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 ***THE METHONI TEA COMPANY LIMITED.*** *If you require any clarifications about the action to be taken, you may consult your Stock Broker or investment consultant or Manager/Registrar to the Offer. In case you have sold your shares in the company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.*

OPEN OFFER
By
INDISTOCK PVT. LTD.
&
THIRD WAVE CREDIT & COMMERCIAL PVT. LTD.
both having its registered Office at 7, Lyons Range, 3rd Floor, Room No.16-A, Kolkata-700 001
Ph: (033) 22209816 Fax: (033) 22205250

to the shareholders of
THE METHONI TEA COMPANY LIMITED
(Regd. Office: 75-C, Park Street, 1st Floor, Kolkata-700 016)
Ph: (033) 22297638, Fax: (033) 22496587

for the purchase of 81600 fully paid-up equity shares of Rs.10/- each of MTCL at a price of Rs.64/- per share of MTCL representing 20% of its paid up equity share and voting share capital. These shares will be acquired in cash, in accordance with regulation 20(2)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof, from the existing equity shareholders of MTCL.

Please Note:

1. This Offer is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").

2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of MTCL to the Acquirers. There are no other statutory approvals required to acquire equity shares that are tendered pursuant to this Offer.

3. If there is any upward revision in the Offer Price/Size at any time up to seven working days prior to the date of closure of the Offer viz. April 19, 2005 or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the Public Announcement dated October 21, 2004 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.

4. **Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the closure of the Offer i.e. April 13, 2005.**

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

   - **The Public Offer under all subsisting bids shall close on the same date.**
   - **As the Offer price can not be revised during 7 working days prior to the closing date of the Offers / bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.**

6. The Procedure for acceptance is set out in Para 8 of this Letter Of Offer. A Form of Acceptance and a Form of Withdrawal is enclosed with this Letter of Offer.

7. The Public Announcement, Corrigendum to Public Announcement, Letter of Offer & Form of Acceptance cum Acknowledgement would also be available at SEBI's website www.sebi.gov.in.

	MANAGER TO THE OFFER:		REGISTRAR TO THE OFFER:
Your trust is our strength	**Ashika Capital Limited** Contact Person: Ms. Astha Singhania 'Trinity', 7th Floor, 226/1, A. J. C. Bose Road, Kolkata – 700 020 Tel: (033) 2289-1551/2/3/4 Fax: (033) 2289-1555 E-mail: astha@ashikagroup.com		**Maheshwari Datamatics Pvt. Ltd.** Contact Person: Mr. S. Rajagopal 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 Phone No: (033) 2243-5029/5809 Fax: (033) 2248-4787 E-mail: mdpl@cal.vsnl.net.in

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

Activity	Original Schedule Date / (Day)	Revised Schedule Date / (Day)
Date of Public Announcement	21/10/2004 (Thursday)	21/10/2004 (Thursday)
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be sent)	21/10/2004 (Thursday)	21/10/2004 (Thursday)
Date by which the Letter of Offer will be despatched to shareholders	03/12/2004 (Friday)	23/03/2005 (Wednesday)
Date of Opening of the Offer	10/12/2004 (Friday)	31/03/2005 (Thursday)
Date of Closing of the Offer	29/12/2004 (Wednesday)	19/04/2005 (Tuesday)
Last Date for a Competitive Bid	11/11/2004 (Thursday)	11/11/2004 (Thursday)
Last date for revising the Offer Price / No.of Shares	20/12/2004 (Monday)	07/04/2005 (Thursday)
Last Date for withdrawal of acceptance by shareholders who have accepted the Offer	24/12/2004 (Friday)	13/04/2005 (Wednesday)
Date of communicating rejection / acceptance and payment of consideration for applications accepted.	11/01/2005 (Tuesday)	03/05/2005 (Tuesday)

Risk Factors relating to the transaction, the proposed Offer and probable risks involved in associating with the Acquirers

1. Irrespective of the Agreement for purchase of Shares, the Acquirers can take control of the Target Company as they have already deposited 100% of the consideration payable assuming full acceptance under the offer in cash in the escrow account in compliance with the second proviso to Regulation 22 (7) of the Regulations. However, the shares can be transferred in their name only after completing the Offer formalities as set out under the Regulations.

2. The Acquirer Companies are mainly engaged in dealing and investment in shares & securities and providing short-term loans and advances. The promoter directors of the Acquirer Companies are also having experience in the related activities. Thus, the Acquirers and directors thereof, are not having any experience in the line of activity carried on by the Target Company.

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

4. The Acquirers intends to subscribe to 81600 fully paid-up equity shares of Rs.10/- each of MTCL at a price of Rs.64/- per share. Consequently, it is required to make an Offer for 20% of its paid up equity share and voting share capital of MTCL under the SEBI (SAST) Regulations. Further, the Shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities. Accordingly, the Acquirers 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.

5. The Acquirers & PAC's do not have any relevant experience in the area of tea business.

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

INDEX

DEFINITIONS/ABBREVIATIONS

Acquirers / Purchasers	Indistock Pvt. Ltd. & Thirdwave Credit & Commercial Pvt. Ltd.
CSE	The Calcutta Stock Exchange Association Limited
GSE	The Gauhati Stock Exchange Limited
LO	Letter of Offer
Manager to the Offer	Ashika Capital Limited
MTCL/Target Company	The Methoni Tea Company Limited
Negotiated Price / Purchase Price	Rs.64/- per share
Offer	Cash Offer being made by the Acquirers to acquire 81600 fully paid up equity shares of MTCL representing 20% of the paid up equity share & voting capital
Offer Period	October 18, 2004 to May 03, 2005
Offer Price	Rs.64/- payable in cash
PA	Public Announcement
PAC's	Persons Acting in Concert i.e. Mr. Rajendra Prasad Bubna & Mr. Sanjeev Bubna
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of MTCL, except the parties to the Agreement.
RBI	Reserve Bank of India
Registrar	Maheshwari Datamatics Pvt. Ltd.
Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent Amendments thereof.
SEBI	Securities & Exchange Board of India
Sellers	Promoters their friends, relatives, associates and associate companies of MTCL
Specified date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of MTCL or the Records of the Depositories, to whom the Letter of Offer should be sent, i.e. October 21, 2004

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS.THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF MTCL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS 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 NOVEMBER 02, 2004 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILLING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.

2. DETAILS OF THE OFFER:

2.1. Background of the Offer:

2.1.1. This Offer is being made by the Acquirers in compliance with regulation 10 & 12 of the Regulations. The prime object of the Offer by the Acquirers is substantial acquisition of shares and voting rights accompanied with change in control / management of MTCL.

2.1.2. The Acquirers have entered into Share Purchase Agreement dated 18/10/2004 ("Agreement") to acquire in aggregate 197506 fully paid-up equity shares of Rs.10/- each representing 48.41% of the paid-up equity and voting share capital of MTCL at a price of Rs.50/- per share amounting to Rs.98,75,300/- in aggregate from promoters their friends, relatives, associates and associate companies of Target Company as detailed below:

Sl. No.	Name of Sellers to the Agreement	Addresses	No. of Shares	%
1.	Pushpa Devi Goenka	18, Belvedere Road, Kolkata-700 027 Ph:033-24791362	3678	0.90
2.	Jyoti Goenka	18, Belvedere Road, Kolkata-700 027 Ph: 033-24791362	32000	7.85
3.	Jyoti Goenka jointly with Sandhya Goenka	18, Belvedere Road, Kolkata-700 027 Ph: 033-24791362	10000	2.45
4.	N. P. Goenka	18, Belvedere Road, Kolkata-700 027 Ph: 033-24791362	2	0.00
5.	Hari Prasad Chakravarti	25A, Jatin Bagchi Road, Flat-	2	0.00

		1A, Kolkata-700 029 Ph: 033-24661189		
6.	Debabrata Chakravarti jointly with Hari Prasad Chakravarti	25A, Jatin Bagchi Road, Flat-1A, Kolkata-700 029 Ph: 033-24661189	500	0.12
7.	Hari Prasad Chakravarti jointly with Debabrata Chakravarti	25A, Jatin Bagchi Road, Flat-1A, Kolkata-700 029 Ph: 033-24661189	698	0.17
8.	Beetle Investment Co. Ltd.	9, B. T. M. Sarani, 3rd Floor, Kolkata-700 001 Ph:033-22434650/22428362	120000	29.41
9.	Calcutta Investment Co. Ltd.	9, B. T. M. Sarani, 3rd Floor, Kolkata-700 001 Ph:033-22434650/22428362	30626	7.51
	Total		**197506**	**48.41**

(hereinafter collectively referred to as "Sellers") at a fixed price of Rs.50/- per share ("Negotiated Price") payable in cash ("The Acquisition").

As on the date of Public Announcement, the Acquirers do not hold any equity shares of MTCL. The Acquirers have not acquired any shares of the Target Company during the twelve months preceding the date of Public Announcement.

As on date, the Manager to the Offer – M/s. Ashika Capital Ltd. does not hold any shares in the Target Company.

Some of the main features of the Agreement are mentioned below:

a) The Sellers desires to sell and caused to be sold and the Purchasers desire to purchase the said 48.41% of the equity shares of the company held by the Sellers.

b) That the Sellers do hereby agree to sell, assign, transfer and convey and cause to be sold, assigned, transferred and conveyed to the purchasers all of its rights, obligations, title and interests in and to the shares, and the purchasers do hereby purchase, acquire and accept all of the Sellers rights, obligations, title and interests in and to such shares.

c) As consideration for the sale and transfer of the shares by the Sellers, the Purchasers shall pay to the Sellers @ Rs.50/- per share, which amount shall be referred to as the 'Purchase Price'.

d) That the sale shall be on the spot delivery basis.

e) Unless otherwise mutually agreed in writing, the Purchase Price shall be paid in full, without any adjustment, deduction, set off or counter claim.

f) That in case of non-completion of the Offer formalities in compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997, within 6 months from the date of this Agreement or such other later date as may be mutually agreed between the parties in writing from time to time, Sellers and the Purchasers shall terminate this Agreement.

2.1.3. The proposed change in control is consequent to the Agreement whose salient features are described in 2.1.2. above.

2.1.4. The Acquirers will comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the share purchase agreement and its related conditions.

2.1.5. After the completion of all formalities related to the acquisition and after complying with formalities required by the Regulations, the Board of Directors may be reconstituted to include the representatives of the Acquirers on the Board of MTCL. However, the Acquirers may be entitled to appoint their nominees on the Board of MTCL after a period of 21 days from the date of PA as they have already deposited in escrow account hundred percent of the consideration payable in cash.

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

2.2. Details of the proposed Offer:

2.2.1. The Public Announcement dated October 21, 2004 in respect of the Offer was made in all editions of Business Standard (English Daily), Dainik Vishwamitra (Hindi Daily) and Sambad Pratidin (Bengali Daily) in compliance with Regulation 15(1) of the Regulations. The Corrigendum to Public Announcement dated March 18, 2005 also appeared in the same newspapers.

2.2.2. The Acquirers propose to acquire from the existing equity shareholders of MTCL (other than the parties to the Agreement) upto 81600 fully paid-up Equity Shares of Rs.10/- each, representing 20% of its paid-up equity and voting share capital at a price of Rs.64/- per share ("Offer Price") amounting to Rs.52,22,400/- in aggregate payable in cash. There are no partly paid up equity shares of MTCL.

2.2.3. Mr. Pradeep Kumar Khaitan, partner of M/s. Khaitan & Co., legal advisor and solicitors having office at 1B, Old Post Office Street, Kolkata-700 001 ("Escrow Agent") has been appointed as the Escrow Agent by the Acquirers and the Sellers in terms of the Escrow Agreement dated 18/10/2004.The Acquirers have deposited post-dated cheques of purchase consideration in favour of the Sellers with the Escrow Agent and the Sellers have deposited the share certificates along with the transfer deeds to the Escrow Agent.

2.2.4. The Offer is not subject to any minimum level of acceptances. The Acquirers will accept all equity shares of MTCL in terms of this Offer upto a maximum of 81600 equity shares.

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

2.2.6. The Public Announcement made on October 21, 2004 and the Corrigendum to the Public Announcement dated March 18, 2005 is also available on the SEBI web-site at www.sebi.gov.in

2.3. Object of the Offer:

a) This Offer has been made pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Regulations.

b) Substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition of the above mentioned 48.41% equity stake in the paid up equity and voting share capital of MTCL by the Acquirers and PAC's. The Acquirers and PAC's are presently engaged in the business of investment and dealing in shares and securities and also providing short-term loans and advances. As a measure of diversification of business, they intend to enter into tea manufacturing and processing related activities by taking management control of MTCL through acquisition of equity shares of the Target Company. The Acquirers and PAC's does not have plans to dispose off or otherwise encumber any assets of MTCL in the next two years except in the ordinary course of business and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or otherwise of MTCL. The Acquirers and PAC's undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of MTCL except with the prior approval of the shareholders.

3. BACKGROUND OF THE ACQUIRERS & PAC's:

3.1 The Acquirers & PAC's:

3.1.1. Mr. Indistock Pvt. Ltd. (ISPL) is a company incorporated on 12th June, 1995 under Companies Act, 1956, having its registered office at 7, Lyons Range, 3rd Floor, Room No.16-A, Kolkata-700 001. The promoters & directors of the company are Mr. Rajendra Prasad Bubna and Mr. Sanjeev Bubna. ISPL is a Non Banking Financial Company registered with RBI having registration no. 05.01663 dated 21/04/1998. The Company is presently engaged in the business of making investments in shares & securities and providing loans and advances. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of MTCL to the Acquirers. ISPL has not raised any public deposits till date. RBI has not initiated any action against ISPL till date. As confirmed to us, no penal action has been taken against ISPL till date by RBI.

3.1.2. Third Wave Credit & Commercial Pvt. Ltd. (TCCPL) is a company incorporated on 3rd October, 1991 under Companies Act, 1956, having its registered office at 7, Lyons Range, 3rd Floor, Room No.16-A, Kolkata-700 001. The promoters & directors of the company are Mr. Rajendra Prasad Bubna and Mr. Sanjeev Bubna. The Company is presently engaged in the business of investing and dealing in shares & securities and providing short term loans and advances.

3.1.3. Sri Rajendra Prasad Bubna, son of Sri Mahabir Prasad Bubna, aged about 47 years, is residing at 11A, Judges Court Road, Kolkata-700 027 Ph:033-24792700. He is having more than 15 years of experience in stock broking business and investment activities. He holds directorship in M/s. Gyan Traders Ltd. listed at CSE. His networth as on 31/03/2004 as certified by Mr. Prabhat Kumar Dhandhania (Membership No.52613), partner of Dhandhania & Asociates, Chartered Accountants, having office at 13, Crooked Lane, Kolkata-700 069 Ph:033-22486214/4813 Fax: 033-22481860 vide certificate dated 19/11/2004 is Rs.71.83 Lacs.

3.1.4. Sri Sanjeev Bubna, son of Sri Mahabir Prasad Bubna, aged about 37 years, is residing at 11A, Judges Court Road, Kolkata-700 027 Ph:033-24792700. He is having more than 10 years of experience in stock broking business and investment activities. He holds directorship in M/s. Gyan Traders Ltd. and Plenty Valley Intra Ltd., both listed at CSE. His networth as on 31/03/2004 as certified by Mr. Prabhat Kumar Dhandhania (Membership No.52613), partner of Dhandhania & Asociates, Chartered Accountants, having office at 13, Crooked Lane, Kolkata-700 069 Ph:033-22486214/4813 Fax: 033-22481860 vide certificate dated 19/11/2004 is Rs.132.83 Lacs.

3.1.5. Sri Rajendra Prasad Bubna & Sri Sanjeev Bubna are real brothers.

3.1.6. The Shareholding Pattern of ISPL is as follows:

Sl. No.	Shareholders Category	No. & % of shares held
1.	Promoters & their associates	500000 (100%)
2.	FII / Mutual Funds / FIs / Banks	-
3.	Public	-

	Total Paid Up Capital	**Rs.50,00,000/-**

3.1.7. The Shareholding Pattern of TCCPL is as follows:

Sl. No.	**Shareholders Category**	**No. & % of shares held**
4.	Promoters & their associates	393700 (100%)
5.	FII / Mutual Funds / FIs / Banks	-
6.	Public	-
	Total Paid Up Capital	**Rs.39,37,000/-**

3.1.8. The Board of Directors of ISPL & TCCPL as on the date of this Letter of Offer is as under:

Names	**Residential Address**	**Date of Appointment**	
		ISPL	**TCCPL**
Rajendra Prasad Bubna	11A, Judges Court Road, Kolkata-700 027	12.06.1995	04/10/2004
Sanjeev Bubna	11A, Judges Court Road, Kolkata-700 027	12.06.1995	04/10/2004

3.1.9. None of the persons representing or having interest with the Acquirers are on the Board of MTCL, in terms of Regulation 22(9) of the Regulations except Mr. Rajendra Prasad Bubna and Mr. Sanjeev Bubna who were appointed on the Board of the Target Company on November 13, 2004 in terms of the said second proviso to Regulation 22(7) of the Regulations.

3.1.10. The Acquirers have not entered into any formal agreement with respect to the present acquisition and are acting together under an informal understanding.

3.1.11. Mr. Rajendra Prasad Bubna and Mr. Sanjeev Bubna and their associates are holding 100% shares in ISPL & TCCPL. Therefore, they are persons acting in concert as per the provisions of regulations 2(1) (e) of the Regulations. However, they are not participating in the Offer.

3.1.12. ISPL & TCCPL, its directors & its promoters have not been prohibited by SEBI from dealing in Securities, in terms of the directions issued under 11B of the SEBI Act or under any regulations made under the SEBI Act.

3.1.13. The shares of ISPL & TCPPL are not listed on any of the Stock Exchanges.

3.1.14. The Acquirers do not have controlling stake in any listed or unlisted company.

3.1.15. The summarized financial information of ISPL are given hereunder:

Profit & Loss Statement **(Rs. in Lacs)**

For the Year Ended / Period Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 15/10/2004 (Unaudited)**
Income from Operations	46.65	11.15	123.31	49.65
Other Income	1.11	0.99	1.22	3.89
Total Income	47.76	12.14	124.53	53.54
Total Expenditure	46.64	12.00	120.84	0.09

Profit(Loss) before Interest, Depreciation and Tax	1.12	0.14	3.69	53.45
Depreciation	-	-	-	-
Interest	-	-	2.39	1.14
Profit(Loss) before Tax	1.12	0.14	1.30	52.31
Provision for Tax -Current Tax -Deferred Tax	 - -	 0.05 -	 0.03 -	 - -
Profit after tax	1.12	0.09	1.27	52.31

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

As on	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 15/10/2004 (Unaudited)**
Sources of funds				
Paid up share capital	50.00	50.00	50.00	50.00
Reserves & Surplus (excluding revaluation reserves)	7.73	7.82	9.09	61.40
Less: Total Miscellaneous Expenditure not written off (P&L A/c)	0.07	0.05	0.03	0.03
Net Worth	57.66	57.77	59.06	111.37
Secured loans	-	-	-	-
Unsecured loans	-	-	634.40	534.01
Deferred Tax Liabilities	-	-	-	-
Total	**57.66**	**57.77**	**693.46**	**645.38**
Uses of funds				
Net Fixed Assets	-	-	-	-
Investments	21.70	30.24	691.32	236.93
Net Current Assets	35.96	27.53	2.14	408.45
Total	**57.66**	**57.77**	**693.46**	**645.38**

Other Financial Data

For the Year Ended / Period Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 15/10/2004 (Unaudited)**
Dividend	-	-	-	-
Earning Per Share (Rs.) *	0.22	0.02	0.26	10.46
Return on Networth	1.94%	0.16%	2.15%	46.97%
Book Value Per Share (Rs.)	11.53	11.55	11.81	22.27

*Profit after tax / number of outstanding equity shares at the close of the year/period.
Source: Audited Annual Reports/ Certified Financial Statements by Statutory Auditor.

3.1.16. The summarized financial information of TCCPL are given hereunder:

Profit & Loss Statement **(Rs. in Lacs)**

For the Year Ended / Period Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 30/06/2004 (Unaudited)**
Income from Operations	14.25	59.00	254.21	0.62
Other Income	0.35	0.23	0.84	0.00
Total Income	14.60	59.23	255.05	0.62
Total Expenditure	14.40	59.18	254.44	0.00
Profit(Loss) before Interest, Depreciation and Tax	0.20	0.05	0.61	0.62
Depreciation	-	-	-	-
Interest	-	-	0.34	-
Profit(Loss) before Tax	0.20	0.05	0.27	0.62
Provision for Tax -Current Tax -Deferred Tax	 - -	 0.02 -	 0.03 -	 0.20 -
Profit after tax	0.20	0.03	0.24	0.42

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

As on	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 30/06/2004 (Unaudited)**
Sources of funds				
Paid up share capital	39.37	39.37	39.37	39.37
Reserves & Surplus (excluding revaluation reserves)	0.85	0.88	1.12	1.52
Less: Total Miscellaneous Expenditure not written off (P&L A/c)	0.02	0.01	-	-
Net Worth	40.20	40.24	40.49	40.89
Secured loans	-	-	-	-
Unsecured loans	-	-	25.27	-
Deferred Tax Liabilities	-	-	-	-
Total	**40.20**	**40.24**	**65.76**	**40.89**
Uses of funds				
Net Fixed Assets	-	-	-	-
Investments	-	-	-	-
Net Current Assets	40.20	40.24	65.76	40.89
Total	**40.20**	**40.24**	**65.76**	**40.89**

Other Financial Data

For the Year Ended / Period Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March 2004 (Audited)**	**For the period 01/04/2004 to 30/06/2004 (Unaudited)**
Dividend	-	-	-	-
Earning Per Share (Rs.) *	0.051	0.007	0.06	0.11
Return on Networth	0.005	0.001	0.006	0.01

Book Value Per Share (Rs.)	10.21	10.22	10.28	10.39

*Profit after tax / number of outstanding equity shares at the close of the year/period.
Source: Audited Annual Reports/ Certified Financial Statements by Statutory Auditor.

3.2. Disclosures in terms of Regulations 16(ix) of the Regulations:

3.2.1 This Offer has been made pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Regulations. The acquisition is for substantial acquisition of shares and voting rights accompanied with change in control / management.

3.2.2 The Acquirers & PAC's are presently engaged in the business of investment and dealing in shares and securities and also providing short-term loans and advances. As a measure of diversification of business, they intend to enter into tea manufacturing and processing related activities by taking management control of MTCL through acquisition of equity shares of the Target Company.

3.2.3 The Acquirers and PAC's does not have plans to dispose off or otherwise encumber any assets of MTCL in the next two years except in the ordinary course of business and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or otherwise of MTCL. The Acquirers and PAC's undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of MTCL except with the prior approval of the shareholders of MTCL.

4. Option in terms of Regulation 21(3)

If, pursuant to this Offer and any acquisition of shares by the Acquirers from the open market or through negotiations or otherwise made in compliance with the SEBI (SAST) Regulations 1997, the public shareholding is reduced to 10% or less of the paid up equity share and voting share capital of MTCL, then in accordance with Regulation 21(3) of the Regulations, the Acquirers will make an Offer to acquire the outstanding shares remaining with the public shareholders in accordance with the SEBI (Delisting of Securities) Guidelines, 2003 and subsequent amendments thereto.

5. BACKGROUND OF THE TARGET COMPANY – MTCL

5.1. Brief History and Main Areas of Operations:

5.1.1 MTCL having its registered office at 75-C, Park Street, 1st Floor, Kolkata-700 016 was incorporated under the Indian Companies Act, 1913, on December 19, 1929.

5.1.2 The paid-up share capital of MTCL is Rs.40,80,000/- divided into 4,08,000 equity shares of Rs.10/- each fully paid up. The company does not have any partly paid up shares. MTCL is engaged in the business of manufacture of tea. The Equity Shares of MTCL are listed at the Calcutta Stock Exchange & Gauhati Stock Exchange. The equity share capital structure of MTCL is as follows:

Paid-up Equity Shares	No. of Shares / Voting rights	% of Shares/Voting Rights
Fully Paid-up Equity Shares	408000	100%
Partly Paid-up Equity Shares	Nil	Nil
Total paid-up Equity Shares	408000	100%
Total Voting Rights	408000	100%

5.2. Details of the built-up of the share capital of MTCL:

Date of allotment	Shares Issued		Cumulative paid up capital	Mode of allotment	Identity of allottees	Compliance status
	Number	%				

Upto 1984	204000	50%	2040000	Cash/Consideration other than cash/Bonus Issue	Promoters & Others	*
11/06/1985	204000	50%	4080000	Bonus Issue	Promoters & Others	*
Total	**408000**	**100.00**				

* We have been informed that as the Company was incorporated way back in 1929, the built-up of the share capital since incorporation of the company upto 1984 is not available. Further, as per the letter received from the stock exchanges, it is noted that MTCL has duly complied with the listing formalities of the above-mentioned shares.

The Calcutta Stock Exchange vide its letter ref no. CSEA/LD/238/2005 dated 16/03/2005 has informed that shares of the Target Company was listed at their Exchange since 24/01/1944 and the Gauhati Stock Exchange Limited vide its letter ref no. GSE/L/588/2005/138 dated 12/03/2005 has informed that shares of the Target Company was listed at their Exchange on 11/08/1987.

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

5.4. The Board of Directors of MTCL as on the date of the PA is as follows:

Names of Directors	Designation	Date of Appt	Qualification	Residential Address	Experience	No. & % of shares of MTCL held as on date of P.A. i.e. 21/10/04	No. & % of shares sold through agreement dated 18/10/04
Mr. H. M. Parekh	Director	27/01/1988	B.A.	3A, Navin Appt., 29, Ballygunge Park, Kolkata-700 019	40 yrs. in tea industry	Nil	Nil
Sri Prakash Jalan	Director	15/07/1996	B. Com	7C, Raja Santosh Road, Kolkata-700 027	25 yrs. in tea industry	Nil	Nil
Mrs. Pushpa Devi Goenka	Director	21/03/1997	Matriculate	18, Belvedere Road, Kolkata-700 027	10 yrs. in tea industry	Nil	3678
Mr. N. P. Goenka	Director	28/06/1974	M.A.	18, Belvedere Road, Kolkata-700 027	50 yrs. in tea industry	Nil	2

5.5. The Acquirers do not have any representatives on the Board of Directors.

5.6. There has been no merger / demerger or spin off involving MTCL during the last 3 years.

5.7. As per the available information, we state that the sellers & promoters, wherever applicable have complied with the applicable provisions of Chapter II of the Regulations. However, the other major shareholders & Target Company have not complied with the applicable provisions of Chapter II of the Regulations.

5.8. The Calcutta Stock Exchange vide its letter ref no. CSEA/LD/996/2004 dated 26/10/2004 has confirmed that as per the records of the Exchange, MTCL has mostly complied with the requirement of the listing agreement for the financial years 2002-03 and 2003-04. Further, Gauhati Stock Exchange vide its letter ref. no. GSE/L/588/2004 dated 29/10/2004 has stated that MTCL has done almost nil compliance of Listing Agreement as well as SEBI Guidelines and that the Listing fees for the year 2003-2004 & 2004-2005 has not been remitted so far. Further, as per the available information, we confirm that no penal action has been taken by the Stock Exchanges till date against MTCL.

5.9. Financial Information:

The financial information of MTCL for the last 3 years and three months period ending 30.06.2004 are as follows:

Profit & Loss Statement

(Rs. in Lacs)

For the Year Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March, 2004 (Audited)**	**Period ended 30.06.2004# (Unaudited)**
Income from Operations	440.37	364.72	401.85	147.00
Other Income*	102.40	53.95	38.65	0.00
Total Income	542.77	418.67	440.50	147.00
Total Expenditure	623.64	518.23	557.07	134.00
Profit / (Loss) before Interest, Depreciation and Tax	(80.87)	(99.56)	(116.57)	13.00
Depreciation	24.48	27.33	27.15	7.00
Interest	1.93	4.11	5.86	2.00
Profit / (Loss) before Tax	(107.28)	(131.00)	(149.58)	4.00
Provision for Tax -Current Tax -Deferred Tax	 6.00 (0.60)	 0.00 0.50	 0.00 (0.49)	 0.00 0.00
Profit after tax	(112.68)	(131.52)	(149.09)	4.00

***** The Other Income consists of Interest Received from Others, Dividend on Investment other than Trade, Sale on Tea Waste and Tea Board Subsidy.

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

As on	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March, 2004 (Audited)**	**Period ended 30.06.2004# (Unaudited)**
Sources of funds				
Paid up share capital	40.80	40.80	40.80	40.80
Reserves & Surplus (excluding revaluation reserves)	1541.81	1410.29	1261.20	1265.20
Less: Miscellaneous Expenditure not written off	-	-	-	-
Net Worth	**1582.61**	**1451.09**	**1302.00**	**1306.00**
Secured loans	-	55.97	12.92	92.35
Unsecured loans	-	-	25.00	15.00
Deferred Tax Liability (Net)	20.81	21.32	20.83	20.83

Total	**1603.42**	**1528.38**	**1360.75**	**1434.18**
Uses of funds				
Net Fixed Assets	256.81	283.83	265.25	258.93
Investments	403.30	468.30	299.30	299.30
Net Current Assets	943.31	776.25	796.20	875.95
Total	**1603.42**	**1528.38**	**1360.75**	**1434.18**

Other Financial Data

For the Year Ended	**31st March 2002 (Audited)**	**31st March 2003 (Audited)**	**31st March, 2004 (Audited)**	**Period ended 30.06.2004# (Unaudited)**
Dividend	-	-	-	-
Earning Per Share (Rs.) *	(27.62)	(32.24)	(36.54)	3.92**
Return on Networth (%)	(7.12)	(9.06)	(11.45)	1.23**
Book Value Per Share (Rs.)	387.89	355.66	319.12	320.10

*Profit after tax / number of outstanding equity shares at the close of the year/period.
** Annualised
Source: Audited Annual Reports
Certified by Statutory Auditor as per the management's estimates.

5.10. Pre and Post-Offer Shareholding Pattern of MTCL (based on Subscribed & paid up Equity and Voting Capital) is as under: -

Shareholders' Category	**Share holding prior to the Agreement/ acquisition and Offer**		**Shares agreed to be acquired which triggered off the Regulation**		**Shares to be acquired in open Offer (assuming full acceptances)**		**Share holding after Acquisition and Offer (A+B+C)**	
	(A)		**(B)**		**(C)**		**(D)**	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter Group								
a) Parties to Agreement b) Promoter other than (a) above	197506 -	48.41 -	(197506) -	(48.41) -	- -	- -	- -	
TOTAL 1 (a + b)	**197506**	**48.41**	**(197506)**	**(48.41)**	-	-	-	-
2. Acquirers:								
a) Main Acquirers								
Indistock Pvt. Ltd.	Nil	Nil	164306	40.27	38000	9.31	202306	49.58
Thirdwave Credit & Commercial Pvt. Ltd.	Nil	Nil	33200	8.14	43600	10.69	76800	18.83

b) Persons acting in concert	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 2 (a+b)	**Nil**	**Nil**	**197506**	**48.41**	**81600**	**20.00**	**279106**	**68.41**
3. Parties to the agreement (Other than 1(a) & 2)	-	-	-	-	-	-	-	-
4. Public Share Holding (other than 1 to 3)*								
a) FIs/MFs/FIIs/ Banks	48484	11.88	-	-	(81600)	(20.00)	128894	31.59
b) Others	162010	39.71	-	-				
Total 4(a+b)	210494	51.59	-	-	(81600)	(20.00)	128894	31.59
GRANDTOTAL (1+2+3+4)	**408000**	**100.00**	**-**	**-**	**-**	**-**	**408000**	**100.00**

*The total number of shareholders in Public category is 524.

5.11. There was no trading of the shares of MTCL as on 21/10/2004 i.e. the date of Public Announcement at CSE & GSE.

5.12. As per the available information, we confirm that there has not been any change in the aggregate promoter's shareholding since 20th February 1997 except consolidation of shareholding of Calcutta Sales Agencies Ltd. & Leo Investment Co. Ltd. with Beetle Investment Co. Ltd. pursuant to scheme of amalgamation and transmission of shares in the name of Mrs. P. D. Goenka. The promoters have duly complied with the applicable provisions of SEBI (SAST) Regulations, 1997 and subsequent amendments thereto.

5.13. Corporate Governance: Since, the share capital of the company is less than Rs.3 crores, clause 49 of the Listing Agreement in respect of corporate governance is not applicable to the Target Company.

5.14. Mr. H. P. Chakravarti, company secretary of the company is acting as the compliance officer and his address is 75-C, Park Street, 1st Floor, Kolkata-700 016. Ph: 033-22297638, Fax: 033-22496587

6. OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

6.1.1. The Equity Shares of MTCL are listed on CSE & GSE.

6.1.2. The Annualised trading turnover during the preceding six calendar months ended September 2004, in CSE & GSE is as follows:

Name of Stock Exchange	Total no of shares traded during the 6 calendar months prior to the month in which PA was made	Total No. of listed Shares	Annualised Trading Turnover (in terms of % to total listed shares)

Calcutta Stock Exchange	Nil	408000	Not Applicable
Gauhati Stock Exchange	Nil	408000	Not Applicable

Source: As per information from CSE & GSE.

The Calcutta Stock Exchange Association Limited vide its letter ref no. CSEA/LD/228/2005 dated 11/03/2005 has stated that as per the records of the Exchange the last traded price of the equity share of the Target Company was Rs.26/- per share as on 18/01/2001. The Gauhati Stock Exchange Limited vide its letter ref no. GSE/L/588/2005/138 dated 12/03/2005 has stated that the quotation of the Target Company at their Exchange may be treated as Nil as there was no trading because of the system break down.

6.1.3. As Annualised Trading Turnover (by number of shares) is less than 5% of the total number of listed shares of MTCL at CSE & GSE, the equity shares of MTCL are infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters:-

i. The Negotiated price under the Agreement is Rs.50/- per fully paid up equity share.
ii. The Acquirer has not acquired any equity shares of MTCL during the 26 weeks prior to the date of PA including by way of allotment in a public, rights or preferential issue.
iii. Other parameters for the year ended 31.03.2004 such as the Earning per Share and Return on Networth is negative. The book value per equity share is Rs.319.12 as on 31.03.2004 as per the audited accounts.
iv. The P/E multiple of the MTCL considering the Offer Price of Rs.64/- per share works out to infinite. The average industry P/E for the sector in which MTCL operates is 19.6 (Source: Capital Market journal Vol. XIX/14 Sep13-Sep 26, 2004, Sector-Tea)

There was no trading in CSE & GSE in the last 3 years.
(Source: CSE & GSE Official Quotation).

Mr. S. K. Kejriwal, partner of M/s. V. K. Goenka & Co., Chartered Accountants, Kolkata (Membership No.61290) has undertaken a valuation exercise to determine the fair value of the equity shares of MTCL and furnished a report in this regard. The relevant extracts of the report dated 24/02/2005 is stated as under:-
The shares of MTCL are to be valued in terms of Regulation 20(5). While a number of valuation methods are feasible, the following approach has been considered:

a) Net Asset Value: The Net Asset Value is Rs.319.12 per share as per the audited annual report for the year ended 31.03.2004.
b) Profit Earning Capacity Value (PECV): The profit after tax for each of the last 10 financial years ending on 31/03/2004 as per audited annual accounts are negative. Therefore, PECV of the company is zero.
c) Market based value: Average of the weekly high & low of the closing prices of the shares of MTCL as quoted on both CSE & GSE where the shares of the Company are infrequently traded during the 26 weeks is Rs.NIL.
d) Considering the Supreme Court decision in the Hindustan Lever Employees Union vs Hindustan Lever Limited, 1995 (83 Com. Case 30), wherein the Honourable Court had opined that the fair value of a listed company could be assessed based on the following weightages:Market Based Value: 2; Earnings Based Value: 2; Net Asset Value: 1

Given the NAV of Rs.319.12, PECV of Rs.Nil as assessed above and the average market price for the last 26 weeks Rs.Nil, if one were to apply this approach, the share price based on the weighted average would be Rs.63.82 per share.

Therefore, based on the fair value of Rs.63.82 per share as calculated above, the negotiated price under Agreement of Rs.50/- per share and consistent significant losses being made by the company since last 3 years, in the opinion of the Manager to the Offer and the Acquirers, the Offer price of Rs.64/- per share is justified in terms of Regulation 20(11).

6.1.4. The Acquirers have not entered into any non-compete agreement.

6.1.5. The Acquirers would be responsible for ensuring compliance with the Regulations for the consequences arising out of the acquisition of shares, if any, made after the date of Public Announcement (i.e. 21/10/2004) in terms of Regulation 20(7) of the Regulations. However, no such acquisition shall be made by the Acquirers during 07/04/2005 to 19/04/2005.

6.1.6. It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirers for any Acquisition of shares of MTCL from the date of Public Announcement upto 7 working days prior to the closure of the Offer viz. 19/04/2005.

6.2. Financial arrangements:

6.2.1. The total fund requirement for the Offer is Rs.52,22,400/- assuming that the entire Offer is accepted. In accordance with Regulation 28 and second proviso to Regulation 22(7) of the Regulations, the Acquirers had initially created an Escrow Account in the form of fixed deposit of Rs.41,00,000/- being more than 100% of the total consideration payable as per original offer price, with HDFC Bank, Stephen House, Kolkata. In view of the upward revision of the offer price from Rs.50/- per share to Rs.64/- per share, the Acquirers have deposited additional amount of Rs.12,00,000/- being more than 100% of the total consideration payable as per the revised offer price. A lien has been marked on this escrow account in favour of Ashika Capital Limited.

6.2.2. The Acquirers have adequate financial resources and has made firm financial arrangement for the implementation of the Offer in full out of its own sources / net worth and no borrowings from any bank and/or financial institutions or foreign sources is envisaged. Mr. Rajesh Kumar Choudhary (Membership No.56448), proprietor of M/s. Rajesh Choudhary & Associates Chartered Accountants, having office at 36, Strand Road, 3rd Floor, Room No. 22, Kolkata-700 001 Ph:033-22431494 Fax:033-22130418 has certified vide its letter dated 14/03/2005 that sufficient resources are available with the Acquirers for fulfilling the obligations under this “Offer” in full.

6.2.3. The Manager to the Offer, Ashika Capital Limited has been duly authorized by the Acquirers to operate & realize the value of Escrow Account in terms of the Regulations.

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

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. The LO together with the Form of Acceptance and Form of Withdrawal will be mailed to the shareholders of MTCL (except the parties to the agreement) whose names appear on the register of the members of MTCL and the beneficial owners of the shares of MTCL, whose names appear on the beneficial records of the respective depositories, at the close of the business hours on 21/10/2004.

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

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

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

7.5. Locked-in Shares:

There are no locked-in shares in MTCL.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirers and Sellers who are also parties to the agreement) whose names appeared in the register of shareholders on 21/10/2004 and also to those beneficial owners ("Demat holders") of the equity shares of MTCL, whose names appeared as beneficiaries on the records of the respective depository participants ("DP") at the close of the business hours on 21/10/2004 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

a) The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders, if any.

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

c) In case of delay in receipt of statutory approvals beyond 03/05/2005, SEBI has power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the regulations will become applicable.

d) The Acquirers do not require any approval from its bankers / lending Institutions for the aforesaid Offer.

7.8. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 03/05/2005.

7.9. 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 closure of the Offer i.e. 13/04/2005.

7.10. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

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

Maheshwari Datamatics Pvt. Ltd.
Contact Person: Mr. S. Rajagopal
6, Mangoe Lane, 2nd Floor,
Kolkata-700 001
Phone No: (033) 2243-5029/5809, 2248-2248
Fax: (033) 2248-4787
E-mail: mdpl@cal.vsnl.net.in

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before 19/04/2005. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday – Friday	10.00 a.m. upto 5.00 p.m.	Hand Delivery
Saturday	10.00 a.m. upto 3.00 p.m.	Hand Delivery

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

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

8.2.1. For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

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

(ii) Unregistered owners should enclose:

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

8.2.2. For equity shares held in Demat Form:

Beneficial owners should enclose**:**

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.

- **Photocopy of the delivery instruction in " Off-market" mode or counterfoil of the delivery instruction in "Off- market " mode**, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on 19/04/2005.

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

DP Name	Shree Bahubali International Limited
DP ID	IN300773
Client ID	10125513
Account name	Maheshwari Datamatics Pvt. Ltd.-MTCL-Open Offer Escrow A/c
Depository	National Securities Depository Limited

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

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

8.6. In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of MTCL. The Public Announcement, Corrigendum to the Public Announcement, LO, Form of Acceptance Cum Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares Offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 19/04/2005. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of beneficial owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number, and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off- market " mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer , on or before the closure of the Offer.

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

8.8. The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 03/05/2005. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 03/05/2005.

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

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

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

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

8.13. In case any person has lodged shares of MTCL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 8.4 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct MTCL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.

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

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

8.16. The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of closure of the Offer, i.e. on or before 13/04/2005 in terms of Regulation 22(5A).

8.17. The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 13/04/2005. The withdrawal option can be exercised by submitting the form of withdrawal. You may devise a suitable form of withdrawal.

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

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

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

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

9. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. Ashika Capital Limited at ‘Trinity’, 7th Floor, 226/1, A. J. C. Bose Road, Kolkata-700 020 on any working day between 10.00a.m to 2.00p.m during the period the Offer is open i.e., from 31/03/2005 to 19/03/2005.

i) Memorandum & Articles of Association of MTCL along with Certificate of Incorporation.

ii) Letter dated 24/02/2005 from Mr. S. K. Kejriwal (Membership No.61290), partner of M/s. V. K. Goenka & Co., Chartered Accountants, having office at 10, G. C. Avenue, 2nd Floor, Suite 12, Kolkata-700 013 Ph:033-30943669 certifying the valuation exercise to determine the fair value of the equity shares of MTCL.

iii) Letter dated 14/03/2005 from Mr. Rajesh Kumar Choudhary (Membership No.56448), proprietor of M/s. Rajesh Choudhary & Associates Chartered Accountants, having office at 36, Strand Road, 3rd Floor, Room No. 22, Kolkata-700 001 Ph: 033-22431494 Fax: 033-22130418 certifying the adequacy of financial resources with Acquirers to fulfill the Open Offer obligations.

iv) Audited Annual Reports for the financial year ended March 31, 2002, March 31, 2003 & March 31, 2004 of Methoni Tea Company Limited. Unaudited certified financial results for the 3 months ended 30/06/2004 from the statutory auditors of MTCL.

v) Audited financial results for the financial year ended March 31, 2002, March 31, 2003 & March 31, 2004 and unaudited certified financial results for the period 01/04/2004 to 15/10/2004 for M/s. Indistock Pvt. Ltd. & M/s. Thirdwave Credit & Commercial Pvt. Ltd. duly certified by their respective statutory auditors.

vi) Letter of HDFC Bank Limited, Stephen House Branch, Kolkata 700 001, dated 19/10/2004 & 14/03/2005 confirming the amount kept in the Escrow Account and creation of Lien on the said Escrow account in favour of Ashika Capital Limited the Manager to the Offer to operate it.

vii) A copy of the confirmation received from depository Participant – Shree Bahubali International Ltd. confirming opening of a special depository account for the purpose of the Offer.

viii) A copy of the Public Announcement for the Offer dated 21/10/2004 and Corrigendum to the Public Announcement dated March 18, 2005.

ix) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated 18/10/2004.

x) Copy of Agreement entered into between the Acquirers and Sellers dated 18/10/2004.

xi) Copy of Escrow Agreement entered into between Sellers, Acquirers and Khaitan & Co. dated 18/10/2004.

xii) Copy of SEBI letter no. CFD/DCR/NM/TO/35614/05 dated March 09, 2005 issued in terms of proviso to the Regulation 18(2) of the Regulations.

10. DECLARATION BY THE ACQUIRERS:

The Acquirers, M/s. Indistock Pvt. Ltd. & M/s. Thirdwave Credit & Commercial Pvt. Ltd. and its directors alongwith the PAC's accept full responsibility jointly and severally for the information contained in this Letter of Offer and are responsible for ensuring compliance with the Regulations. The information relating to MTCL has been obtained from publicly available information & from the company.

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

Acquirers:

For Indistock Pvt. Ltd.	**For Thirdwave Credit & Commercial Pvt. Ltd.**
Sd/-	**Sd/-**
(Director)	**(Director)**

Person Acting in Concert with the Acquirers:

Sd/-	**Sd/-**
(Rajendra Prasad Bubna)	**(Sanjeev Bubna)**

Place: Kolkata
Date: 21/03/2005

Attached: Form of Acceptance cum Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
M/s. Maheshwari Datamatics Pvt. Ltd. **Date:**
6, Mangoe Lane,
2nd Floor,
Kolkata-700 001

Dear Sir,

Sub: Open Offer to the shareholders of M/s. The Methoni Tea Company Ltd. (MTCL) to acquire from them upto 81600 equity shares of Rs.10/- each aggregating 20% of the equity share capital of MTCL @ Rs.64/- per share by M/s. Indistock Pvt. Ltd. & M/s. Thirdwave Credit & Commercial Pvt. Ltd.

I/We refer to the Letter of Offer dated 21/03/2005 for acquiring the equity shares held by me/us in The Methoni Tea Company Limited.

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

SHARES IN PHYSICAL FORM

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

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of shares
Total number of equity shares				

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

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

SHARES IN DEMATERIALISED FORM

I / We, holding Shares in the dematerialised form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the Depository Participant ("DP") in respect of my/our Shares as detailed below:

DP Name	DP ID	Client ID	No. of Shares	ISIN No.
				INE 869D01014
Total number of shares				

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

I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirer accepts the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.

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

I/We authorise the Acquirers to accept the shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorise the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UCP as may be applicable at my/our risk, the draft/cheque/warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

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

Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	**Address**	**Signature**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

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

Place:
Date:

Bank Details

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

Savings/Current/(Others; please specify) : ____________________________________
Name of the Bank Branch : ____
Account Number :____

---**Tear along this line** --

Acknowledgement slip

Ledger Folio No. _________________________DP ID _______________ Client ID___________________________Received from _____________________________ ___________an application for sale of __________Equity Share(s) of The Methoni Tea Company Limited together with ________share certificate(s) bearing Certificate Numbers _________________________ and _______transfer deed(s)/ photocopy of “Off-market” delivery instruction duly acknowledged by the DP.

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

Date of receipt **Signature of the official**

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

From:
Name:
Address:

OFFER	
Opens on	March 31, 2005
Closes on	April 19, 2005
Last date of Withdrawal	April 13, 2005

Tel. No.
Fax No.
E-mail:

To,
M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane,
2nd Floor,
Kolkata-700 001

Dear Sir,

Sub: Open Offer to the shareholders of M/s. The Methoni Tea Company Ltd. (MTCL) to acquire from them upto 81600 equity shares of Rs.10/- each aggregating 20% of the equity share capital of MTCL @ Rs.64/- per share by M/s. Indistock Pvt. Ltd. & M/s. Thirdwave Credit & Commercial Pvt. Ltd.

I/We refer to the Letter of Offer dated 21/03/2005 for acquiring the equity shares held by me/us in The Methoni Tea Company Limited.

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

I/We, hereby consent unconditionally and irrevocably to withdraw my/our shares from the Offer and I/We further authorise the 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 /PAC/Manager to the Offer/ Registrar to the Offer.
I/We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.13/04/2005.
I/We note that the Acquirer /PAC/Manager to the Offer/ Registrar to the Offer shall not be liable for any postal delay/loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialised form in the DP Account due to inaccurate / incomplete particulars / instructions.
I/We also note and understand that the Acquirer /PAC will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents, signatures and beneficiary position as available from the depositories from time to time.

SHARE HELD IN PHYSICAL FORM
The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

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

SHARES HELD IN DEMAT FORM

I/We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to the ”Maheshwari Datamatics Pvt. Ltd.-MTCL Open Offer Escrow A/C“ as per the following particulars:

DP ID	:	IN300773
DP Name	:	Shree Bahubali International Limited
Beneficiary ID Number	:	10125513

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

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.
I/We confirm that the particulars given above are true and correct.
In case of dematerialised shares, I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.
Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	**Address**	**Signature**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

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

Place: Date:

-- TEAR HERE--

ACKNOWLEDGEMENT RECEIPT

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

Folio No.----------------------------------DP ID -------------------------------- Client ID NO. ------------------------------------

Number of shares tendered --

Number of share withdrawn --

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