of Directors of Duckworth Limited comprises of Uday Kumar Gujadhur and Pamela Balasoupramanien.

g. The object of Duckworth Limited is to make equity/ equity related investments which would generally be long term in nature with the principal object being capital growth.

h. The equity shares of Duckworth Limited are not listed on any stock exchange.

i. Financial Information of Duckworth Limited based on Audited Annual Accounts is as follows:

(in Rs.)

| Particulars | For the 12 months period January 1, 2006 to December 31, 2006 | For the 6 months period January 1, 2007 to June 29, 2007 |
|---|---|---|
| Total Income | - | 203,750.00 |
| Net Income / (Loss) | (260,868.54) | 90,668.75 |
| EPS | - | 90,668.75 |
| Paid-up Equity Capital | 44.23 | 40.75 |
| Reserves & Surplus | (1294,214.03) | (1,101,717.00) |
| Book Value per Share | (1294,169.80) | (1,101,676.25) |
| RONW (%) | - | - |

Conversion rate as on December 29, 2006: 1 USD = Rs.44.23 (For period ended December 31, 2006)

Conversion rate as on June 29, 2007: 1 USD = Rs.40.75 (For period ended June 29, 2006)

(Source: www.rbi.org.in)

### 4) Information about the Target Company

a. Mr. Regi Jacob, Mr. Giby Mathew and Mr. Jiji Antony founded JRG Associates as a partnership firm in the year 1992. The firm was converted into a private limited company, JRG Associates Private Limited on October 17, 1994. The Target Company's name was changed to JRG Securities Private Limited on August 26, 2003 and on September 22, 2003, the Target Company was converted into a public limited company and the name of the Target Company was changed to JRG Securities Limited. The registered office of the Target Company is situated at Velliappallil Buildings, T. B. Road, Pala - 686 575, Kerala; Tel: (0482) 2210547, Fax: (0482) 2215809.

b. Mr. Regi Jacob, Mr. Giby Mathew and Mr. Jiji Antony are the Promoters of the Target Company.

c. The Present Authorized Share Capital of the Target Company as on 31st March 2007 is Rs.150,000,000 divided into 15,000,000 equity shares of Rs.10/- each. The present issued, subscribed and paid up capital of the Target Company is Rs.127,923,220 comprising of 12,792,322 equity shares of Rs.10/- each fully paid up. There are no calls in arrears and no partly paid up shares in the Target Company.

d. The Target Company has proposed resolution to increase the Authorised Share Capital from Rs.150,000,000 to Rs.400,000,000 to be approved in the EGM to be held on August 24, 2007, for the purpose of accommodating the increase in equity capital Post Preferential Issue and Post conversion of Warrants.

e. The Target Company is engaged in the business of broking of equities on the leading exchanges in India, depository services and portfolio management services.

f. The present directors of the Target Company include:

i. Mr. T. M. Venkataraman - Chairman (Independent Director)
ii. Mr. Regi Jacob - Managing Director
iii. Mr. Giby Mathew
iv. Mr. Jiji Antony
v. Mr. S. K. K. Nair (Independent Director)

g. Mr. Mathew Jacob, one of the Director of JRG has resigned on June 29, 2007. The regulatory approvals are pending.

h. The Target Company is listed only on the Bombay Stock Exchange Ltd. (BSE)

i. The Target Company is a member of BSE, National Stock Exchange of India Ltd. (NSE), Cochin Stock Exchange Ltd. (CSE) and also the Depository Participant of National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL)

j. Financial Information of JRG based on their Audited Annual Accounts is as follows:

(Rs. in lakhs)

| For the 12 months period ended March 31, → | 2005 | 2006 | 2007 |
|---|---|---|---|
| Total Income | 1,004.64 | 1,694.98 | 2,723.35 |
| Net Income / (Loss) | 147.93 | 216.09 | 395.55 |
| EPS (Basic) | 1.94 | 2.63 | 3.17 |
| EPS (Fully Diluted) | 1.94 | 2.63 | 3.17 |
| Paid-up Equity Capital | 220.50 | 916.50 | 1,279.23 |
| Reserves & Surplus | 142.21 | 71.43 | 1,330.67 |
| Book Value per Share | 16.45 | 9.88 | 19.48 |
| RONW (%) | 40.79% | 23.86% | 15.88% |

k. The Target Company has following Subsidiary/ Associate companies:

| Subsidiary / Associate Company | Relationship | Activity |
|---|---|---|
| JRG Wealth Management Limited (Member of MCX, NCDEX, NMCE & Regional Exchange IPSTA) | 81.67% equity held by JRG | Broking in Commodity Derivatives |
| JRG Insurance Broking (P) Limited | 100% Subsidiary of JRG Wealth Management Limited | Insurance broker of Life and General Segment |
| JRG Metals and Commodities DMCC (Member of DGCX) | 40% equity held by JRG | Broking in Commodity Derivatives |
| Arteries Investor Services Limited | 50% equity held by JRG | Mutual fund Distribution |

### 5) Reasons for the Offer and Future Plans

a. The Acquirer proposes to do a substantial acquisition accompanied with a change in control / management. This offer of 20% of the voting capital i.e. 4,634,900 fully paid-up equity shares is being made in terms of Regulation 10 and 12 of SEBI (SAST) Regulations.

b. The Acquirer currently does not have any plans to dispose off or otherwise encumber any assets of JRG in the two years from the date of the closure of this Offer except in the ordinary course of business.

c. The Acquirer shall not sell, dispose off or otherwise encumber any assets of JRG except with the prior approval of the shareholders, to the extent required by applicable laws.

d. The Target Company is a Stock Broking House with major presence in South India. The investment by the Acquirer in the Target Company is to further grow the existing business lines and introduce new products. The capital raised through the preferential allotment will be utilized as follows:

i. To increase distribution / branches across the country and acquire new customers: The key aspect of the business model will be to provide an extremely unique customer experience. The blend of power of the Internet with personalized services will allow expanding its geographical coverage and capturing a greater share in the highly competitive retail market.

ii. Invest in new technology to enable online services and state of the art security and risk management systems: The Internet has redefined commerce in the new millennium by offering global reach, increased penetration and a round-the-clock service proposition. With the growing need for a customer-centric approach, technology has become a critical component of infrastructure of any company. Intent will be to build on the existing On-line Broking business and create amongst the best On-line Broking technology platforms in the country.

iii. Build the insurance and mutual fund distribution business: The Target Company aspires to build an integrated Financial Services enterprise by building the Insurance and Mutual Fund Distribution business.

iv. To grow the existing broking business: To create a sustainable Customer Value Proposition through efficient technology, convenient financial centers and friendly financial advisors. Investment in the above competencies will enable creation of a sustainable business model through interplay of technology, talented work force, superior risk management platform and widespread geographical reach.

v. The Target Company and the acquirer will form an NBFC as disclosed in Para 1(e)(xii) of this PA.

### 6) Statutory Approvals Required for the Offer

The offer is subject to:

a. Preferential allotment of equity shares to the Acquirer which is subject to the approval of the shareholders of JRG under Section 81(1A) of the Companies Act, 1956 and Listing Approval from the Stock Exchange.

b. Approvals from the Reserve Bank of India, if required, shall be procured as and when required.

c. Approvals from BSE, NSE, CSE, NSDL, CDSL, MCX, NCDEX, NMCEIL, IPSTA, IRDA, AMFI, FMC, SEBI or any other regulatory bodies if required, shall be procured as and when required.

d. To the best of the knowledge and belief of the Acquirer, no Approvals are required from FIPB (Foreign Investment Promotion Board) or any other statutory body to acquire shares pursuant to SWSA, acquisition of equity shares pursuant to this Offer and consequent to conversion of warrants.

e. Besides this, to the best of the knowledge and belief of the Acquirer, as on the date of this Public Announcement, no other statutory approval is required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event any statutory approval indicated herein is not obtained in terms of Regulation 27 of the SEBI (SAST) Regulations.

f. The applications for obtaining the above mentioned approvals shall be made by the Target Company as required.

g. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also be applicable.

h. Any consent required from Banks and Financial Institutions, pursuant to any outstanding loan agreements shall be obtained before the Offer Opening Date.

### 7) Disclosure under Regulation 21 of the SEBI (SAST) Regulations

As the Offer may result in public shareholding being reduced to a level below the limit specified in the listing agreement with the stock exchanges for the purpose of listing on a continuous basis, the Acquirer and the current Promoters of JRG undertake to raise the level of public shareholding to the levels specified in the listing agreement within a time period and in the manner as stipulated under clause 40A of the Listing Agreement, as amended from time to time.

### 8) Financial Arrangements

a. The maximum purchase consideration payable by the Acquirer in case of full acceptance of the Offer for the acquisition of up to 4,634,900 fully paid equity shares of Rs.10/- each at Rs.49/- (Rupees Forty Nine only) per share is Rs.227,110,100 (Rupees Twenty Two crores seventy one lakhs ten thousand and one hundred only). The Acquirer, vide its letter dated July 28, 2007, has undertaken to deposit 100% of the purchase consideration i.e. Rs.227,110,100 on July 30, 2007 (date of Public Announcement) in the Escrow account No.052763927001 designated as "Duckworth Limited - Open Offer - Escrow Account", opened with Hongkong and Shanghai Banking Corporation, Barakhambha Road, New Delhi, assuming full acceptance of the Offer. The Acquirer has confirmed that the funds so deposited in the escrow account will be exclusively utilized for the purpose of this aforesaid offer.

b. KPMG, Mauritius, ACPA (Membership No.4039996) have certified that the Acquirer has adequate financial arrangements to finance the proposed acquisition of shares to the extent of Acquirer's obligations under this Offer.

c. Based on the above undertaking from the Acquirer and the certificates from the auditors, the Manager to the Offer has satisfied itself about the Acquirer's ability to implement the Offer in accordance with the SEBI (SAST) Regulations.

### 9) Other Terms of The Offer

a. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of JRG (except the Acquirer and the Promoters) whose names appear on the Register of members of JRG and to the beneficial owners of the equity shares of JRG whose names appear as beneficiaries on the records of the respective depositories i.e. NSDL and CDSL, at the close of business hours on August 20, 2007 ("Specified Date")

b. The Shareholders who are holding shares in physical form and who wish to tender their equity shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer - Bigshare Services Private Ltd., E/2 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(East), Mumbai- 400 072, Tel no. 022-28470652 / 28470653 either by hand delivery on weekdays or by Registered Post, on or before the Close of the Offer. i.e. not later than 17:00 hours on October 10, 2007 in accordance with the Instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.

c. The Registrar to the Offer, Bigshare Services Private Ltd., has opened a special depository account with following details:

| | |
|---|---|
| Depository | NSDL |
| DP Name | IDBI Bank Limited |
| Account Name | BIGSHARE SERVICES PVT.LTD.- ESCROW A/C - JRG SECURITIES LTD-OPEN OFFER |
| Client ID Number | 13504769 |
| DP ID Number | IN300450 |
| ISIN | INE347H01012 |

The Shareholders having their beneficiary account in CDSL have to use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

d. Beneficial Owners (holders of shares in dematerialized form) who wish to tender their shares 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 Depository Participant ("DP") in favour of the special depository account to the Registrar to the Offer - Bigshare Services Private Ltd. either by hand delivery on weekdays or by Registered Post, on-or before the Close of the Offer, i.e. not later than October 10, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before close of the Offer i.e. not later than October 10, 2007.

e. All owners (registered or unregistered) of shares of JRG (except the Acquirer and the Promoters) are eligible to participate in the Offer anytime before the closure of the Offer.

f. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, number of shares held, number of shares offered, Distinctive numbers, Folio Number, together with the original Share Certificate(s), valid transfer deeds an the Original contract notes issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

g. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, number of shares held, Distinctive numbers, Folio numbers, number of shares offered along with the documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e. no later than October 10, 2007 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating Name, Address, the number of shares held, number of shares offered 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 special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. no later than October 10, 2007.

h. In terms of regulation 22(5A) of the SEBI (SAST) Regulations, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the address mentioned above as per the mode of delivery indicated therein on or before October 5, 2007.

i. The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.

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

1. In case of physical shares: Name, Address, Distinctive numbers, Folio Number, number of shares tendered; and
2. In case of dematerialized shares: Name, Address, number of shares offered, 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 acknowledge by the DP, in favour of the special depository account.

i. The Registrar to the Offer will hold in trust the shares/Share Certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of JRG who have accepted the Offer, till the cheques/drafts for the consideration and/or the unaccepted shares/ Share Certificates are dispatched/ returned.

j. If the aggregate of the valid responses to the Offer exceeds the Offer size of 4,634,900 fully paid-up equity shares of JRG (representing 20% of the Post Issue Voting Capital of JRG), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

k. As the shares of JRG are compulsorily traded in dematerialized form, therefore minimum acceptance/marketable lot will be one share.

l. Unaccepted Share Certificate, Transfer Deeds and other documents, if any, will be returned by Registered Post at the shareholders/unregistered owners sole risk to the sole/first shareholder. Unaccepted shares held in demat form will be credited back to the beneficial owners depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

m. Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of Closure of the Offer, i.e. no later than October 10, 2007, else their application would be rejected.

n. Shareholders of JRG who have lodged Equity Shares for transfer may either download the Letter of Offer and Acceptance Form from the SEBI's site (www.sebi.gov.in) or request for the Acceptance Form from the Registrar to the Offer. The Acceptance Form, duly completed and signed in accordance with the instructions contained therein or an application in writing on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers and folio number shall be sent to the Registrar to the Offer along with the acknowledgement, if any, received from JRG for having lodged the Equity Shares for transfer. Shareholders of JRG who are attaching the acknowledgement are requested to direct JRG in writing to retain the share certificates for onward submission to the Registrar to the Offer.

o. The Registrar to the Offer will hold in trust the Shares/share certificates, Shares lying in credit of the special depository account, Form of Acceptance and the transfer form(s), if any, on behalf of the shareholders who have accepted the Offer, till the Acquirer completes the Offer obligations in accordance with the SEBI Takeover Code.

p. The securities transaction tax will not be applicable to the shares accepted in this Offer.

q. While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of JRG. In case the pervious RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered in this Offer. While tendering shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rates as may be applicable to the category of the shareholder under the Income Tax Act, 1961 on the entire consideration amount payable to such shareholder.

r. In case of resident shareholders of JRG, the Acquirer will deduct the tax on the interest component exceeding Rs.5,000/- at the current prevailing rates, if applicable. If the resident shareholder of JRG requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, he will be required to submit a No Objection Certificate from the income tax authorities or a self declaration in Form 15G / 15H, as may be applicable indicating the rate at which tax is to be deducted by the Acquirer. Shareholders of JRG eligible to receive interest component exceeding Rs.5,000/- would be required to submit their Permanent Account Number for income tax purposes. Clauses relating to payment of Interest will become applicable only in the event of the Acquirer becoming liable to pay interest for delay in release of purchase consideration.

s. The payment of consideration for the accepted equity shares will be made by the Acquirer by crossed account payee cheque/demand draft to the shareholders of the accepted Equity Shares within 15 days from the date of closure of the Offer. Such payments and documents i.e., share certificates etc. in case of unaccepted Equity Shares will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk. Consideration up to Rs.1500/- will be dispatched "Under Certificate of Posting". Equity Shares held in dematerialized form to the extent not accepted will be credited back to the account of the beneficial owner specified in the Acceptance Form.

t. A schedule of some of the major activities in respect of the Offer is given below:

| Activities | Day | Dates |
|---|---|---|
| Specified Date * | Monday | August 20, 2007 |
| Last date for Competitive Bid | Monday | August 20, 2007 |
| Date by which letter of offer to be dispatched to shareholders | Wednesday | September 12, 2007 |
| Date of Opening of the Offer | Friday | September 21, 2007 |
| Last date for revising the Offer Price / number of equity shares | Saturday | September 29, 2007 |
| Last date up to which shareholders may withdraw | Friday | October 5, 2007 |
| Date of Closure of the Offer | Wednesday | October 10, 2007 |
| Date for communicating acceptance/rejection under the Offer and Payment of consideration for applications accepted. | Thursday | October 25, 2007 |

**Specified Date is only for the purpose of determining the names of shareholders of JRG as on such date to whom the letter of offer would be sent.*

### 10) General

a. Shareholders of JRG who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw the acceptance tendered by them up to 3 (three) working days prior to the date of closure of the Offer in terms of Regulation 27 (5A) of the SEBI (SAST) Regulations.

b. As specified in the table the Acquirer reserves the right to revise the Offer Price up to 7 (seven) working days prior to the closure of the Offer and if there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e. September 29, 2007, or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers in which the original PA had appeared. The Acquirer would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.

c. **If there is a competitive bid:**

**i. The Public offers under all the subsisting bids shall close on the same date.**

**ii. As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers / bids, it would therefore be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

d. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

e. Pursuant to Regulation 13 of the SEBI (SAST) Regulations the Acquirer has appointed Meghraj SP Corporate Finance (Private) Limited as Manager to the Offer. As on the date of this PA, the Manager to the Offer does not hold any shares in the Target Company.

f. The Acquirer has appointed Bigshare Services Private Ltd. as the Registrar to the Offer, E/2 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai- 400072, Phone No: 022-28470652 / 28470653, Fax No: 022-2847 5207 email: mohan@bigshareonline.com, Contact Person: Mr. N. V. K. Mohan; Contact No.: +91 9820183084.

g. For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement.

h. This PA is issued by the Manager to the Offer on behalf of the Acquirer.

i. The Board of Directors of the Acquirer accepts responsibility for the information contained in this PA (except that which pertains to the Target Company and which has been compiled from publicly available sources). The Acquirer is responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations.

This PA and the subsequent Letter of Offer would be available on the SEBI's website (www.sebi.gov.in). Eligible persons to the offer may also download a copy of the Letter of Offer and Form of Acceptance-cum-Acknowledgement from the SEBI website at www.sebi.gov.in from the offer opening date i.e. September 21, 2007 and apply in the same.

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|---|
| MEGHRAJ<br>**Meghraj SP Corporate Finance (Private) Limited**<br>Contact: Mr. Rajan Satija<br>3rd Floor, Khanna Construction House, 44, Dr. R.G. Thadani Marg Worli, Mumbai – 400 018<br>Tel.: 91-22-24931764<br>Fax: 91-22-24931765<br>E-mail: rajan@meghrajindia.com | **Bigshare Services Private Ltd**<br>Contact: Mr. N. V. K. Mohan<br>Address: E/2 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai- 400 072<br>Tel.: 91-22-28470652 / 28470653<br>Fax: 91-22-2847 5207<br>Email: mohan@bigshareonline.com |

**For and On Behalf of the Acquirer**
**Through Constituted Power of Attorney**
Sd/-
**Vikram Gera**

**Place : Mumbai**
**Date: July 30, 2007**