

## LETTER OF OFFER

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

This Letter of Offer is sent to you as a shareholder(s) of **Lifeline Drugs & Pharma Limited**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Members of Stock Exchange through whom the said sale was effected.

#### OPEN OFFER

pursuant to and in compliance with Regulations 10 & 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations')

By

**IVORY CONSULTANTS PRIVATE LIMITED ('ICPL' or the 'Acquirer')**

Regd. Off.: Room No. 305, 3<sup>rd</sup> Floor, 27, Brabourne Road, Kolkata-700 001; Tel: 033-30283469; Fax : 033-30283469

**to acquire 48,000 (Forty Eight Thousand only) equity shares of Rs. 10/- each representing 20% of the voting capital at a price of Rs. 58/- (Fifty Eight only) per share ('Offer Price') of**

**LIFELINE DRUGS & PHARMA LIMITED ('LDPL' or the 'Target Company')**

Regd. Off.: Office No. 17, 3<sup>rd</sup> Floor, Zaveri Bhavan, 85/87, Old Hanuman Lane, Kalbadevi Road, Mumbai- 400 002.  
Tel: 022-2200 6627.: Fax : 022-2200 6627

These shares will be acquired in cash, in accordance with Regulation 20 (2)(a) of the Regulations from the existing shareholders, other than the Acquirer, of the Target Company.

The Offer is subject to the receipt of necessary approval(s) from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments thereto for acquiring equity shares tendered by Non Resident Shareholders. The requisite applications to RBI will be made, by the Acquirer, at the appropriate time. There are no other statutory approvals required, for the acquisition of equity shares tendered pursuant to this Offer. The Open Offer would also be subject to all the statutory approvals that may become applicable at a later date but before the completion of the Open Offer.



Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to three working days prior to the date of Closure of the Offer i.e. on or before August 1, 2012 (Wednesday).

If there is any upward revision in the Offer Price / number of Equity Shares, by the Acquirer, till the last date for revising the Offer Price/ Number of Shares viz. July 26, 2012 (Thursday) or withdrawal of the Offer in terms of the Regulation 27 of the Regulations, the same would be informed by way of a Public Announcement in the same newspapers in which the original Public Announcement had appeared. Such revised Offer Price would be payable to all the shareholders who has tendered their shares at any time during the period between the offer opening date and the offer closing date to the extent their shares have been verified and accepted by the Acquirer.

The Offer is not conditional upon any minimum level of acceptance.

**There has been no Competitive Bid.**

A copy of the Public Announcement, Corrigendum to the Public Announcement and the Letter of Offer (including Form of Acceptance-cum- Acknowledgement and Form of Withdrawal) are also available on SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in) from the date of opening of the Offer i.e. July 16, 2012 (Monday).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>ASHIKA CAPITAL LIMITED</b> 1008, 10<sup>th</sup> Floor, Raheja Centre, 214, Nariman Point, Mumbai-400 021. Tel: 022-66111700; Fax:022-66111710 E-mail: mbd@ashikagroup.com <b>Contact Person: Mr. Narendra Kumar Gamini</b></p>	 <p><b>PURVA SHAREREGISTRY INDIA PVT LTD</b> Unit No.-9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (E), Mumbai-400 011 Tel: 022-23018261/ 23016761; Fax: 022-23012517 E-mail: busicomp@vsnl.com <b>Contact Person: Mr. V. B. Shah</b></p>

**THE SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:**

<b>Activity</b>	<b>Original Date &amp; Day</b>	<b>Revised Date &amp; Day</b>
Public Announcement	October 06, 2010 (Wednesday)	October 06, 2010 (Wednesday)
Specified Date #	October 29, 2010 (Friday)	October 29, 2010 (Friday)
Last Date for a Competitive Bid, if any	October 27, 2010 (Wednesday)	October 27, 2010 (Wednesday)
Corrigendum to Public Announcement	-	July 6, 2012 (Friday)
Date by which the Letter of Offer to be Despatched to shareholders	November 18, 2010 (Thursday)	July 12, 2012 (Thursday)
Date of Opening of the Offer	November 24, 2010 (Wednesday)	July 16, 2012 (Monday)
Last date for revising the Offer Price/ Number of Shares	December 2, 2010 (Thursday)	July 26, 2012 (Thursday)
Last date for Withdrawal of Acceptance by Shareholders	December 8, 2010 (Wednesday)	August 1, 2012 (Wednesday)
Date of Closing of the Offer	December 13, 2010 (Monday)	August 4, 2012 (Saturday)
Date by which communicating rejection/acceptance and despatch of Cheques/Demand Drafts towards payment of consideration to be completed	December 28, 2010 (Tuesday)	August 18, 2012 (Saturday)

*# Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer would be sent.*

**RISK FACTORS:**

**Relating to the Offer:**

1. The Offer involves an offer to acquire 48,000 Equity Shares of Rs. 10/- each representing 20% of the voting capital of the Target Company from the Eligible Persons for the Offer. In case of over-subscription in the Offer, as per the Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a 'stay' of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target company whose Shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer may be delayed.
3. The Registrar to the Offer will hold in trust the Share Certificates, Form of Acceptance, if any, and the Transfer Deed (s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of the Target Company. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

**Relating to the Acquirer:**

1. SEBI has initiated adjudication proceedings under section 15 of SEBI Act / Section 23 of the Securities Contracts (Regulation) Act, 1956 against the Acquirer
2. Reserve Bank of India (RBI) vide its letter dated November 19, 2010 has advised that Ivory Consultants Private Limited (Acquirer) is registered with the RBI as a Non Deposit accepting NBFC and as such is subjected to minimal regulations. Further RBI has advised that as the company has not complied with some of the regulations, there is supervisory concern in respect of the Acquirer.
3. The Acquirer makes no assurance with respect to the financial performance of the Target Company or with respect to investment/divestment relating to its proposed shareholding in the Target Company
4. The areas of operations of Acquirer are not similar to the main areas of operations of the Target Company.

5. The Acquirer does not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

**Relating to the Present Promoters/Promoter Group of the Target Company:**

1. Indian Overseas Bank has filed a recovery suit against Lifeline Industries Limited and Mr. Kirti M Kanakia & Mr. Nikunj K Kanakia (present Promoters of the Target Company).before the Debt Recovery Tribunal - III, Mumbai (DRT-III) for a sum of Rs. 3730.39 lakhs.
2. Canara Bank has filed a recovery suit against Om Shree Pharmachem Pvt Ltd. and Others (including present Promoters of the Target Company) before Debt Recovery Tribunal - II, Mumbai (DRT-II) for a sum of Rs. 2147.20 lakhs together with further interest thereon @ 17.50% compounded with monthly rests.
3. Federal Bank Limited has initiated recovery steps against Lifeline Industries Limited for the credit facilities availed by them for their unit at Solapur.

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

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### 1. ABBREVIATIONS / DEFINITIONS

<b>Acquirer</b>	Ivory Consultants Private Limited
<b>BSE</b>	Bombay Stock Exchange Limited, Mumbai
<b>Eligible Persons for the Offer</b>	All Equity Shareholders of the Target Company (registered and unregistered) who own the equity shares at any time prior to the Closure of the Offer, except the Acquirer
<b>FEMA</b>	Foreign Exchange Management Act, 1999
<b>FII</b>	Foreign Institutional Investor
<b>Form of Acceptance</b>	Form of Acceptance cum Acknowledgement, which is enclosed with this Letter of Offer
<b>Form of Withdrawal</b>	Form of Withdrawal cum Acknowledgement
<b>Income Tax Act</b>	Income Tax Act, 1961 of India
<b>Letter of Offer / LOO</b>	Offer Document
<b>Manager / Manager to the Offer</b>	Ashika Capital Limited
<b>MICR</b>	Magnetic Ink Character Recognition
<b>NEFT</b>	National Electronic Funds Transfer
<b>NRI</b>	Non-Resident Indians
<b>Offer/Open Offer</b>	Cash Offer being made by the Acquirer to the shareholders of the Target Company, to acquire 48,000 equity shares of Rs. 10/- each representing 20% of the voting capital of the Target Company
<b>Offer Price</b>	Rs. 58/- per equity share
<b>PA / Public Announcement</b>	Public Announcement of the Offer issued in newspapers by the Manager to the Offer, on behalf of the Acquirer on October 6, 2010 (Wednesday) and July 06, 2012 (Friday)
<b>Present Promoters</b>	Mr. Kirti M Kanakia, Mr. Nikunj K Kanakia and Om Shree Pharmachem Private Limited
<b>RBI</b>	Reserve Bank of India
<b>Registrar / Registrar to the Offer</b>	Purva Sharegistry India Private Limited
<b>Rs. / INR</b>	Indian Rupees, the legal currency of India
<b>RTGS</b>	Real Time Gross Settlement
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI (SAST) Regulations / Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof
<b>Share Purchase Agreement / SPA</b>	Share Purchase Agreement dated September 30, 2010
<b>Specified Date</b>	October 29, 2010 (Friday)
<b>Target Company/ LDPL</b>	Lifeline Drugs & Pharma Limited

## 2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF LIFELINE DRUGS & PHARMA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED OCTOBER 18, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

## 3. DETAILS OF THE OFFER

### 3.1. BACKGROUND OF THE OFFER

- a) This Open Offer ('Offer') is being made by Ivory Consultants Private Limited (hereinafter referred to as 'ICPL' or the 'Acquirer') to the equity shareholders of Lifeline Drugs & Pharma Limited (hereinafter referred to as 'LDPL' or the 'Target Company'), pursuant to and in compliance with Regulation 10 & 12 and other applicable provisions of the Regulations for substantial acquisition of shares/voting rights accompanied with the change of control and management of the Target Company.
- b) On September 30, 2010, the Acquirer has entered into a Share Purchase Agreement (the 'Share Purchase Agreement' or the 'SPA') with the Existing Promoters of the Target Company (hereinafter referred to as 'Sellers') for acquisition of 1,01,210 fully paid-up equity shares of Rs. 10/- each, representing 42.17% of voting capital of Target Company, at a price of Rs. 45/- per share ('Negotiated Price'), payable in cash, as detailed herein below:

S. No.	Name & Address of the Seller(s)	No. of Shares	% of Voting Capital
a)	<b>Mr. Kirti M Kanakia</b> Flat No. 701/702, Quarter Deck Co.-op. Hsg. Ltd., J P Road, Versova, Andheri (West), Mumbai-400 061.	49,300	20.54
b)	<b>Mr. Nikunj K Kanakia</b> Flat No. 701/702, Quarter Deck Co.-op. Hsg. Ltd., J P Road, Versova, Andheri (West), Mumbai-400 061.	49,610	20.67
c)	<b>Om Shree Pharmachem Private Limited</b> 5, Raturaj, Near Lido Cinema, Juhu Road, Santacruz (West), Mumbai -400 049.	2,300	0.96
	<b>Total</b>	<b>1,01,210</b>	<b>42.17</b>

- c) The salient features of the SPA are as follows:
- i. As per the filings made with the BSE and within the meaning of the Regulations, the Sellers are the Promoters of the Target Company and as such are persons who are in overall control of the business and affairs of the Target Company.

- ii. The Sellers have agreed to sell to the Acquirer, each to the extent of their individual shareholding, and the Acquirer has, relying on the representations and warranties of the Sellers and subject to the regulatory approvals and satisfactory fulfillment or accomplishment of the Conditions Precedent set out the SPA, agreed to purchase from each Seller, as such Seller's respective shareholding in the Company as under:

S. No.	Name of the Seller(s)	No. of Shares	% of Voting Capital	Name of the Acquirer	No. of Shares	% of Voting Capital
a)	Kirti M Kanakia	49,300	20.54	Ivory Consultants Private Limited	1,01,210	42.17
b)	Nikunj K Kanakia	49,610	20.67			
c)	Om Shree Pharmachem Private Limited	2,300	0.96			
	<b>Total</b>	<b>1,01,210</b>	<b>42.17</b>	<b>Total</b>	<b>1,01,210</b>	<b>42.17</b>

- iii. The Shares are free from all Encumbrances.
- iv. The purchase price per share is Rs. 45/-. The aggregate of consideration that shall be paid by the Acquirer to the Sellers is a sum of Rs. 45,54,450/- (Rupees Forty Five Lacs Fifty Four Thousand Four Hundred and Fifty only).
- v. Each of the Sellers shall give to the Acquirer the Share Certificates along with the Transfer Deed(s) duly signed and the same will be in the custody of the Manager to the Offer till the completion of Open Offer under the Regulations.
- vi. The aggregate Purchase Price for the Shares will be paid by the Acquirer as follows:
- A sum of Rs. 1,00,000/- (Rupees One Lakh only) as earnest money or deposit vide Demand Draft / Pay Order to the Seller(s) simultaneously with the execution of the Agreement, and
  - A sum of Rs. 44,54,450/- (Rupees Forty Four Lacs Fifty Four Thousand Four Hundred and Fifty only) to the Seller(s) vide Demand Draft(s) / Pay Order(s), which would be in the custody of Manager to the Offer till the completion of Open Offer under SEBI Takeover Regulations, on the Closing Date.
- vii. As a consequence of the sale and purchase of the Shares, the Sellers shall cease to be the Promoters of the Company and the Acquirer shall become the new Promoter of the Company under the provisions of the Regulations.
- viii. In case of non-compliance with any of the provisions of the Regulations, the SPA shall not be acted upon by either Sellers or the Acquirer.

For some of the above terms more specifically defined in SPA and other details of the SPA, shareholders of the Target Company may refer SPA which would be available to them for inspection during the period between the offer opening date and the offer closing date at the office of the Manager to the Offer.

- d) The above acquisition by Acquirer, by virtue of the SPA, would leads to a change of control of the Target Company and hence this Offer is being made pursuant to and in terms of the Regulations.
- e) **Developments subsequent to the date of PA:**
- On December 2, 2010, the Honorable Whole Time Member of SEBI passed an ad- interim ex-parte Order numbering WTM/KMA/ISD/320/12/ 2010, under section 11B, 11D and 11 4(b) of the SEBI Act against Mr. Sanjay Dangi , his associates and other entities in the matter of dealings in the scrips of Murli Industries Limited, Hubtown Limited (earlier known as Ackruti City Limited), Welspun Corp Limited (earlier known as Welspun-Gujarat Stahl Rohren Limited), Brushman (India) Limited and RPG Transmission Limited . It was alleged in the said Order that the Acquirer is an entity of Mr. Sanjay Dangi (Dangi Group entity) and therefore the Acquirer was also been restrained along with Mr. Sanjay Dangi, & others from accessing the securities market and further prohibited from buying, selling or dealing in securities in any manner whatsoever, till further directions. Subsequently, on July 19, 2011, the said interim ex-parte directions were confirmed vide Order No. WTM/KMA/IVD/414/07/ 2011.
  - On December 09, 2011, the Sellers terminated the Share Purchase Agreement which was entered with the Acquirer for sale of 1,01,210 fully paid-up equity shares of Rs. 10/- each, representing 42.17% of voting capital of Target Company, at a price of Rs. 45/- per share, since they were not willing to wait beyond an unreasonable period.

- iii. On March 16, 2012, the Honorable Whole Time Member of SEBI passed final Order Numbering WTM/PS/MAR/IVD/ID8/79/2012 revoking the said interim directions. However, the adjudication proceedings under section 15 of SEBI Act / Section 23 of the Securities Contracts (Regulation) Act, 1956 are being initiated by SEBI against the Acquirer.
- f) The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- g) After completion of all formalities relating to the acquisition and after complying with formalities required by the Regulations, the Board of Directors might be reconstituted to include nominee(s) of the Acquirer.
- h) The Acquirer and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act. However, the adjudication proceedings under section 15 of SEBI Act / Section 23 of the Securities Contracts (Regulation) Act, 1956 are being initiated by SEBI against the Acquirer.

### 3.2. DETAILS OF THE PROPOSED OFFER

- a) The Public Announcement was made by Acquirer on October 6, 2010, in compliance with regulation 15 (1) of the Regulations, in the following newspapers:

<b>Business Standard</b>	English	All Editions
<b>Business Standard</b>	Hindi	All Editions
<b>Mumbai Lakshadeep</b>	Marathi	Mumbai Edition

A Corrigendum to PA was also published in the above Newspapers on July 06, 2012. The Public Announcement as well as Corrigendum to PA is also available on SEBI's website at [www.sebi.gov.in](http://www.sebi.gov.in).

- b) The Offer is being made by the Acquirer for acquisition of 48,000 Shares (the 'Offer Size') from the existing shareholders of the Target Company, representing 20% of the voting capital of the Target Company, at a price of Rs. 58/- per Share (Rupees Fifty Eight only), payable in cash (the 'Offer Price').
- c) All the Equity Shares of the Target Company are fully paid up and there are no partly paid up Equity Shares in the Target Company.
- d) This is not a Competitive Bid.
- e) The Offer is unconditional and not subject to any minimum level of acceptance. The Acquirer will acquire all the Equity Shares of the Target Company that are validly tendered and accepted in terms of this Offer upto a maximum of 48,000 Equity Shares of the Target Company.
- f) As on date, the Manager to the Offer does not hold any equity share in the Target Company. The Manager to the Offer declare and undertake not to deal in the equity shares of Target Company during the period commencing from the date of their appointment as Manager to the offer till the expiry of 15 days from the date of Closure of the Offer.
- g) For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the Regulation 2(1)(e) of the Regulations.
- h) The Acquirer will acquire the Shares tendered in the Offer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- i) The Acquirer has not acquired either directly or through any other person any Shares of the Target Company during 12 months preceding the date of PA. The Acquirer has not acquired any shares of the Target Company after the date of Public Announcement and up to the date of this Letter of Offer.
- j) The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities.

### **3.3. OBJECT OF THE OFFER**

- a) This Offer is being made to the shareholders of Target Company pursuant to and in compliance with Regulation 10 & 12 and other applicable provisions of the Regulations with the prime object to have substantial holding of shares/voting rights accompanied with the change of control and management of the Target Company.
- b) The Acquirer intends to carry on the present business of the Target Company. The Acquirer intends to invest, incubate in corporate opportunities and also provide extensive insight and support on the development of the business of the Target Company. The Acquirer will suitably strengthen the Target Company with the human resource capital as well as financial capital. While the acquirer will impart support systems in the financial/human resources aspects for the existing business, they reserve the right to modify the present structure of the business in a manner which is useful to the larger interests of the shareholders.

The acquirer will review various options available to use the existing structure of the corporate as also converge the long term plans of building multiple revenue streams under the existing corporate structure. The Acquirer may reorganize and / or streamline various businesses for commercial reasons and operational efficiencies. Any change in the structure that may be effected will be in accordance with the laws applicable.

- c) The Acquirer does not intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

### **4. BACKGROUND OF THE ACQUIRER**

#### **4.1. Information about the Acquirer**

- a) Ivory Consultants Private Limited was incorporated on March 15, 1994 under the Companies Act, 1956, in Kolkata, West Bengal. The Corporate Identification Number of the ICPL is U74140WB1994PTC062276. The registered office of the ICPL is situated at Room No. 305, 3<sup>rd</sup> Floor, 27 Brabourne Road, Kolkata-700 001, Tel: +91-33-30283469, Fax : 91-33-30283469.
- b) ICPL was originally promoted by Mr. Hari Ram Choudhary and Mr. Manish Choudhary and the management/control of the company was taken over by Mr. Brajesh Chowdhury and Mr. Suresh Kumar Jain during the financial year 2003-2004.
- c) The main Object Clause of the ICPL, as per the Memorandum of Association, inter alia includes to carry on the business as consultants and/or render services on matters and problems relating to the industries, administration, management organization accountancy, taxation, costing, financial shares & secretarial marketing, etc. ICPL is presently engaged in the business of financial services including consultancy services, trading and investment in shares, etc.
- d) ICPL is also registered with the Reserve Bank of India, as Non-Banking Financial Company to carry on the business of non-banking financial institution without accepting public deposits, vide RBI Certificate of Registration bearing No B05.05507 dated September 18, 2003. Reserve Bank of India (RBI) vide its letter dated November 19, 2010 has advised that the Acquirer is registered with the RBI as a Non Deposit accepting NBFC and as such is subjected to minimal regulations. Further RBI has advised that as the company has not complied with some of the regulations, there is supervisory concern in respect of the Acquirer.
- e) On December 2, 2010, the Honorable Whole Time Member of SEBI passed an ad- interim ex-parte Order numbering WTM/KMA/ISD/320/12/ 2010, under section 11B, 11D and 11 4(b) of the SEBI Act against Mr. Sanjay Dangi , his associates and other entities in the matter of dealings in the scrips of Murli Industries Limited, Hubtown Limited (earlier known as Ackruti City Limited), Welspun Corp Limited (earlier known as

Welspun-Gujarat Stahl Rohren Limited), Brushman (India) Limited and RPG Transmission Limited . It was alleged in the said Order that the Acquirer is an entity of Mr. Sanjay Dangi (Dangi Group entity) and therefore the Acquirer was also been restrained along with Mr. Sanjay Dangi, & others from accessing the securities market and further prohibited from buying, selling or dealing in securities in any manner whatsoever, till further directions. Subsequently, on July 19, 2011, the said interim ex-parte directions were confirmed vide Order No. WTM/KMA/IVD/414/07/ 2011.

- f) On March 16, 2012, the Honorable Whole Time Member of SEBI passed final Order Numbering WTM/PS/MAR/IVD/ID8/79/2012 revoking the said interim directions. However, the adjudication proceedings under section 15 of SEBI Act / Section 23 of the Securities Contracts (Regulation) Act, 1956 are being initiated by SEBI against the Acquirer.
- g) As on date of PA and this Letter of Offer, the Authorized Share Capital is Rs. 620.00 Lakhs comprising 62,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid up Share Capital is Rs. 618.95 Lakhs comprising of 61,89,520 equity shares of Rs.10/-each.
- h) The shareholding pattern of the company as on 30<sup>th</sup> September, 2010 is as under:

Shareholder's Category	No. of Equity Shares	%
Promoters	-	-
Non-Promoters	61,89,520	100.00
<b>TOTAL</b>	<b>61,89,520</b>	<b>100.00</b>

- i) The details of the Board of Directors of ICPL as on date of PA and this Letter of Offer are as follows:

S. No.	Name	Address	Qualification	Experience	Date of Appointment
1.	Mr. Brajesh Chowdhury	AD-177, Rabindra Pally, Blue Hill, Kestopur, Kolkata-700 059.	Chartered Accountant	10 years in the areas of Finance	22.12.2003
2.	Mr. Suresh Kumar Jain	23, Mahendra Nath Ray Lane, 4 <sup>th</sup> Floor, Howrah-711 101.	B. Com.	10 years in the areas of Finance and Marketing	22.12.2003
3.	Mr. Anil Yaduka Kumar	J/J-4/3, Aswani Nagar, Bagiati, Kolkata- 700 059.	B. Com.	5 years in the areas of Finance	01.04.2012

None of the above Directors are on the Board of the Target Company.

- j) Brief audited financials of ICPL for the last 3 Years from the date of PA and certified financial results for the period ended 30.06.2010 are as follows:

**Profit and Loss Statement**

(Rs. In Lakhs)

For the Year/period ended	30.06.2010 (Un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
<b>Income:</b>				
Sales	34.82	2039.69	7023.64	622.70
Other Income	2.15	377.73	978.61	213.91
<b>Total Income</b>	<b>36.97</b>	<b>2417.42</b>	<b>8002.25</b>	<b>836.61</b>
Total Expenditure	22.05	2409.70	8000.02	832.33
Profit before Interest, Depreciation & Tax	14.92	7.72	2.23	4.28
Depreciation	-	-	-	-
Interest	-	-	0.56	2.95
Profit Before Tax	14.92	7.72	1.67	1.33
Provision for Tax	-	-	0.14	0.32
Provision for Fringe Benefit tax	-	-	0.03	0.04
<b>Profit/(Loss) after Tax</b>	<b>14.92</b>	<b>7.72</b>	<b>1.50</b>	<b>0.97</b>
Prior period adjustments	-	1.48	14.93	-
<b>Profit/(Loss) available for appropriation</b>	<b>14.92</b>	<b>6.24</b>	<b>(13.43)</b>	<b>0.97</b>

**Balance Sheet Statement**

(Rs. In Lakhs)

As at	30.06.2010 (Un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
<b>Sources of funds:</b>				
Paid-up Share Capital	618.95	618.95	502.15	446.35
Reserves & Surplus	15129.86	15114.93	8385.49	5664.72
Less: Miscellaneous Expenditure	0.54	--	0.17	0.59
<b>Networth</b>	<b>15748.27</b>	<b>15733.89</b>	<b>8887.47</b>	<b>6110.48</b>
Secured Loan	-	-	-	-
Unsecured Loan	-	-	-	-
<b>TOTAL</b>	<b>15748.27</b>	<b>15733.89</b>	<b>8887.47</b>	<b>6110.48</b>
<b>Application of funds:</b>				
Net Fixed Assets	-	-	-	-
Investments	-	-	-	-
Net Current Assets	15748.27	15733.89	8887.47	<b>6110.48</b>
<b>TOTAL</b>	<b>15748.27</b>	<b>15733.89</b>	<b>8887.47</b>	<b>6110.48</b>

**Other Financial Data**

Particulars	30.06.2010 (Un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
Dividend (%)	Nil	Nil	Nil	Nil
EPS (Rs.)	0.96*	0.10	(0.27)	0.02
Return on Networth (%)	0.38	0.04	(0.15)	0.02
Book Value per Share (Rs.)	254.44	254.20	176.99	121.70

*\*Annualised***Notes:**

EPS = Profit after tax / number of outstanding equity shares at the close of the year.

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of equity shares

**Significant Accounting Policies:**

**General:** The financial statements are prepared under the historical cost convention on the basis of Going Concern Concept in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently.

**Revenue Items:** Items in Incomes and Expenses are accounted for on the Accrual Basis except payment to Government Authority which are accounted for on cash basis.

**Revenue Recognition:** Sales of shares etc is accounted for as and when the transactions take place.

**Miscellaneous Expenditure:** the Company amortises miscellaneous expenditure representing preliminary expenses in equal installments over a period of five years.

**Contingent Liabilities:** Contingent Liabilities, if any not provided for, are disclosed by notes to the accounts

**Inventories:** The inventories are valued at cost and Market value whichever is lower in case of quoted shares and at cost in case of unquoted shares.

**Retirement Benefit:** Retirement benefits if any not provided for will be treated on payment basis.

**Taxation:** provision for current tax is made on the basis of the amount of tax payable on taxable income for the year in accordance with Income Tax Act, 1961.

**Impairment of Assets:** In terms of Accounting Standard (AS-28) on impairment of assets issued by Chartered Accountants of India, the Company has carried out an exercise to ascertain the impairment, if any, in the carrying value of its fixed assets. There were no assets during the year review.

**Segment Reporting:** The Company operates in a single segment. No geographic segments have been identified since the operations of the Company are restricted in India.

**Reasons for increase in Reserves & Surplus for the year ending 31.03.2010:**

The Reserves & Surplus of the Company for the year ending 31.03.2010 has increased mainly on account of receipt of share premium during the year to the extent of Rs. 6723.20 Lakhs.

**Reasons for fall / rise in Total Income and PAT:**

The Company is mainly engaged in trading and investment in shares & securities and majority of its income consists of sale of shares, profit on sale of investments and interest & dividend earned.

**2010 vs. 2009:**

The Total Income of the company has decreased to Rs. 2417.42 Lakhs in fiscal 2010 as compared to Rs. 8002.25 Lakhs in fiscal 2009 registering the decline of 69.79% due to low volume of trading & investment in shares & securities. However, the company earned PAT of Rs. 7.72 Lakhs in fiscal 2010 as compared to a PAT of Rs. 1.50 Lakhs in fiscal 2009 due to better cost control measures.

**2009 vs. 2008:**

The Total Income of the company has increased to Rs. 8002.25 Lakhs in fiscal 2009 as compared to Rs. 836.61 Lakhs in fiscal 2008 registering an increase of 856.51% mainly due to high volume business of trading & investment in shares & securities over the previous year. However, the company could earn a PAT of Rs. 1.50 Lakhs only in fiscal 2009 as compared to a PAT of Rs. 0.97 Lakhs in fiscal 2008 due to low realization of profit margin.

- k) The shares of ICPL are not listed on any of the Stock Exchange(s).

**4.2. Disclosures in terms of regulations 16(ix) of the Regulations:**

The Acquirer intends to carry on the present business of the Target Company. The Acquirer intends to invest, incubate in corporate opportunities and also provide extensive insight and support on the development of the business of the Target Company. The Acquirer will suitably strengthen the Target Company with the human resource capital as well as financial capital. While the acquirer will impart support systems in the financial/human resources aspects for the existing business, it reserves the right to modify the present structure of the business in a manner which is useful to the larger interests of the shareholders.

The acquirer will review various options available to use the existing structure of the corporate as also converge the long term plans of building multiple revenue streams under the existing corporate structure. The Acquirer may reorganize and / or streamline various businesses for commercial reasons and operational efficiencies. Any change in the structure that may be effected will be in accordance with the laws applicable.

The Acquirer does not intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

## 5. DISCLOSURE IN TERMS OF REGULATION 21(2)

In the event the public shareholding is found to be reduced below the minimum level required as per the listing agreement entered into by the Target Company with the stock exchange on which Shares are listed (the 'Listing Agreement') and Notifications of the Government of India dated June 4, 2010 and August 9, 2010 amending the Securities Contracts (Regulation) Rules, 1957, as a result of acquisition of Shares under (i) the SPA; and/or (ii) acquisition of shares from open market, if any; and/or (iii) the Offer, the Acquirer will take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the Listing Agreement, within the time period stipulated therein.

## 6. BACKGROUND OF LIFELINE DRUGS & PHARMA LIMITED (TARGET COMPANY)

### 6.1. Brief History and Main Areas of Operations:

- a) Lifeline Drugs & Pharma Limited (LDPL) was originally incorporated as 'Sidhi Holdings and Traders Limited' on December 24, 1982 under the Companies Act, 1956 in Mumbai, Maharashtra. Its name was changed to 'Lifeline Drugs & Pharma Limited' and received the Fresh Certificate of Incorporation consequent to change of Name from Registrar of Companies, Maharashtra on April 29, 2005. The Registered Office of the Target company is situated at Office No. 17, 3<sup>rd</sup> Floor, Zaveri Bhavan, 85/87, Old Hanuman Lane, Kalbadevi Road, Mumbai- 400 002. Tel: 022-2200 6627. ; Fax: 022-2200 6627.
- b) The main Object Clause of the LDPL, as per the Memorandum of Association, inter alia includes to carry in India or abroad the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, etc. or otherwise to deal in all types, descriptions, specifications, strengths and applications of pharmaceuticals, medicines, etc. LDPL is presently not carrying on any business activities.
- c) The Company came out with its Initial Public Offering of Rs. 21.00 Lacs divided into 2,10,000 equity shares of Rs. 10/- each at par in the year 1983 and the shares of the Company got listed on Bombay Stock Exchange Limited (BSE).
- d) During the year 2004-2005, the present Promoters viz. Mr. Kirti M Kanakia & Mr. Nikunj K Kanakia has acquired 50,910 equity shares of Rs. 10/- each of the Target Company, representing 21.21% of its voting share capital, at a price of Rs. 14/- (Rupees Fourteen only) per share through an Agreement dated June 6, 2004 and made an Open Offer pursuant to Regulation 10 & 12 of the Regulations, to the shareholders of Target Company, for acquisition of 48,000 equity shares of Rs. 10/- each, representing 20% of its voting capital, at a price of Rs. 14/- (Rupees Fourteen only) per share. The Open Offer was opened on July 16, 2004 and closed on August 14, 2004. All the formalities of the said Open Offer under the Regulations were complied with. Om Shree Pharmachem Private Limited, a company promoted/directly controlled by the promoters of the Target Company, has acquired 2,300 equity shares of Rs. 10/- each representing 0.96% of the issued, subscribed and paid up share capital of the Target Company on November 01, 2004 from the Open Market and the said holding was included in the Promoter Group shareholding and Om Shree Pharmachem Private Limited has been included as a part of Promoter Group from the quarter ended March, 2008.

### 6.2. Share Capital Structure:

The Authorised Share Capital of the Target company is Rs. 500.00 Lakhs comprising of 50,00,00 equity shares of Rs. 10/- each and the Issued, Subscribed & Paid up Share Capital is Rs. 24.00 Lakhs comprising of 2,40,000 fully paid up equity shares of Rs. 10/- each.

<b>Paid-up Shares</b>	<b>No. of Shares/Voting Rights</b>	<b>% Shares/Voting Rights</b>
Fully Paid-up Equity Share	2,40,000	100%
Partly Paid-up Equity Share	Nil	Nil
Total Paid-up Equity Share	2,40,000	100%

### 6.3. Current Capital Structure of the Target Company / LDPL:

Date of Allotment	No & % of Shares issued		Cumulative paid up Capital (Rs.)	Mode of Allotment	Identity of the Allottees	Status of Compliance
	No	%				
24.12.1982	70	0.03	700	Cash	Subscribers to Memorandum	Complied
31.01.1983	29,930	12.47	3,00,00	Cash	Promoters	Complied
26.03.1983	2,10,000	87.50	24,00,000	Cash	Promoters & Public	Complied
<b>TOTAL</b>	<b>2,40,000</b>	<b>100.00</b>				

6.4. The equity shares of the Target Company are listed only on Bombay Stock Exchange Limited, Mumbai (BSE) with the Scrip Code '506113' and the Scrip ID 'LIFELINE'. The equity shares of the Target Company are currently traded in physical mode under the 'T' Group. The market lot is 50 shares.

6.5. There is no outstanding instrument in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company. The Target Company also does not have any equity shares under lock-in period.

6.6. The Target Company has been complying with the provisions of Chapter II of the Regulations except for the initial disclosure compliance as required under Regulation 6(2) & 6(4) of the Regulations for the year 1997 and continual disclosure compliance as required under Regulation 8(3) of the Regulations for the period 1998 to 2002. The Target Company has regularized the same on 31.03.2003 by participating in the SEBI Regularization Scheme, 2002. The present Promoters have complied with the applicable provisions of Chapter II of the Regulations.

6.7. The Company has been complying with the provisions of the listing agreement entered into with the Stock Exchange. No punitive action has been taken against the company by Stock Exchange.

### 6.8. Details of the Board of Directors of LDPL:

As on the date of Public Announcement, the Directors representing the Board of LDPL are:

S. No.	Name of the Director	Present Residential Address	Date of Appointment	Qualification	Experience
1.	Mr. Nikunj Kanakia	Flat No. 701/702, Quarter Deck Co.-op. Hsg. Ltd., 7 Bunglow, J P Road, Versova, Andheri (West), Mumbai-400 058.	30.08.2004	Commerce Graduate	10 Years in Pharma Industry
2.	Mr. P.K.N Kamat	12-C West View, S.V Road, Santacruz (W), Mumbai- 400 054.	17.12.2004	Commerce Graduate	5 Year in Administration
3.	Mr. Narayan A. Bhandarkar	C/11, 1 <sup>st</sup> Floor, Aswin Building, Marve Road, Malad (W), Mumbai-400 064.	01.10.2008	Chartered Accountant	15 Years in Accounts
4.	Mr. Prakash R. Rawal	B-10, Keshavdham, Saravali, Taluka Palghar, Dist. Thane, Maharashtra-401 501.	01.01.2010	Commerce Graduate	6 Years in Sales and Service
5.	Ranjit Kumar Modi	189/1, B Block, Bangur Venue, Kolkata-400055.	12.04.2012	Chartered Accountant	10 years in Taxation & Audit
6.	Anil Kumar Sanklecha	A/402, Citi Space CHS Ltd, Andhei Kurla Road, JB Nagar, Near Kohinoor Hotel, Andheri (W), Mumbai-400 059.	12.04.2012	Chartered Accountant	15 years in Auditing & Taxation
7.	Alok Kumar Behera	3B, Lal Bazar Street, 5 <sup>th</sup> Floor, Room No. 2, Kolkata-700001.	29.05.2012	Graduate	20years in Accounts

*None of the above Directors are representing the Acquirer.*

6.9. There has been no merger / de-merger or spin off in the Target Company during the past three years.

**6.10. Financial Information:**

Brief audited financials of the Target Company for the last 3 Years from the date of PA and certified financial results for the period ended 30.06.2010 are as follows:

**Profit & Loss Statements**

(Rs. in Lakhs)

For the period/year ended	30.06.2010 (un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
<b>Income:</b>				
Sales	1519.51	6224.40	6205.50	5026.90
Increase/(Decrease) in stocks	12.49	37.51	62.38	(67.85)
<b>Total Income</b>	<b>1531.99</b>	<b>6261.91</b>	<b>6267.88</b>	<b>4959.05</b>
<b>Total Expenditure:</b>	1523.72	6221.73	6213.90	4914.16
Profit/(Loss) Before Depreciation, Interest and Tax	8.27	40.18	53.98	44.89
Interest	0.07	0.19	1.24	2.66
Depreciation	-	-	-	-
Profit/ (Loss) Before Tax	8.20	39.99	52.74	42.23
Current Tax	3.35	13.40	17.50	14.20
Fringe Benefit Tax	-	-	0.01	0.01
<b>Profit/ (Loss) After Tax</b>	<b>4.85</b>	<b>26.58</b>	<b>35.23</b>	<b>28.02</b>
Excess / short provision for Tax of earlier years	-	-	0.02	0.78
<b>Profit Available for Appropriation</b>	<b>4.85</b>	<b>26.58</b>	<b>35.21</b>	<b>27.24</b>
<b>Appropriations:</b>				
Transfer to General Reserve	-	4.00	4.00	4.00
Proposed Dividend	-	2.40	2.40	2.40
Tax on Dividend	-	0.41	0.41	0.40
<b>Balance Carried to Balance Sheet</b>	<b>4.85</b>	<b>19.77</b>	<b>28.41</b>	<b>20.43</b>

**Balance Sheet Statement**

(Rs. in Lakhs)

As on	30.06.2010 (Un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
<b>Sources of Funds:</b>				
Paid up Share Capital	24.00	24.00	24.00	24.00
Reserves & Surplus	115.16	110.30	86.52	54.11
<b>NETWORTH</b>	<b>139.16</b>	<b>134.30</b>	<b>110.52</b>	<b>78.11</b>
Secured Loan	-	-	-	-
Unsecured Loans	97.49	100.58	100.57	-
<b>TOTAL</b>	<b>236.65</b>	<b>234.88</b>	<b>211.10</b>	<b>78.11</b>
<b>Application of funds:</b>				
Net Fixed Assets	145.31	145.31	143.07	104.12
Investments	-	-	-	-
Net Current Assets	91.34	89.57	68.03	(26.01)
<b>TOTAL</b>	<b>236.65</b>	<b>234.88</b>	<b>211.10</b>	<b>78.11</b>

### Other Financial Data

For year ended	30.06.2010 (Un-audited & Certified)	31.03.2010 (Audited)	31.03.2009 (Audited)	31.03.2008 (Audited)
Dividend (%)	Nil	Nil	Nil	Nil
EPS (Rs.)	8.08*	11.08	14.67	11.35
Return on Networth (%)	3.48	19.80	31.88	35.87
Book Value per share (Rs.)	57.98	55.96	46.05	32.55

\*Annualized

#### Notes:

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

Return on Net Worth = Profit after Tax /Net Worth

Book Value per Share = Net Worth / No. of equity shares

#### Reasons for fall / rise in Sales Income and PAT:

##### 2010 vs. 2009:

The Sales Income of the Company has increased marginally to Rs. 6224.40 Lakhs in fiscal 2010 as compared to Rs. 6205.50 Lakhs in fiscal 2009. However, the PAT has decreased to Rs. 26.58 Lakhs as compared to PAT of Rs. 35.23 Lakhs in the previous fiscal year due to decrease in the profit margin.

##### 2009 vs. 2008:

The Sales Income of the Company has increased to Rs. 6205.50 Lakhs in fiscal 2009 as compared to Rs. 5026.90 Lakhs in fiscal 2008 registering an increase of 23.45% due to increase in volume of business and accordingly there is an increase in PAT from Rs. 28.02Lakhs to Rs. 35.23 Lakhs.

#### 6.11. Pre and Post-Offer Shareholding Pattern of the Target Company (As on date of PA):

Shareholders' Category	Shareholding & Voting Rights prior to the Agreement/ Acquisition and Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
<b>1. Promoter Group:</b>								
a) Parties to Agreement								
i) Kirti M Kanakia	49,300	20.54	(49,300)	(20.54)	-	-	-	-
ii) Nikunj K Kanakia	49,610	20.67	(49,610)	(20.67)	-	-	-	-
iii) Om Shree Pharmachem Private Limited	2,300	0.96	(2,300)	(0.96)	-	-	-	-
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
<b>Total 1 (a+b)</b>	<b>1,01,210</b>	<b>42.17</b>	<b>(1,01,210)</b>	<b>(42.17)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Acquirers:</b>								
a) Acquirer: Ivory Consultants Private Limited	-	-	1,01,210	42.17	48,000	20.00	1,49,210	62.17
b) PACs	-	-	-	-	-	-	-	-
<b>Total 2 (a+b)</b>	<b>-</b>	<b>-</b>	<b>1,01,210</b>	<b>42.17</b>	<b>48,000</b>	<b>20.00</b>	<b>1,49,210</b>	<b>62.17</b>

<b>3. Parties to Agreement other than (1) &amp; (2) above</b>	-	-	-	-	-	-	-	-	-
<b>4. Public:</b> (Other than parties to Agreement) #	}	}	}	}	}	}	}	}	}
a) FIs/MFs/FIIs/Banks, SFIs									
b) Others									
<b>Total (a+b)</b>	<b>1,38,790</b>	<b>57.83</b>	<b>-</b>	<b>-</b>	<b>(48,000)</b>	<b>(20.00)</b>	<b>90,790</b>	<b>37.83</b>	
<b>GRAND TOTAL (1+2+3+4)</b>	<b>2,40,000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>2,40,000</b>	<b>100.00</b>	

# Number of Shareholders in Public category as on June 30, 2010 were 210.

**Pre and Post-Offer Shareholding Pattern of the Target Company (As on date of this Letter of Offer)**

Shareholders' Category	Shareholding & Voting Rights prior to the Agreement/ Acquisition and Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
<b>1. Promoter Group:</b>								
a) Parties to Agreement	-	-	-	-	-	-	-	-
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
<b>Total 1 (a+b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Acquirers:</b>								
a) <b>Acquirer:</b> Ivory Consultants Private Limited	-	-	-	-	48,000	20.00	48,000	20.00
b) <b>PACs</b>	-	-	-	-	-	-	-	-
<b>Total 2 (a+b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,000</b>	<b>20.00</b>	<b>48,000</b>	<b>20.00</b>
<b>3. Parties to Agreement other than (1) &amp; (2) above</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4. Public:</b> (Other than parties to Agreement) #	}	}	}	}	}	}	}	}
a) FIs/MFs/FIIs/Banks, SFIs								
b) Others								
<b>Total (a+b)</b>	<b>2,40,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>(48,000)</b>	<b>(20.00)</b>	<b>1,92,000</b>	<b>80.00</b>
<b>GRAND TOTAL (1+2+3+4)</b>	<b>2,40,000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>2,40,000</b>	<b>100.00</b>

# Number of Shareholders in Public category as on March 31, 2012 were 163.

6.12. The changes in the shareholdings of the present Promoters are as under :

Date	Opening Balance - Promoter Group	Opening Capital	Opening % holding - Promoter Group	Name of the Promoter	No of shares acquired	No of shares sold	Mode of Purchase/Sale (Memorandum/ IPO/FPO/Market Purchases/Preferential Allotment/Rights Issue/Bonus Shares/Inter-se-transfer etc..)	Closing Capital	Closing holding - Promoter Group	Closing % holding - Promoter Group	Increase / Decrease in percentage holding - promoter group	Compliance Status
Purchases of Shares vide the Agreement dated June 6, 2004 with the erstwhile Promoters	-	240000	-	Kirti M Kanakia & Nikunj K Kanakia	50910	-	Share Purchase Agreement	240000	50910	21.21%	21.21%	Complied with the provisions of Reg. 10 and 12 of the Regulations in the year 2004-2005
Shares acquired under the Open Offer	50910	240000	21.21%	Kirti M Kanakia & Nikunj K Kanakia	48000	-	Open Offer	240000	98910	41.21%	20.00%	
1-Nov-04	98910	240000	41.21%	Om Shree Pharmachem Private Limited #	2300	-	Market Purchase	240000	101210	42.17%	0.96%	Not Required
13-Mar-12	101210	240000	42.17%	Kirti M Kanakia	-	49300	Off-Market	240000	51910	21.63%	-20.54%	Complied
30-Mar-12	51910	240000	21.63%	Nikunj K Kanakia	-	49610	Off-Market	240000	-	0.00%	-21.63%	Complied
				Om Shree Pharmachem Private Limited	-	2300	Off-Market					

# Reclassified/shown under the Promoter Group in Shareholding Pattern for the Quarter ended 31st March 2008 and the disclosure u/r 8(3) of the Takeover Regulations for the year 2008 filed with BSE.

There are no inter-se transfers amongst the Promoters Group.

### 6.13. Status of Corporate Governance and Pending Litigation

Since the paid up capital of the Company is only Rs. 24.00 Lakhs (Rupees Twenty Four Lakhs only), the compliance with Corporate Governance is not applicable to the Company. As on date, there are no pending litigation matters pending by and against the Target Company.

### 6.14. Details of Compliance Officer:

**Mr. Nikunj K Kanakia**

Office No. 17, 3<sup>rd</sup> Floor, Zaveri Bhavan,  
85/87, Old Hanuman Lane, Kalbadevi Road, Mumbai- 400 002.  
Tel.: 022-2200 6627; Fax.: 022-2200 6627.

### 6.15. Cases filed against the present Promoters/Promoter Group Entities:

- a. Indian Overseas Bank having branch office at Arjun Tower, 1<sup>st</sup> Floor, Gokhale Road, Naupada, Thane-400 602 has filed a recovery suit against Lifeline Industries Limited and Mr. Kirti M Kanakia & Mr. Nikunj K Kanakia (present Promoters of the Target Company) before the Debt Recovery Tribunal - III, Mumbai (DRT-III) for a sum of Rs. 37,30,38,844.12 and the final Order is pending.
- b. Canara Bank, Overseas Branch, Nariman Point, Mumbai has filed a recovery suit against Om Shree Pharmachem Pvt Ltd. and Others (including present Promoters of the Target Company) before Debt Recovery Tribunal - II, Mumbai (DRT-II) for a sum of Rs. 21,47,19,586/- together with further interest thereon @ 17.50% compounded with monthly rests. All the Promoters of the TC have also been named in the said suit and the final Order of the DRT is pending. The Honorable Presiding Officer, DRT-II, Mumbai passed an Order directing the Acquirer to deposit the purchase price of Rs. 45,54,450/- of 1,01,210 shares of the present Promoter Group of the Target Company. Further, on deposit, the monies shall be kept in Fixed Deposit Receipt (FDR) with the Bank in the name of the Registrar of the DRT for a period of 181 days with automatic renewal clause.
- c. Federal Bank Limited has initiated recovery steps against Lifeline Industries Limited for the credit facilities availed by them for their unit at Solapur.

## 7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 7.1. Justification of Offer Price:

1. The equity shares of the Target Company are presently listed on Bombay Stock Exchange Limited, Mumbai (BSE) with the Scrip Code '506113' and the scrip ID 'LIFELINE'. The equity shares of the Target Company are currently traded in physical mode under the 'T' Group. The equity shares of the Target Company are not admitted as permitted security on any other Stock Exchange.
2. The equity shares of the Target Company, within the meaning of explanation (i) to regulation 20(5) of the Regulations, are infrequently traded on BSE. The annualized trading turnover during the preceding 6 calendar months prior to the month in which the PA is made i.e. April 2010 to September 2010 (both Inclusive) at BSE are as under:

Name of Stock Exchange	Total No. of Shares traded during the 6 calendar months prior to the month in which PA was issued	Total No. of Listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	Nil	2,40,000	-

(Source: Website of BSE: [www.bseindia.com](http://www.bseindia.com))

3. In terms of Regulation 20(5) of the Regulations applicable to infrequently traded Shares, the Offer Price of Rs. 58/- Rupees Fifty Eight only) has been determined taking into account the following parameters:

a)	Negotiated Price under the SPA	:	Not Applicable
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b)	Highest Price paid by the Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of PA	:	Not Applicable
c)	The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the date of PA	:	Not Applicable
d)	The average of the daily high and low of the prices of the shares during two weeks period preceding the date of PA	:	Not Applicable
e)	Other parameters		<b>For the year ended 31.03.2010 (Audited)</b>
	Book Value (Rs.)		55.96
	Earning per Share (Rs.)		11.08
	Return on Networth (%)		19.80

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of 58/- (Rupees Fifty Eight only) per Share is justified in terms of Regulation 20(5) & 20(11) of the Regulations.

#### 4. Non-compete Fee:

There is no non-compete agreement between the Acquirer and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made by the Acquirer as non-compete fee.

5. The Offer Price of Rs. 58/- (Rupees Fifty Eight only) per Share being the highest of the prices mentioned above is justified in terms of Regulation 20(5) & 20(11) of the Regulations.
6. The Acquirer shall not acquire any Shares of the Target Company during the Offer Period except in compliance with the Regulations and the details of such acquisitions shall be disclosed to the Stock Exchange and to the Manager within 24 hours thereof in terms of Regulation 22(17) of the Regulations.
7. If the Acquirer acquire Shares after the PA and up to seven working days prior to closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisitions shall be payable for all acceptances received under this Offer as per Regulation 20(4) of the Regulations. Any such revision in the Offer Price shall be notified by advertisement in the same newspapers in which the Public Announcement dated October 6, 2010 (Wednesday) has appeared.

#### 7.2. Details of Firm Financial arrangements:

1. The total financial resources required for this Offer, assuming full acceptance of the Offer Size at the Offer Price will be Rs. 27,84,000/- (Rupees Twenty Seven Lakhs and Eighty Four Thousand only) (the 'Maximum Consideration').
2. In accordance with the provisions of regulation 28 of the Regulations, the Acquirer has created an Escrow Account and deposited an amount of Rs. 7,00,000/- (Rupees Seven Lacs only) in the Account Number 00600350088863 opened with HDFC Bank Limited, Maneckji Wadia Building, Ground Floor, Nanik Motwane Marg, Fort, Mumbai-400 001 (Escrow Account). The amount placed in the Escrow Account is being more than 25% of the maximum consideration payable under the Offer. The Manager to the Offer is authorised to operate and release the value of the Escrow Account in terms of the Regulations and accordingly HDFC Bank Limited have issued a Letter dated October 5, 2010 in favour of Manager to the Offer confirming the same.
3. In accordance with Regulation 22(11) of the Regulations, the Acquirer has made firm financial arrangements for fulfilling the obligations under the Offer.
4. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of its Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. M/s. Ashok Kumar Jain, Chartered Accountants having office at Room No. 2, 4<sup>th</sup>

Floor, 11, Clive Row, Kolkata-700001; Tel No.: 033-22481064/5459; Fax No.: 033-22481064; E-mail: cajainash@gmail.com, through Mr. Ashok Kumar Jain, Proprietor (Membership No.058041), have certified vide their letter dated September 30, 2010 that ICPL has adequate liquid financial resources to fulfill all financial obligations arising out of the Offer in full.

5. The Manager to the Offer, Ashika Capital Limited confirms that the Acquirer has sufficient Stock-in-trade to fulfill the Offer obligations.

## **8. TERMS AND CONDITIONS OF THE OFFER**

### **8.1. Operational terms and conditions:**

1. The Offer is being made in compliance with the provisions of Regulations 10 and 12 and other applicable provisions of the Regulations for the purpose of substantial acquisition of equity shares accompanied with change in control and management of the Target Company.
2. The acceptance of the Offer is at the discretion of the equity Shareholders of the Target Company and each Shareholder (except the Acquirer) of the Target Company holding Equity Shares to whom this Offer is being made is free to offer his shareholding in the Target Company, in whole or in part while accepting the Offer.
3. The instructions, authorisations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.
4. The acceptance of the Offer must be unconditional and should be sent in the attached Form of Acceptance along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer as mentioned in para 9.1 under 'Procedure for Acceptance and Settlement' on or before the closure of the Offer i.e. August 4, 2012 (Saturday). If any change or modification is made in the Form of Acceptance, the same is liable to be rejected.
5. The Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the fully paid up Equity Shares of the Target Company that are validly tendered and accepted in terms of this Offer upto a maximum of 48,000 Equity Shares of Rs. 10/- each, representing 20% of the voting capital of the Target Company.
6. All Shares tendered under this Offer should be free from any charge, lien or encumbrances of any kind whatsoever.
7. The Acquirer will not be responsible in any manner for any loss of equity Share certificate(s) and Offer acceptance documents during transit. The equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
8. The Target Company has not dematerialized its shares and all the shares are in physical form. Hence no special depository account has been opened for the purpose of this Offer.
9. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of Closure of the Offer i.e. upto August 1, 2012 (Wednesday) .
10. If the aggregate of the valid responses to the Offer exceeds 48,000 Equity Shares, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot. The market lot is 50 shares.

### **8.2. Locked-in Shares**

None of the shares of the Target Company are under Lock-in.

### 8.3. Eligibility for accepting the Offer

1. All the shareholders (registered or unregistered) of the shares of the Target Company (except the Acquirer) who own Shares anytime before the Closing of the Offer, i.e. August 4, 2012 (Saturday) are eligible to participate in the Offer.
2. The Letter of Offer, specifying the detailed terms and conditions of this Offer, along with the Form of Acceptance-cum-Acknowledgement (the "Form of Acceptance") and a Form of Withdrawal, will be dispatched to all the shareholders of the Target Company (other than the Acquirer), whose names appear on the Register of Members of the Target Company, at the close of business hours on October 29, 2010 (the 'Specified Date').
3. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
4. The eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Closure of the Offer.
5. Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website at [www.sebi.gov.in](http://www.sebi.gov.in) from the date of opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply in the same.

### 8.4. Statutory Approvals:

1. The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from non-resident persons, who validly tender their equity shares under the Offer. In case of acceptances from non residents, then Acquirer shall make requisite applications to RBI after closure of the Offer. No other approval is required to be obtained from Banks/Financial Institutions for the Offer.
2. As on the date, there are no statutory approvals required for the acquisition of equity shares tendered pursuant to this Offer except as stated above. If any 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 that such statutory approvals that are required are refused in terms of Regulation 27 of the Regulations. The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer.
3. In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 22(12) of the Regulations. Further, if any delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will also become applicable.

## 9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

1. Shareholders who are holding the shares of the Target Company and wish to tender their Equity Shares will be required to send the Form of Acceptance, original Share Certificate(s) and Transfer Deed(s) duly signed to **Purva Shareregistry India Private Limited**, the Registrar to the Offer, either by hand delivery on weekdays or by registered post at the applicants sole risk so as to reach them, at the address given below, on or before the Close of the Offer, i.e. not later than August 4, 2012 (Saturday) , in accordance with the procedure specified in the Letter of Offer and in the Form of Acceptance. If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders.

Name & Address	Contact Person	Mode of Delivery
<b>Purva Sharegistry India Private Limited</b> Unit No.-9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (East), Mumbai-400 011. Tel: 022-23018261/ 23016761; Fax: 022-23012517 E-mail:-busicomp@vsnl.com	Mr. V. B. Shah	Hand Delivery Registered Post / Speed Post

The documents can be tendered at the above address on all working days between Monday to Friday from 11.00 am to 1.00 pm and 2.00 pm to 4.00 pm and on Saturdays from 11.00 am to 2.00 pm. The Registrars to the Offer will be closed on Sundays and other Public Holidays. Delivery made by Registered Post would be received on all days except Sundays and Public Holidays.

**2. Shareholders should send all the relevant documents mentioned below:**

Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

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

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share Certificate(s).
- Original Share Certificate(s).
- Valid share Transfer Deed / Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place. The Transfer Deed should be left blank, except the signature as mentioned above. Attestation, where required (thumb impression, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public office and authorised to use the seal of his office or a member of a recognised Stock Exchange under their seal of office and membership number or manager of the transferor's bank.

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

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, or application on plain paper.
- Original share certificate(s).
- Original broker Contract Note.
- Valid share Transfer Deed / Form(s) as received from market.

The details of the buyer should be left blank failing which the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

3. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent, failing which, the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
- i. Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired. In case succession certificate has not been obtained, the legal heir may approach the registrar.
  - ii. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
  - iii. No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
  - iv. In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).
4. Notwithstanding that the signature(s) of the transferor(s) has/have been attested, 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 shares are liable to be rejected under the open offer even if the Offer has been accepted by bonafide owner of such shares.

5. Shareholders are advised to ensure that the Form of Acceptance and other relevant documents are complete in all respects otherwise the same is liable to be rejected.
6. The share certificate(s), share transfer form, Form of Acceptance and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above. **They should not be sent to the Manager to the Offer or the Acquirer or the Target Company.**
7. In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address of the First Holder, Name(s) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their shares, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer i.e. August 4, 2012 (Saturday) . No indemnity is required from the unregistered owners.

**Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.**

8. The application should be signed by all the shareholders as per the registration details available with the Target Company and should be sent to the Registrar to the Offer in an envelope clearly marked '**Lifeline Drugs & Pharma Limited- Open Offer**'.
9. Shareholders of the Target Company who have sent their equity shares for transfer should submit, Form of Acceptance duly completed and signed, copy of the letter sent to the Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer form.
10. Non-Resident shareholders, while tendering their equity shares under the Offer, should submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI Approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering the shares under the Offer, Non resident shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.
11. As per the provisions of Section 196(D1)2 of the Income Tax Act, 1961, no deduction of tax at source shall 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 payable to Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act, 1961.
12. The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so up to three working days prior to the date of the Closure of the Offer, i.e. on or before August 1, 2012 (Wednesday). The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, so as to reach them on or before August 4, 2012 (Saturday). 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:  
Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and
13. In case of partial withdrawal of shares tendered, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum- Acknowledgement will stand revised to that effect.
14. The Shares withdrawn by the shareholders would be returned by the Registered post.

15. Unaccepted Share Certificate(s), transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder as per the details furnished by the beneficial owner in the Form of Acceptance.
16. The consideration to those shareholders whose shares or share certificates and/or other documents are found complete, valid and in order will be made through a crossed Demand Draft/Pay Order or through Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('ECS'), at specified centers where clearing houses are managed by the Reserve Bank of India within 13days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/ECS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance.
17. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/ incorrect bank account details, payment consideration will be made by crossed account payee Cheques/Demand Drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. The Acquirer is required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.
18. For all other applicants, including those applicants whose payment consideration is not credited by ECS/Direct Credit due to technical errors or incomplete/incorrect bank account details or due to unavoidable reasons, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.
19. In case of payment consideration is rejected through the ECS/Direct Credit facility, the Registrar to Offer would endeavor to dispatch the payment consideration within 3 working days of such rejection.
20. The Registrar to the Offer will hold in trust the Share Certificates, Transfer Deed(s) and Form of Acceptance, if any, on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

## 10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the shareholders of Target Company at the office of the Manager to the Offer, **Ashika Capital Limited**, at 1008, 10<sup>th</sup> Floor, Raheja Centre, 214, Nariman Point, Mumbai-400 021 on any day (except Saturdays, Sundays and public holidays) between 10.30 a. m. to 2.00 p.m. from the date of opening of the Offer till the date of closing of the Offer.

- i. Copy of Share Purchase Agreement dated September 30, 2010 entered into between the Acquirer and the Sellers.
- ii. Copy of Share Termination Agreement dated December 09, 2011 entered into between the Acquirer and the Sellers.
- iii. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
- iv. Annual Reports of the Acquirer for the financial years ended March 31, 2008, March 31, 2009 and March 31, 2010 and Un-audited & Certified Results for the period ended June 30, 2010.
- v. Letter dated September 30, 2010 from M/s. Ashok Kumar Jain, Chartered Accountants, certifying that the Acquirer has firm and adequate financial resources to meet the financial obligations under the Open Offer made to the shareholders of the Target Company.
- vi. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- vii. Annual Reports of the Target Company for the financial years ended March 31, 2008, March 31, 2009 and March 31, 2010 and Un-audited & Certified Results for the period ended June 30, 2010.
- viii. Letter dated October 5, 2010 from HDFC Bank Limited confirming the amount kept in the Escrow Account.

- ix. Published Copies of the Public Announcement made on October 6, 2010 and Corrigendum to PA made on July 06, 2012.
- x. SEBI observation letter no. CFD/DCR/SKS/SG/OW/3871/2011 dated February 2, 2011 in terms of proviso to Regulation 18(2) of the Regulations, letter no CFD/DCR/SKS/SG/OW/4844/2011 dated February 09, 2011 and letter no. CFD/DCR/AKD/SG/OW/9691/2012 dated May 02, 2012.
- i. Other relevant documents such as;
  - a. Memorandum of Understanding dated October 1, 2010 entered into between the Acquirer and Ashika Capital Limited, the Manager to the Offer.
  - b. Memorandum of Understanding dated October 5, 2010 entered into between the Acquirer and the Registrar to the Offer.
  - c. Copies of undertakings from Target Company and Acquirer.

## **11. DECLARATION BY THE ACQUIRER**

We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Acquirer and its Directors severally and jointly accept full responsibility for the information contained in the Letter of Offer, including the Form of Acceptance and Form of Withdrawal and also for ensuring compliance with the Regulations. The Acquirer shall be responsible for fulfilling its obligations under the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Manager to the Offer hereby states that the person signing this Letter of Offer is duly authorized by the Board of Directors of Acquirer to sign the Letter of Offer.

**Signed for and on behalf of Board Of Directors of  
IVORY CONSULTANTS PRIVATE LIMITED**

**Sd/-  
Director**

Place: Kolkata  
Date: July 09, 2012

**Enclosures:**  
*(1) Form of Acceptance cum Acknowledgement*  
*(2) Form of Withdrawal*  
*(3) Transfer Deed*

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**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**  
**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to Registrar to the Offer, Purva Sharegistry India Private Limited, at their address given overleaf as per the mode of delivery mentioned in the Letter of Offer)*

**From:**

<b>OFFER OPENS ON:</b>	<b>July 16, 2012 (Monday)</b>
<b>LAST DATE OF WITHDRAWAL:</b>	<b>August 1, 2012 (Wednesday)</b>
<b>OFFER CLOSES ON:</b>	<b>August 4, 2012 (Saturday)</b>

Tel. No.

Fax No.:

E-mail:

To

**Purva Sharegistry India Private Limited**  
*(Unit- Lifeline Drugs & Pharma Limited-Open Offer)*  
 Unit No. 9, Shiv Shakti Industrial Estate,  
 J R Boricha Marg, Lower Parel (East), Mumbai-400011.

Dear Sir,

**Sub: Open Offer to acquire 48,000 equity shares of Rs. 10/- each, representing 20% of voting capital, of Lifeline Drugs & Pharma Limited (LDPL) at a price of Rs. 58/- per equity share by Ivory Consultants Private Limited (Acquirer).**

I/We refer to the Letter of Offer dated July 09, 2012 for acquiring the equity shares held by me/us in **Lifeline Drugs & Pharma Limited**.

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

I/We, hold the following shares and accept the Offer and enclose the original Share Certificate (s) and duly signed Share Transfer Deed (s) in respect of my/our Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
<b>Total No. of Shares</b>					

*(In case the space provided is inadequate, please attach a separate sheet with the above details)*

I / We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

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

-----Tear Here-----

**Acknowledgement Slip**

**Folio No.:**

**Serial No.:**

Received from Mr. / Ms. / Mrs.: \_\_\_\_\_

Address: \_\_\_\_\_

Number of Share Certificates enclosed \_\_\_\_\_

Number of Certificates \_\_\_\_\_ representing \_\_\_\_\_ Number of Shares

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer / Registrar to the Offer and in terms of the said Letter of Offer. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

I/We authorise the Acquirer to send payment consideration by electronic mode or physical mode as per the option selected. In cases where the payment consideration is to be done in physical mode, the cheque / demand draft / pay order, in settlement of the amount and excess share certificate(s), if any, will be sent by registered post / speed post to the sole/first holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with the Target Company.

Please indicate the preferred mode of receiving the payment consideration. (Please tick)

Electronic Mode:  or Physical Mode:

Yours faithfully,

Signed & Delivered:

	Full Name	Signature
<b>First / Sole Holder</b>		
<b>Second Holder</b>		
<b>Third Holder</b>		

**Note:** In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

Place:

Date:

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/ sole shareholder and the consideration will be payable by way of Electronic Mode/ cheque / demand draft / pay order will be drawn accordingly. In order to receive payment consideration through Electronic mode, the shareholders are requested to compulsorily provide their following bank details:

<b>Name of the Bank:</b> _____	<b>Branch /Address:</b> _____
<b>Account No.:</b> _____	<b>Savings /Current/ Others (please specify)</b> _____
I/We want to receive the payment through ECS <input type="checkbox"/> RTGS <input type="checkbox"/> NEFT <input type="checkbox"/>	
In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank):	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
In the case of RTGS/NEFT, 8 digit code number issued by the Bank	
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Note: All future correspondence, if any should be addressed to Registrar to the Offer at the address mentioned behind in this form. The documents referred to above should be sent to any of the collection centers mentioned below.

**PURVA SHAREGISTRY INDIA PRIVATE LIMITED  
(Unit-Lifeline Drugs & Pharma Limited-Open Offer)**

Unit No.-9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (East), Mumbai - 400 011;  
Tel: 022-23018261/ 23016761; Fax: 022-23012517. E-mail: busicomp@vsnl.com

**FORM OF WITHDRAWAL**

**You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to the offer any time upto three working days prior to the date of closure of offer i.e. on or before, August 1, 2012 (Wednesday). In case you wish to withdraw your acceptance please use this form.**

**From:**

<b>OFFER OPENS ON:</b>	<b>July 16, 2012 (Monday)</b>
<b>LAST DATE OF WITHDRAWAL:</b>	<b>August 1, 2012 (Wednesday)</b>
<b>OFFER CLOSES ON:</b>	<b>August 4, 2012 (Saturday)</b>

Tel. No.

Fax No.:

E-mail:

**To**

**Purva Sharegistry India Private Limited  
(Unit- Lifeline Drugs & Pharma Limited-Open Offer)**

Unit No.-9, Shiv Shakti Industrial Estate,  
J R Boricha Marg, Lower Parel (East), Mumbai - 400 011.

Dear Sir,

**Sub: Open Offer to acquire 48,000 equity shares of Rs. 10/- each, representing 20% of voting capital, of Lifeline Drugs & Pharma Limited (LDPL) at a price of Rs. 58/- per equity share by Ivory Consultants Private Limited (Acquirer).**

I/We refer to the Letter of Offer dated July 09, 2012 for acquiring the equity shares held by me/us in Lifeline Drugs & Pharma Limited.

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

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

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

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

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. August 1, 2012 (Wednesday).

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**Acknowledgement Slip**

**Folio No.:**

**Serial No.:**

Received from Mr. / Ms. / Mrs.: \_\_\_\_\_

Address: \_\_\_\_\_

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

Form of withdrawal dated \_\_\_\_\_ Number of Certificates \_\_\_\_\_ representing \_\_\_\_\_ Number of Shares

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

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

The particulars of tendered original Share Certificate(s) and duly signed Transfer Deed(s) are detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
<b>Total No. of Shares</b>					

(In case the space provided is inadequate, please attach a separate sheet with the details)

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

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

Yours faithfully,

Signed and Delivered by:

	Full Name	Signature
<b>First / Sole Holder</b>		
<b>Second Holder</b>		
<b>Third Holder</b>		

**Address of First/Sole Shareholder:** \_\_\_\_\_  
 \_\_\_\_\_

**Note:** Incase of joint holdings, all holders must sign. A Corporation must affix its common seal and attach herewith the necessary Board Resolution.

Place:

Date:

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 (Unit-Lifeline Drugs & Pharma Limited-Open Offer)**

Unit No.-9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (East), Mumbai - 400 011;  
 Tel: 022-23018261/ 23016761; Fax: 022-23012517. E-mail: busicomp@vsnl.com

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**PRINTED MATTER**

**BOOK POST**

**To**

IF UNDELIVERED, PLEASE RETURN TO  
**PURVA SHAREGISTRY INDIA PRIVATE LIMITED**  
*(Unit-Lifeline Drugs & Pharma Limited-Open Offer)*  
Unit No.-9, Shiv Shakti Industrial Estate,  
J R Boricha Marg, Lower Parel (East), Mumbai - 400 011;  
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