LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOO) is sent to you as equity shareholder(s) of Nagarjuna Agri Tech Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Keynote Corporate Services Ltd. (Manager to the Offer) or X L Softech System Ltd. (Registrar to the Offer). In case you have sold your shares in the Company, please hand over this LOO and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

CASH OFFER AT A PRICE OF RS 10.00 (RUPEES TEN ONLY) PER EQUITY SHARE

[Pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto]

TO ACQUIRE

from existing equity shareholders upto 20,18,880 equity shares of Rs.10/- each forming 20% of the paid-up equity share capital of the company at a price of Rs.10.00 per share of

NAGARJUNA AGRI TECH LIMITED

having its registered office at No.56, Nagarjuna Hills, Punjagutta, Hyderabad – 500 082 (India)

Telefax: (040) 2335 7248; Email: natl@rediffmail.com

By

SWEET SOLUTIONS LIMITED

having its registered office at 204, Veena Chambers, 2nd Floor, 41 Dalal Street, Fort, Mumbai – 400 023 (India)

Tel: (022) 22622949 / 2953 / 2813 / 2809; Fax: (022) 22704381; Email: subhkam@bom5.vsnl.net.in

There are no approvals, statutory or otherwise, required under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and /or any other applicable laws for this Open Offer.

The shareholder(s) shall have the option to withdraw acceptance tendered by him/them upto three working days prior to the date of closure of the offer i.e. upto 21/12/2006.

In case of any upward revision/withdrawal of the offer, the Public Announcement for the same would be made in the same newspapers where the original Public Announcement has appeared. The last date for such upward revision, if any, is 15/12/2006. Acquirer will pay the same price for all fully paid-up equity shares tendered during the offer period.

Equity Shareholders may note that if there is a competitive bid,

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

A copy of the Public Announcement and Letter of Offer (including form of acceptance cum acknowledgement and form of withdrawal) is also available at the website of SEBI www.sebi.gov.in

MANAGER TO THE OFFER

KEYNOTE CORPORATE SERVICES LTD.
307, Regent Chambers,
Nariman Point, Mumbai-400 021.
Tel: (022) 2202 5230 Fax: (022) 2283 5467
E-mail: mbd@keynoteindia.net
SEBI Regn: INM000003606
AMBI Regn No.: AMBI/040
Contact Person: Janardhan Wagle

REGISTRAR TO THE OFFER

X L SOFTECH SYSTEM LTD.
3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad – 500 034
Tel : (040) 235 45913, 45 Fax: (040) 23553214
Email: xlfield@rediffmail.com
Website: www. xlsoftech.com.com
SEBI Regn. No.: INR000000254
Contact Person: Mr. Ramprasad

Activity	Original		Revised	
	Date	Day	Date	Day
Public Announcement	04/04/2006	Tuesday	04/04/2006	Tuesday
Last date for a competitive bid	24/04/2006	Monday	24/04/2006	Monday
Specified Date	28/04/2006	Friday	28/04/2006	Friday
Date by which the Letter of Offer will be dispatched to the shareholders	18/05/2006	Thursday	04/12/2006	Monday
Date of opening of the Offer	27/05/2006	Saturday	09/12/2006	Saturday
Last date for revising the offer price/ number of shares	05/06/2006	Monday	15/12/2006	Friday
Last date for withdrawal of acceptance	09/06/2006	Friday	21/12/2006	Thursday
Date of closing of the Offer	15/06/2006	Thursday	28/12/2006	Thursday
Date by which the acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s) / demat delivery instruction for the rejected Shares will be dispatched / issued.	29/06/2006	Thursday	12/01/2007	Friday

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DEFINITIONS

Acquirer or SSL	:	Sweet Solutions Limited
Date of Public Announcement	:	04/04/2006
Letter of Offer/LOO	:	This Letter of Offer dated 02/12/2006
Manager to the Offer/ Merchant Banker	:	Keynote Corporate Services Ltd.
Persons Eligible to participate in the Offer	:	Equity shareholders of Nagarjuna Agri Tech Ltd. (other than Acquirer) whose names appear on the Register of the Members of Nagarjuna Agri Tech Ltd. at the close of business hours on 28/04/2006 (the "Specified Date") and also to those persons who own the shares at any time prior to the closure of the offer, but are not the registered equity shareholders.
SEBI	:	Securities and Exchange Board of India
Specified Date	:	28/04/2006
Target Company or NATL	:	Nagarjuna Agri Tech Limited
The Regulations / SEBI (SAST) Regulations 1997	:	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

RISK FACTORS

- **Relating to the Proposed Offer**

  If the aggregate of the valid responses to the offer exceeds offer size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations. In such an event all the equity shares tendered by the applicant may not be accepted.

- **In Associating with the Acquirer**

  SSL is presently carrying on investment activities and is exposed to the risk associated with uncertainties in the capital market.

  Sweet Solutions Limited (SSL) had incurred a loss of Rs. 239.82 lacs for the year 2003-2004.

- **Delay in receipt of the in-principle approval from BSE**

  The allotment of equity shares and share warrants (convertible into equity shares) to SSL, through proposed preferential allotment is subject to the receipt of in-principle approval from BSE. BSE, vide its letter no. List/sdm/rk/kj/2006 dated 13/04/2006 advised NATL that it should consider issue of securities on preferential basis, only after lapse of suitable period as and when the suspension of trading in the securities of the Company is revoked by BSE. NATL applied to BSE for revocation of suspension. BSE vide their letter no. CRD/OT/2006/104 dated 25/07/2006 has informed NATL that the internal committee has decided to reject the request for revocation of suspension on account of (1) The company has accumulated losses. (2) The company has not signed with both the depositories. (3) The company has a negative networth and NATL to make fresh request for revocation after (1) Submitting results for September 2006. (2) Completing the open offer. (3) Wiping off the accumulated losses and having a positive networth. (4) Signing with the depositories. The Company has applied fresh to BSE for revocation of suspension vide its letter dated 20/11/ 2006. On revocation of suspension by BSE the Company will approach BSE for in-principle approval, as advised.

1. 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 DISCLOSURE CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE EQUITY SHAREHOLDERS OF NAGARJUNA AGRI TECH 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/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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURES OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER KEYNOTE CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 17/04/2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE 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.

2. DETAILS OF THE OFFER

2.1 Background of the offer

a) The Board of Directors of Nagarjuna Agri Tech Limited (**"NATL"** or **"Target Company"**) in its meeting held on 08/03/2006 had proposed to issue 20,00,000 equity shares of Rs.10/- each at par and 20,00,000 warrants convertible into equity shares of Rs.10/- each at par to Sweet Solutions Limited (hereinafter referred to as **"Acquirer"** or **"SSL"**) subject to obtaining the approval of members/ shareholders of NATL. Accordingly an Extra Ordinary General Meeting of the members/shareholders of NATL was held on 31/03/2006 which has approved the said issue of equity shares and warrants to acquirer.

b) The present equity capital of NATL consists of 60,94,400 equity shares of Rs.10/- each. The proposed allotment of 20,00,000 equity shares of Rs.10/- each at par and 20,00,000 warrants will entitle the acquirer to a voting right to the extent of 39.63% of the post preferential allotment of equity shares and conversion of warrants into equity shares to the fullest extent. Thus the total holding of acquirer pursuant to the aforesaid preferential allotment of equity shares and also assuming conversion of warrants will be 39.63%, which is more than threshold limit of 15% as mentioned in regulation 10 of the Regulations.

Pursuant to the aforesaid preferential allotment, provisions of Regulation 10 of the Regulations have been attracted. The Acquirer announced an offer under the Regulations, to acquire by tender upto 20,18,880 fully paid-up equity shares of Rs.10/- each of NATL representing 20% of the voting capital of NATL, post preferential issue of equity shares and assuming conversion of warrants into equity shares to the fullest extent, as specified in Regulation 21 (1) of Regulations, from the remaining shareholders of NATL (other than **"Promoters & persons in the promoter group"**) on the terms and subject to the conditions set out below, at a price of Rs.10.00 (Rupees Ten Only) per equity share (the **"Offer Price"**) payable in cash (the **"Offer"**). The allotment of equity shares and share warrants (convertible into equity shares) to SSL, through proposed preferential allotment is subject to the receipt of in-principle approval from BSE. BSE, vide its letter no. List/sdm/rk/kj/2006 dated 13/04/2006 advised NATL that it should consider issue of securities on preferential basis, only after lapse of suitable period as and when the suspension of trading in the securities of the Company is revoked by BSE. NATL applied to BSE for revocation of suspension. BSE vide their letter no. CRD/OT/2006/104 dated 25/07/2006 has informed NATL that the internal committee has decided to reject the request for revocation of suspension on account of (1) The company has accumulated losses. (2) The company has not signed with both the depositories. (3) The company has a negative networth and NATL to make fresh request for revocation after (1) Submitting results for September 2006. (2) Completing the open offer. (3) Wiping off the accumulated losses and having a positive networth. (4) Signing with the depositories. The Company has applied fresh to BSE for revocation of suspension vide its letter dated 20/11/ 2006. On revocation of suspension by BSE the Company will approach BSE for in-principle approval, as advised.

c) The offer is not subject to any minimum level of acceptance.

d) Presently none of the directors representing the acquirer are on the Board of NATL.

e) The Acquirer/NATL/Persons in control of the company are not included in the list of persons / entities debarred from accessing the capital market under Section 11 B of the SEBI Act, 1992 or under any other Regulation.

2.2 Details of the Proposed Offer

a) The Acquirer has made a Public Announcement of the Offer to the existing equity shareholders of NATL which was published on 04/04/2006 in compliance with Regulation 15 of the Regulations in all editions of "Business Standard" being English National Daily, "Pratahkal" being Hindi National Daily and "Andhra Bhoomi" (Telgu) being regional language daily of the place where the registered office of NATL is located. A copy of the Public Announcement is also available on the SEBI website at www.sebi.gov.in.

b) The Acquirer has announced an open offer under Regulation 10 of the Regulations, to acquire by tender offer upto 20,18,880 fully paid-up equity shares of Rs.10/- each of NATL representing 20% of the equity share capital of NATL post preferential issue of equity shares and assuming conversion of warrants into equity shares to the fullest extent as specified in Regulation 21 (1) of Regulations, from the remaining shareholders of NATL (other than "Promoters & persons in the promoter group") on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs.10.00 (Rupees Ten Only) per fully paid-up equity share payable in cash.

c) The equity shares of NATL are listed on The Bombay Stock Exchange Ltd. (BSE) and Hyderabad Stock Exchange Ltd. (HSE). The equity shares of the Company have not been traded on either of the stock exchanges for the past six months. Thus the equity shares of NATL are infrequently traded on these exchanges in terms of Explanation (i) to Regulation 20(5) of the Regulations. The offer price of Rs. 10.00 per equity share, has been determined considering provisions of Regulation 20(5) of the Regulations.

d) The equity shares of NATL to be acquired, pursuant to the Offer, shall be free from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends or other distributions hereinafter declared, made or paid.

e) As on the date the Acquirer does not hold any equity shares of NATL other than those proposed to be acquired under the aforementioned preferential issue. There will be no change in control of management of NATL, pursuant to the acquisition and this offer. The acquirer has undertaken vide their Undertaking dated 06/06/2006, to comply with applicable provisions of regulations including fresh open offer to the equity shareholders of NATL in terms of Regulation 12, if there is any change in management of NATL on account of any action taken by SSL in this regard.

3. RATIONALE FOR THE OFFER

a) NATL has been incurring losses for several years and hence the networth of the company has become negative. Acquirer feels that the company has a growth potential and needs funds to achieve the same. SSL sees a good investment opportunity in NATL and feels that NATL can be revived by bringing fresh funds into the Company and take it to a growth path.

b) NATL proposes to issue and allot, 20,00,000 equity shares of Rs. 10/- each at a price of Rs. 10/- and also 20,00,000 share warrants to the Acquirer where each share warrant is convertible at the option of the Acquirer into one equity share of Rs. 10/- each at a price of Rs. 10/- each, consequent to the approval of the share holders/members by way of a special resolution at its extraordinary general meeting. As a result, provisions of Regulation 10 of the SEBI (SAST) Regulations, 1997 are attracted. Hence the present offer to the shareholders is being made in terms of the Regulations.

c) The Acquirer does not have any plan to dispose off or otherwise encumber any of the assets of NATL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of NATL. The Acquirer will not dispose off, sell or otherwise encumber any substantial assets of NATL except with the prior approval of the shareholders of the Company in the General Meeting.

4. BACKGROUND OF THE ACQUIRER

Sweet Solutions Ltd (SSL)

a) Sweet Solutions Limited was incorporated as Sweet Infosys Limited on 01/04/1999 under the Companies Act, 1956.The name of the company was changed to Sweet Solutions Limited and fresh certificate of incorporation was obtained from the Registrar of Companies, Maharashtra, Mumbai on 02/11/2000. The registered office of the company is situated at 204, Veena Chambers, 2nd Floor, 41 Dalal Street, Fort, Mumbai – 400 023. The company belongs to the Subhkam group of companies promoted by Mr. Rakesh S. Kathotia. The company was promoted by Mr. Rakesh S. Kathotia with an objective of carrying on activities of software development and export. SSL has discontinued its software business and is carrying out investment activities for the Subhkam Group. SSL is currently active in the field of making financial and other investments. Thus the company is exposed to risks associated with uncertainties in the capial market.

b) The details of the Board of Directors of SSL are as follows:-

Name, Designation And Address	Experience (Years)	Area of Experience	Qualification	Date of Appointment	Other Directorship
Mr. Rakesh S Kathotia **Director** 15, Onlooker, 14 Sir P M Road, Fort, Mumbai	19	Capital Markets	Bachelor of Commerce	01/04/1999	• Principal Capital Markets Ltd. • Subhkam Stocks and Shares Ltd. • Subhkam Securities Ltd. • Subhkam Monetary Services Pvt. Ltd. • Subhkam Properties Pvt. Ltd. • Milton Securities Ltd. • Milton Global Ltd. • Gstaad Properties Pvt. Ltd. • Vilars Estates Pvt. Ltd. • Milton Global Ltd. • Pathmakers Finance Ltd. • Flowers Valley Pvt. Ltd. • Orbit Exports Ltd. • Eppixcom Tech Ltd.
Ms. Arti R Kathotia **Director** 15, Onlooker, 14 Sir P M Road, Fort, Mumbai	12	Capital Markets	Bachelor of Arts	05/01/2000	• Subhkam Securities Ltd. • Subhkam Properties Pvt. Ltd. • Milton Securities Ltd. • Gstaad Properties Pvt. Ltd. • Vilars Estates Pvt. Ltd. • Subhkam Monetary Services Pvt. Ltd. • Flowers Valley Pvt. Ltd.
Mr. Manu Punnoose **Director** B – 202, Safal Pride, Sector 25, Nerul (East), Navi Mumbai	13	Capital Markets	Masters in Business Administration	05/01/2000	• Principal Capital Markets Ltd. • Milton Securities Ltd. • Flowers Valley Pvt. Ltd. • Pathmakers Finance Ltd. • Subhkam Stocks and Shares Ltd.

Name, Designation And Address	Experience (Years)	Area of Experience	Qualification	Date of Appointment	Other Directorship
Mr. Vipin Kumar Jain **Director** 43, Venus, Cuffe Parade, Mumbai – 400 005	19	Finance, Law and Capital Markets	Bachelor of Commerce, Chartered Accountant, Degree in law	04/02/2006	• Orbit Exports Ltd. • Viswaat Chemicals Ltd. • Suyash Holding and State Developers Pvt. Ltd.

c) Shareholding Pattern of Sweet Solutions Limited is as on 31/03/2006 is as follows:

Category of Shareholder	Number of Shares	% of shareholding
Promoters	17,84,100	46.34
FII/MF/Banks	-	-
Corporate Bodies	20,65,000	53.64
Others	600	0.02
TOTAL	**38,49,700**	**100.00**

d) The present paid up equity share capital of SSL is Rs. 384.97 lacs comprising of 38,49,700 equity shares of Rs.10/- each. The equity shares of the company are not listed on any stock exchange and no action has been taken by SEBI against the Company under any regulation.

e) There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. There has been no merger / de-merger or spin off in SSL during the past three years.

f) SSL is not listed in any of the stock exchange hence the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 are not applicable.

g) The brief audited financial details of SSL for the past three years are given below:-

(Rs. In Lacs)

PROFIT & LOSS STATEMENT	31/03/2004	31/03/2005	31/03/2006
Income from operations	4,802.50	8,807.09	2215.09
Other Income	12.32	517.87	4116.40
Closing Stock of Shares & Securities	1,183.51	1,852.36	-
Total Income	5,998.33	11,177.32	6331.49
Total Expenditure	6,217.85	10,512.16	2043.87
Profit/(Loss) Before Extraordinary item, Depreciation, Interest and Tax	(219.52)	665.16	4287.62
Less: Interest	12.83	43.16	37.65
Depreciation	7.47	0.97	0.86
Extraordinary item – loss on Sale of Motor Car and Computer	-	19.89	-
Profit/ (Loss) Before Tax	(239.82)	601.14	4249.11
Provision for Tax	-	-	156.27
Profit/(Loss) After Tax	**(239.82)**	**601.14**	**4092.84**

(Rs. In Lacs)

BALANCE SHEET STATEMENT	31/03/2004	31/03/2005	31/03/2006
Sources of funds			
Paid up share capital	384.97	384.97	384.97
Reserves and Surplus (excluding revaluation reserves)	3,004.56	3,605.70	7698.54
Miscellaneous Expenditure	-	-	-
Networth	**3,389.53**	**3,990.67**	**8083.51**
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Deferred Tax Liability	-	-	0.71
Total	**3,389.53**	**3,990.67**	**8084.22**
Uses of funds			
Net fixed assets	28.15	5.15	16.36
Investments	1,429.12	1,840.88	6218.13
Net Current Assets	1,932.26	2,144.64	1849.73
Total	**3,889.53**	**3,990.67**	**8084.22**

Note: Networth = Paid up Share capital + Reserves and surplus (excluding Revaluation reserves) - Miscellaneous Expenditure (to the extent not written off).

OTHER FINANCIAL DATA	31/03/2004	31/03/2005	31/03/2006
Dividend (%)	Nil	Nil	Nil
Earning Per Share (EPS) (Rs.)	(6.23)	15.62	106.32
Return on Networth (RONW) (%)	(7.08)	15.06	50.63
Book Value Per Share (Rs.) (Face Value of Rs. 10/-)	88.05	103.66	209.98

Reasons for fall/rise in PAT of the Company:

- The profit after tax for the FY 2004-05 was Rs 601.14 lacs compared to a loss of Rs 239.82 lacs in FY 2003-04. The increase in profit was due to an increase in the income from sale of Shares & Securities and a simultaneous rise in the closing stock of Shares and Securities.
- SSL is in the field of making financial and other investments. The increase in the profits for the FY 2005-06 as compared to the FY 2004-05 was on account of increase in Income from sales of shares & securities and a consequent increase in Short Term as well as Long Term Capital gain.

ACCOUNTING POLICIES

a) Basis of preparation of Financial Statement:

- The financial statement has been prepared under the historical cost convention. In accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the company.
- All Income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

b) EXPENSES

- Expenses are accounted on accrual basis & provision made for all known liabilities.

c) FIXED ASSETS

- Fixed Assets are stated at cost of acquisition less accumulated depreciation.

d) DEPRECIATION

- Depreciation on fixed assets has been provided on straight line method at the rates prescribed under Schedule XIV of the companies act 1956.

e) INVENTORIES

- Items of Inventories i.e. Stock in trade consist of shares:
  Quoted Shares: Valued at Lower of Cost or Market Value.
  Unquoted shares: Valued at Cost.

f) INVESTMENTS

- Investment that are readily realisable and intended for trading are classified as:
  Current Investments (i.e. Stock in Trade). All other investments are classified as long term investments.
  Long Term Investments are stated at cost less any diminution in their value, which is other than temporary in nature.

CONTINGENT LIABILITIES AS ON 31/03/2006

There were no contingent liabilities as on 31/03/2006

PENDING LITIGATIONS

There are no pending litigations by or against SSL.

Disclosure in terms of Regulation 16 (ix):

- NATL has been incurring losses for several years and hence the networth of the company has become negative. Acquirer feels that the company has a growth potential and needs funds to achieve the same. SSL sees a good investment opportunity in NATL and feels that NATL can be revived by bringing fresh funds into the Company and take it to a growth path.
- The Acquirer does not have any plan to dispose off or otherwise encumber any of the assets of NATL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of NATL. The Acquirer will not dispose off, sell or otherwise encumber any substantial assets of NATL except with the prior approval of the shareholders of the Company in the General Meeting.

Future plans/strategies of SSL with regard to NATL

- SSL is looking for the revival of the activities of NATL. Although NATL has been making losses for past several years. SSL sees a good investment opportunity in NATL and feels that NATL can be revived by bringing fresh funds into the Company, which may result in good returns on the investments.

INFORMATION ABOUT THE COMPANY WHERE SSL IS A PROMOTER

Subhkam Capital Ventures Limited (SVCL)

Date of Incorporation	:	29/07/2006
Nature of Business	:	Venture Capital Advisory
Board of Directors	:	Mr. Rakesh S. Katodia, Mr. Mannu Punnoose & Ms. Arti R. Katodia

The equity shares of SVCL are not listed on any of the Stock Exchange. SCVL is 100% subsidiary of SSL. The equity share capital of the Company consists of 50,000 equity shares of Rs.10/- each.

As the Company has not started any business activity and has been recently promoted, no financial information is available. The Company is not a Sick Industrial Company within the meaning of Clause (O) of Sub-Section (1) of Sec. 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

5. DELISTING OPTION TO NATL

Pursuant to this offer the provisions of Regulation 21(3) of the SEBI (SAST) Regulations 1997, are not attracted.

6. BACKGROUND OF TARGET COMPANY

Nagarjuna Agri Tech Limited/NATL

a) Nagarjuna Agri Tech Limited was incorporated on 24/11/1987 under Companies Act, 1956 as Nagarjuna Health Products Private Limited. The name was later changed to Nagarjuna Agri Tech Private Limited on 05/04/1994, and subsequently became a public limited company and a fresh certificate of Incorporation was received on 19/01/1995. The Registered Office of the company is situated at No.56, Nagarjuna Hills, Punjagutta, Hyderabad – 500 082. The Company was promoted by Dr. K.V.L.N. Raju. The Company is engaged in Agro products and floriculture activities.

b) The company came out with a public issue of Rs.462.00 lacs comprising of 46,20,000 equity shares Rs. 10/- each at Par through prospectus dated 16/02/1996. The issued & paid up equity share capital of the company is Rs. 609.44 lacs comprising of 60,94,400 equity shares of Rs. 10/- each. The equity shares of NATL are listed on BSE and Hyderabad Stock Exchange. Presently the equity shares of NATL are included in "Z" category by BSE. The trading in the shares of NATL has been suspended from BSE since 18/02/2002 due to non compliance with listing agreement. The equity shares are infrequently traded on these exchanges in terms of Explanation (i) to Regulation 20(5).

c) The shareholders of NATL in their EGM held on 31/03/2006 approved issue of 20,00,000 equity shares and 20,00,000 share warrants (convertible into equity shares) to SSL through preferential allotment. NATL received a communication from BSE vide their letter no. List/sdm/rk/kj/2006 dated 13/04/2006, advising NATL to consider further issue of securities on preferential basis only after lapse of suitable period, as and when the suspension of trading in the securities of NATL has been revoked by the exchange.

NATL applied to BSE for the revocation of suspension of the equity shares, vide their letter dated 23/09/2005. BSE vide their letter no. CRD/OT/2006/104 dated 25/07/2006 has informed NATL that the internal committee has decided to reject the request for revocation of suspension on account of 1. The company has accumulated losses. 2. The company has not signed with both the depositories. 3. The company has a negative networth and NATL to make fresh request for revocation after (1) Submitting results for September 2006. (2) Completing the open offer. (3) Wiping off the accumulated losses and having a positive networth. (4) Signing with the depositories. The Company approached BSE vide their letter dated 31/07/2006 informing them about the present status. The Company informed BSE that the networth of the Company is positive as on 31/03/2006. Subsequently NATL has completed the procedure relating to dematerialization of shares. The ISIN number allotted to the Company is INE793H01017. The Company has applied fresh to BSE for revocation of suspension vide its letter dated 20/11/ 2006. On revocation of suspension by BSE the Company will approach BSE for in-principle approval, as advised.

d) The details of the share capital structure of the company is as follows:

Paid-up Equity Shares	No. of shares/voting rights	% of paid up capital
Fully paid up equity shares	60,94,400	100.00
Partly paid up equity shares	-	-
Total paid up equity shares	60,94,400	100.00
Total voting rights in the company	**60,94,400**	**100.00**

e) Details of the share capital history of the company are as follows:

Date of Allotment /forfeiture	No. of shares issued	% of shares issued	Cumulative Paid up Equity Share Capital (No. of Shares)	Mode of Allotment	Identification of The Allottees	Status of Compliance
Memorandum	9	0.00	9	Cash	Promoter	Complied
29/03/1993	11,20,000	18.38	14,99,009	Cash	Promoters & Others	Complied
01/04/1993	3,79,000	6.22	3,79,009	Cash	Promoter	Complied
17/09/1995	23,32,591	38.27	38,31,600	Cash	Promoter	Complied
01/10/1995	48,400	0.79	38,80,000	Cash	Promoter	Complied
11/12/1995	2,50,000	4.10	41,30,000	Cash	Promoter	Complied
17/06/1996	3,100	0.05	41,33,100	Cash	Promoter	Complied
17/06/1996	46,20,000	75.81	87,53,100	Cash	Public issue	Complied
08/03/2006	(26,58,700)	(43.63)	60,94,400	-	Forfeiture	Complied
Total	**60,94,400**	**100.00**				

f) Buildup of the shareholding of promoters is as follows:

Date of Allotment	No. of shares issued	% of shares issued	Cumulative Paid up Equity Share Capital (No. of Shares)	Reasons for Change	Status of Compliance
Memorandum	9	9	0.00	Subscription to the Memorandum	Complied
29/03/1993	120000	120009	1.97	Further allotment	Complied
01/04/1993	379000	499009	6.22	Further allotment	Complied
19/09/1995	2332591	2831600	38.27	Further allotment	Complied
01/10/1995	48400	2880000	0.79	Further allotment	Complied
17/06/1996	3100	2883100	0.05	Further allotment	Complied
26/08/1998	500	2883600	0.01	Shares purchased	Complied
Total	**2883600**		**47.32**		

g) As per the audited financials for the year ended 31/03/2005, the loss after extraordinary items of NATL is Rs.288.89 lacs on a total income of Rs.245.28 lacs. The company has a negative networth and Book Value as on 31/03/2005. Although the networth of NATL is eroded the Company has not been declared sick because, the Companies which are in the business of the floriculture are exempted by the Government of India from the provisions of The Sick Industrial Companies Act, 1985. Hence the Company is not required to report any erosion of its net worth to BIFR or any other Authority.

As per the audited financials for the year ended 31/03/2006, NATL has reported a profit of Rs. 467.24 lacs on a total income of Rs. 300.34 lacs. The profits is on account of the net extraordinary items amounting to Rs. 504.27 lacs credited to the P&L A/c, which included the unpaid interest waived by the financial institutions under the one time settlement, Sundry creditors which are no longer required to paid and deferred tax which was created in the earlier years. As such the Earning Per Share (EPS) is negative hence the Price Earning (PE) multiple and Return on networth (RONW) is not relevant.

h) With the infusion of funds from Sweet Solutions Limited, by way of application money amounting to Rs. 2 crores, the Company has settled off its secured loans fully under the One Time Settlement scheme of Bank, in the month of March, 2006 and as on date the Company is a Debt Free Company.

i) Except the Share Warrants proposed to be issued to SSL as approved in the EGM dated 31/03/2006, there are no partly paid-up equity shares in the Company and/or outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. There are no directors representing the Acquirer on the Board of NATL and there has been no merger / de-merger or spin off in the Company during the past three years.

j) NATL has not been regular in complying with the provisions of the listing agreement entered into with the Stock Exchanges. NATL has not been regular in complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997. There has been an average delay of 300 days in complying with various provisions by NATL and an average delay of 340 days in complying with various provisions of the Regulations by the promoters of NATL. In view of such non-compliance/delayed compliance SEBI may initiate appropriate action against the Target Company.

k) NATL has been complying with the requirements of the Corporate Governance. There are no pending litigations against the NATL.

l) The details of the Board of Directors of NATL are as follows:

Name, Designation and Address	Experience (Years)	Area of Experience	Qualification	Date of Appointment
Dr. K V L N Raju **Managing Director** 56, Nagarjuna Hills, Punjagutta, Hyderabad – 500 482	24	Non Banking Finance	M.B.B.S	24/11/1987
Mr. K. Soma Raju **Director** 2-2-23/22/25, Bagh – Amberpet, Hyderabad – 500 013	27	Project Financing	Chartered Accountant	24/11/1987
Mr. N Viswanatha Raju **Director** 2-2-23/22/d, Bagh – Amberpet, Hyderabad – 500 013	30	Agriculture	-	05/04/2004
Mr. K. Ravindra **Director** 401, Block 1, Sai Ram Gardens, Madura Nagar, Hyderabad – 500 033	10	Project Financing	Masters in Business Administration	16/11/2005

m) Brief audited financial details of NATL for the last three financial years are as follows :

(Rs. in lacs)

PROFIT & LOSS STATEMENT	31/03/2004	31/03/2005	31/03/2006
Income from Sales	255.21	245.15	300.26
Other Income	1.20	0.13	0.08
Total Income	256.41	245.28	300.34
Total Expenditure	248.72	264.85	291.79
Profit/(Loss) Before Depreciation, Interest and Tax	7.69	(19.57)	8.55
Depreciation	45.25	45.07	45.27
Interest & Finance Charges	73.69	-	-
Extraordinary items			
– Public Issue expenditure	4.14	8.28	-
– Interest waived by IDBI/SBM	-	-	698.72
– Creditors written back	-	-	14.39
– Deferred Tax asset revised	-	-	(208.25)
– Prior period adjustment	-	-	(0.59)
Profit/(Loss) Before Tax	**(115.39)**	**(72.92)**	**467.55**
Earlier year adjustments	(0.63)	(0.04)	0.31
Add: Deferred tax	37.58	(215.93)	-
Net Profit/ (Loss) after extraordinary items	**(78.44)**	**(288.89)**	**467.24**

(Rs. in lacs)

BALANCE SHEET STATEMENT	31/03/2004	31/03/2005	31/03/2006
Sources of funds			
Paid up share capital	675.91	675.91	675.91
Reserves and Surplus	1.00	1.00	481.08
Miscellaneous Expenditure (including debit balance of Profit & Loss A/C)	(832.29)	(1,090.73)	623.48
Networth	**(155.38)**	**(413.82)**	**533.51**
Share Application money	-	-	200.00
Deferred Tax	(424.18)	(208.25)	-
Secured Loans	1364.10	1,365.12	-
Unsecured Loans	2.44	1.65	-
Total	**786.98**	**744.70**	**733.38**
Uses of funds			
Net fixed assets	719.82	685.69	648.56
Capital work in progress			-
Investments			-
Net Current Assets	67.16	59.01	84.82
Total	**786.98**	**744.70**	**733.38**

Other Financial Data	31/03/2004	31/03/2005#	31/03/2006#
Dividend (%)	-	-	-
Earning Per Share	(1.16)	(4.27)	(0.61)*
Return on Networth %	(50.48)	(69.81)	(6.94)
Book Value Per Share (Face Value of Rs. 10/-)	(2.30)	(6.79)	8.75

As certified by the statutory auditors of NATL which are calculated on the basis of the post forfeiture equity share capital.

* The EPS is calculated on the net loss after taxation and before non-recurring/extraordinary items as per the Accounting Standard 20 on “Earning per share” issued by the Institute of Chartered Accountants of India. The weighted average number of equity shares taken for the calculation is 60,94,400 equity shares.

Note: Figures in the bracket indicate negative figures.

n) Reasons for fall/rise in PAT of the Company:

There was an increase in the loss attributable to Equity shareholders for the Financial Year 2004-05 by 268.29% as compared to Financial Year 2003-04. The increase in the loss was mainly due to increase in deferred tax by Rs. 210.45 lacs in the Financial Year 2004-05 as compared to the FY 2003-04.

NATL showed profit of Rs. 467.24 lacs for the Financial Year 2005-06 as compared to a loss of Rs. 288.89 lacs in the previous financial year. The profits was on account of the extraordinary items credited to the P&L A/c which included the unpaid interest waived by the financial institutions under the one time settlement, Sundry creditors which are no longer required to be paid and deferred tax which was created in the earlier years

o) Pre and Post- Offer equity shareholding pattern of the Target Company assuming full acceptance in the offer and conversion of share warrants into equity shares (to full extent) will be as follows:

Shareholder's category	**Shareholding & voting rights prior to the offer. (A)**		**Shares / voting rights agreed to be acquired which triggered off the Regulations. (B)**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances) (C)**		**Share holding / voting rights after the acquisition and offer (D)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
1. Promoter Group								
(a) Parties to agreement: (Sellers)	-	-	-	-	-	-	-	-
(b) Promoters other than (a) above	28,83,600	47.32	-	-	-	-	28,83,600	28.57
Sub Total 1 (a+b)	**28,83,600**	**47.32**	**-**	**-**	**-**	**-**	**28,83,600**	**28.57**
2. a) Acquirer <u>Sweet Solutions Ltd</u> i) Equity Shares	-	-	20,00,000	19.81	20,18,880	20.00	40,18,880	39.81
ii) Share warrants convertible into equity @ 1:1	-	-	20,00,000	19.81	-	-	20,00,000	19.81
Sub Total 2	**-**	**-**	**40,00,000**	**39.63**	**20,18,880**	**20.00**	**60,18,880**	**59.62***
3. Parties to agreement other than (1) (a) & (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4. Public (other than Acquirer, Parties to the Agreement and persons in promoter group)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
a) FIs/MFs/FIIs/ Banks, SFIs	13,73,700	22.54	-	-	-	-	11,91,920	11.81
b) Others (no. of shareholders – 2685)	18,37,100	30.14	-	-	-	-		
Sub-total 4 (a + b)	**32,10,800**	**52.68**	**-**	**-**	**-**	**-**	**11,91,920**	**11.81***
Total (1+2+3+4)	**60,94,400**	**100.00**	**40,00,000**	**39.63**	**20,18,880**	**20.00**	**100,94,400**	**100.00**

* Shareholding pattern has been shown considering preferential allotment of equity shares/ warrants (assuming conversion of warrants to the fullest extent) to SSL. SSL will form part of public category, post preferential allotment and Offer.

p) The Company has designated Mr. K V L N. Raju as the Compliance Officer, the details of which are given below:

K V L N Raju
Managing Director
56, Nagarjuna Hills,
Punjagutta,
Hyderabad – 500 482
Telefax: (040) 2335 7248
Email: drrajukosuri@rediffmail.com

7. OFFER PRICE

Justification of Offer Price:

a) The equity shares of NATL are listed on The Bombay Stock Exchange Limited (BSE) and Hyderabad Stock Exchange Ltd. (HSE). The equity shares of the Company have not been traded on either of the stock exchanges for the past six months.

Name of stock exchange	Total Shares traded during the 6 calendar months prior to the month in which the public announcement was made	Total no. of listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	Not Traded	60,94,400	-
HSE	Not Traded	60,94,400	-

b) The equity shares of NATL are therefore infrequently traded on BSE and HSE in terms of Explanation (i) to Regulation 20(5) of the Regulations. The offer price of Rs.10.00 per share, has been determined as per Regulation 20(5) of the Regulations taking into account the following factors:

a.	Negotiated price under the agreement	:	Not Applicable	
b.	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or proposed preferential issue, if any, during the twenty-six weeks period prior to the date of Public Announcement.	:	Rs. 10.00*	
c.	Other Parameters	:	Based on audited accounts ended 31/03/2005#	Based on audited accounts ended 31/03/2006#
	Return on Networth (%)	:	(69.81)	(6.94)
	Book Value(Rs.)	:	(6.79)	8.75
	Earning Per Share (EPS)(Rs.)	:	(4.27)	(0.61)

*The preferential allotment is proposed to be made at Rs.10/- per share as approved be EGM dated 31/03/2006
As certified by the statutory auditors of NATL
Note: Figures in the bracket indicate negative figures.

The equity shares of NATL were last traded on 06/12/2001 on the Bombay Stock Exchange Limited (BSE) at a price of Rs.5/- per share. Based on the audited accounts ended 31/03/2005, the company has reported a negative RONW, Book Value (BV) and EPS. As per the audited financials for the year ended 31/03/2006, NATL has reported a profit of Rs. 467.24 lacs on a total income of Rs. 300.34 lacs. The profits is on account of the net extraordinary items amounting to Rs. 504.27 lacs credited to the P&L A/c, which included the unpaid interest waived by the financial institutions under the one time settlement, Sundry creditors which are no longer required to paid and deferred tax which was created in the earlier years. As such the Earning Per Share (EPS) is negative hence the Price Earning (PE) multiple and Return on networth (RONW) is not relevant. The offer price of Rs.10.00 per share is more than the book value of the equity shares as on 31/03/2006 and is also equal to the price at which the Acquirer has agreed to acquire 39.63% of the paid-up capital of NATL post preferential issue and warrants conversion into equity shares to the fullest extent.

Taking into account all the above factors an offer price of Rs.10.00/- per equity share is justified

8. FINANCIAL ARRANGEMENT

a) Assuming full acceptance, the total monetary value of the offer would be Rs.201.89 Lacs. The Acquirer has opened an Escrow Account with UTI Bank Ltd, Nariman Point Branch, Mumbai, in favour of the Manager to the Offer for an amount of Rs. 50.90 lacs by way of fixed deposit and of Rs. 10,000/- by way of current account, totaling to 25.26 % of the total monetary value of the offer. Acquirer has empowered the Manager to the Offer to realize the value of the aforesaid Escrow Account in terms of the Regulation 28(5).

b) The Acquirer has adequate and firm financial resources to fulfill the obligations under the open offer. The source of funds is through the internal domestic resources of the Acquirer and not through any borrowings from Banks/Financial Institutions or from any foreign/NRI funds. Mehta Chokshi & Shah, Chartered Accountants and Statutory Auditors of SSL, having their office at Bakodia Mansion, 2nd Floor, 229, Princess Street, Mumbai – 400 002 Tel : 2205 7309, 2208 8743; Fax no. 2205 5432, (Membership No. of Mr. R. T Mehta, Partner, Mehta Chokshi & Shah is 5445) have certified vide their certificate dated 01/12/2006 that the networth of SSL is Rs. 80.84 crores as on 31/03/2006 and has an immediate access to Rs. 500 lacs.

c) The financial obligation under the offer is being fulfilled through internal resources of the Acquirer and will not be through any bank/financial institution.

d) In view of this, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer as firm financial arrangement through verifiable means are in place to fulfill the offer obligation.

9. TERMS AND CONDITIONS OF THE OFFER

a) There are no equity shares of NATL under lock-in.

b) The equity shares of NATL are available in dematerialised form, the market lot of the shares is 1 (one). The ISIN number allotted to equity shares of NATL is INE 793H01017.

c) **Eligibility for accepting the Offer:** The Letter of Offer specifying the detailed terms and conditions of this offer together with Form of Acceptance cum Acknowledgement and Form of Withdrawal will be mailed to the equity shareholders of NATL (other than other than “Promoters & persons in the promoter group”) whose names appear on the Register of Members of NATL, at the close of business hours on 28/04/2005 (referred to as “the Specified Date”).

d) **Statutory Approvals:** There are no approvals, statutory or otherwise, required for this Offer under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and /or any other applicable laws.

e) Subject to the conditions governing this Offer as mentioned herein, the acceptance of this offer by the equity shareholders of NATL must be absolute and unqualified. Any acceptance to this offer which is conditional and incomplete in any respect will be rejected without assigning any reason whatsoever.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT.

10.1 Procedure for accepting the offer by eligible persons

The equity shareholders of NATL who qualify and who wish to avail of this Offer (hereinafter referred to as “Acceptor”) will have to deliver the relevant documents as mentioned at point (a), (b) and (c) below as applicable to the Registrar to the Offer, X L Softech Systems Ltd at the address mentioned below:

Details of the Registrar	Timings	Mode of Delivery
X L SOFTECH SYSTEM LIMITED 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034 Tel : (040) 235 45913, 45 Fax: (040) 23553214 Email: xlfield@rediffmail.com	All working days i.e; other than Sundays and public holidays. between 10.30 am to 4.30 pm	Hand delivery or through Registered Post

a) For equity shares held in dematerialized form:

For the purpose of the offer a Escrow Depository Account has been opened in the name and style of “Keynote Corporate Services Ltd. - Escrow Account - NATL Open Offer” with UTI Bank Limited as the depository participant in National Security Depository (India) Limited (“NSDL”). Equity Shareholders holding the shares in dematerialized form will have to deliver the following documents:

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository.

ii. Photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the relevant Depository Participant (DP).

iii. For each delivery instruction the beneficial owner should submit separate Form of Acceptance.

iv. The details of the Escrow depository account opened for this purpose are as under:

Name of Depository	National Security Depository (India) Limited ("NSDL")
DP Name	UTI Bank Ltd.
DP ID Number	IN300484
Beneficiary ID	12702350
Name & Style of Account	Keynote Corporate Services Ltd. - Escrow Account - NATL Open Offer

v. Equity shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") will have to use inter depository delivery instructions slip for the purpose of crediting their equity shares in favour of the said Escrow depository account. The ISIN number allotted to equity shares of NATL is INE 793H01017.

vi. Shareholders who have sent their physical equity shares for dematerialisation need to ensure that the process of getting equity shares dematerialised is completed well in time so that the credit in the Escrow Depository Account is received on or before closure of offer.

b) For equity shares held in physical form

Registered equity shareholders should enclose:

i. Form of Acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, by all equity shareholders whose name appears on the share certificates.

ii. Original share certificate(s)

iii. Valid share transfer form(s) duly signed as transferors by all registered equity shareholders (in case of joint holdings), in the same order and as per the specimen signatures registered with and duly witnessed at the appropriate place.

c) Unregistered owners of equity shares should enclose:

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein.

ii. Original share certificate(s)

iii. Original broker contract note of a registered broker of a recognized stock exchange.

iv. Valid share transfer form(s) as received from the market. The details of the buyer should be left blank. If the details of the buyer are filled in, the tender will not be valid under the offer. Acquirer's name will be subsequently filled in upon verifying the validity of the share transfer form.

v. No indemnity is needed from unregistered equity shareholders.

NO DOCUMENT SHOULD BE SENT TO THE MANAGER TO THE OFFER, ACQUIRER OR TO THE TARGET COMPANY

10.2 OFFER PERIOD

a) Offer period is the period between the date of Public announcement and the date of completion of offer formalities relating to the offer.

b) This Offer will remain open on all working days (i.e. excluding Sunday and Public Holidays) between 09/12/2006 to 28/12/2006 (both days inclusive). The equity shareholders of NATL who wish to avail of this offer shall be required to send their acceptance in the manner stated above so as to reach the Registrar to the Offer on or before 28/12/2006.

10.3 WITHDRAWAL OPTION

a) The equity shareholders, who are desirous of withdrawing their acceptances tendered in the offer, can do so upto three working days prior to the date of the closure of the offer i.e. on or before 21/12/2006. The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, X L Softech Systems Ltd so as to reach them on or before 21/12/2006.

In case of physical shares: Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and In case of dematerialised shares: Name, Address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the DP in favour of the Escrow Depository Account.

b) The form of Withdrawal can also be downloaded from SEBI's website www.sebi.gov.in or obtained from the Manager/ Registrar to the Offer.

10.4 Procedure for acceptance of the offer by the equity shareholders who do not receive the Letter of Offer and procedure for settlement

In case of non-receipt of the Letter of Offer, the equity shareholders or unregistered equity shareholders who wish to accept the offer should communicate their acceptance in writing on a plain paper stating the name, address, no. of shares held, distinctive numbers, folio number, no. of shares offered to the Registrar to the Offer together with relevant share certificate(s), the transfer deed(s) and the original contract note issued by share broker of a recognized stock exchange through whom they acquired the equity shares before the closure of the Offer, i.e. 28/12/2006. Such equity shareholders may also download a copy of the form of acceptance cum acknowledgement from SEBI's website at www.sebi.gov.in and use the same.

10.5 GENERAL

a) Acquirer can revise the price upwards upto seven working days prior to closure of the Offer and revision if any in the Offer Price would appear in the same newspapers where the Public Announcement has appeared. The same price would be paid to all shareholders who tender their shares in the Offer. The equity shares of NATL are available in dematerialised form, the market lot of the shares is1 (one).

b) Shareholders may note that if there is a competitive bid, the public offers under all the 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 shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

c) The form of acceptance along with the Share Certificate(s) and other documents delivered shall become acceptance on the part of the shareholder, but will become a fully valid and binding contract between shareholders and Acquirer only upon the fulfillment of all conditions mentioned herein.

d) On fulfillment of the conditions herein mentioned, the Acquirer will pay the Offer Price by crossed Account Payee Pay Orders/ Demand Drafts which will be sent by Registered Post to the equity shareholders of NATL, whose acceptance to the Offer are accepted by the Acquirer, at the address registered with the Company. The Pay Orders/ Demand Drafts will be drawn in the name of first named shareholder in case of joint shareholding. In case of unregistered owners of the shares, payment will be made as per mandate given by such owner. The unregistered owner may give a mandate for drawing the pay order / demand draft in the name of the person whose bank details may be furnished by him in the Form of Acceptance for incorporating in the Pay Order / Demand Draft.

e) In case the aggregate of the valid responses to the offer exceeds offer size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations.

f) The share certificates will be held in trust by the Registrar to the Offer till the Acquirer completes the offer obligations in terms of the Regulations.

g) Acquirer shall acquire the equity shares from the shareholders of the Company who have validly tendered the equity shares under the Offer (i.e. equity shares and other documents are in order in accordance with the terms of the Offer) and remit the consideration in respect thereof on or before 12/01/2007 in cash by Account Payee Pay Order / Demand Draft. Any delay will attract interest in terms of Regulation 22(12) of SEBI (SAST) Regulations 1997. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and consideration payable would be sent by Registered Post.

h) The unaccepted shares/documents will be returned to the shareholders by Registered Post

i) For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer at the address mentioned in this Letter of Offer.

j) Pursuant to the Regulation 13, the Acquirer has appointed Keynote Corporate Services Ltd. as the Manager to the Offer.

k) Keynote Corporate Services Limited, the Manager to the Offer, does not hold any equity shares of NATL. Further, they have undertaken not to deal in the equity shares of NATL upto a period of fifteen days after closure of the Offer.

l) The Board of Directors of Acquirer accepts responsibility for the information (except those relating to the Target Company, which has been compiled from publicly available sources) contained in the Public Announcement and also for the obligations of Acquirer laid down in the Regulations, 1997 and subsequent amendments made thereof.

11. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Registered office of the Acquirer i.e. Sweet Solutions Limited at 204, Veena Chambers, 2nd Floor, 41 Dalal Street, Fort, Mumbai – 400 023 (India), from 11.00 a.m. to 3.00 p.m. on any working day until the Offer closes.

1. Extract of the Resolution passed at Extra General Meeting (EGM) of the share holders of NATL held on 31/03/2006, regarding approval for the allotment of equity shares and share warrants to SSL through preferential issue.
2. Copy of Memorandum of Understanding dated 31/03/2006 between Keynote Corporate Services Ltd., Manager to the Offer and Acquirer.
3. Copy of Memorandum of Understanding dated 31/03/2006 between X L Softech Systems Ltd., Registrar to the Offer and Acquirer.
4. Certificate of Incorporation & Memorandum and Articles of Association of SSL.
5. Memorandum and Articles of Association of NATL.
6. Copies of Annual Report of NATL for the financial years 2002-03, 2003-04, 2004-05 and 2005-06.
7. Copy of shareholding pattern of NATL
8. Memorandum and Articles of Association of SSL
9. Copy of shareholding pattern of SSL
10. Details of Board of Directors of SSL
11. Copies of Annual Report of SSL for the financial years 2002-03, 2003-04, 2004-05 and 2005-06.
12. Copy of Networth certificate dated 01/12/2006 issued by Mehta Chokshi & Shah, Chartered Accountant and Statutory auditor of SSL.
13. Copy of Fixed Deposit Receipt for Rs.50.90 lacs issued by the UTI bank, Nariman Point Branch, Mumbai in terms of the Escrow requirements.
14. Copy of Undertaking dated 06/06/2006 from Sweet Solutions Limited regarding Open Offer under Regulation 10 and making of fresh offer in terms of Regulation 12, if applicable.
15. Copy of Letter no. CRD/OT/2006/104 dated 25/07/2006 from BSE, regarding the rejection of the request made by NATL for Revocation of suspension of trading of its equity shares.
16. Copies of undertaking from Acquirer & Target Company.
17. Copy of Public Announcement as published in the newspaper on 04/04/2006.
18. Copy of letter No.CFD/DCR/TO/HB/80303/06 dated 21/11/2006 received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

12. DECLARATION BY THE ACQUIRER

The Board of Directors of the Acquirer accept full responsibility for the information contained in the Public Announcement and Letter of Offer and will be responsible for ensuring compliance with the obligations of Acquirer as laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

For and on behalf of Sweet Solutions Limited
Sd/-
Director

Place: Mumbai
Date: 02/12/2006

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this form with enclosures to the Registrars to the Offer at their address given overleaf)

FORM OF ACCEPTANCE - CUM – ACKNOWLEDGEMENT

OFFER
OPENS ON: SATURDAY, DECEMBER 09, 2006
CLOSES ON : THURSDAY, DECEMBER 28, 2006

From:

Tel No. Fax No.: E-mail:

To,
X l Softech System Limited
3, Sagar Society, Road No. 2,
Banjara Hills,
Hyderabad – 500 034

Sub : Open offer to acquire upto 20,18,880 equity shares of Rs. 10/- each representing 20% of the paid up capital of Nagarjuna Agri Tech Limited (NATL) by Sweet Solutions Ltd. ('Acquirer') in terms of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Dear Sir,

I/We refer to the Letter of Offer dated 02/12/2006 for acquiring the equity shares held by me/us in Nagarjuna Agri tech Limited.

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

For Shares held 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.	**Certificate No.**	**Distinctive No(s)**		No. of Shares
		From	**To**	
			Total number of equity shares	

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

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 pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

For shares held in Demat Form:

I/We hold shares in demat form and accept the Offer and enclose photocopy of the Delivery Instruction Slip duly acknowledgement by DP in respect of my / our equity shares as detailed below:

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

I/We have done an off market transaction for crediting the shares to the Escrow Account named **"Keynote Corporate Services Lt. – Escrow Account – NATL Open Offer."** with the following particulars:

Depository Participant Name: UTI Bank Limited, Beneficiary ID No.: 12702350 **DP ID No.:** IN300484

Shareholders whose shares are held in a beneficiary account with "CDSL" should use an "Inter Depository Delivery Instruction" to transfer their shares to the Special Depository Account with NSDL

I/We note and understand that the shares would lie in the Special Depository Account until the time the Acquirer make payment of purchase consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We authorise the Acquirer or the Manager to the Offer to send by registered post the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

Address of First/Sole Shareholder

____

____

Note: Incase of joint holdings, all holders must sign. A corporation must affix its common seal. So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank ____ Branch____

Account Number ___________________________ Savings/Current/Others (please specify) ____

Yours faithfully,

	FULL NAME(S)	**SIGNATURE(S)**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Signed and Delivered:

Place:

-- - - -- - -- ---- - - - - - -- - - -- -- - -- - -- - -- - - -- - -- - - -- - -- -- - - - -- - -- -- -- ---**TEAR HERE**-- - - - - - -- - - - - - - - - -- - - -- - - -- - - -- --- - --- -- - -- -- - -- - - - - - -- - --- -- -- - -

Folio No.: **X l Softech System Limited** **(Acknowledgement Slip)**

Unit : Nagarjuna Agri TechLimited

3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034

Received from Mr./Ms. ____

Address ____

Form of acceptance cum acknowledgement, # ___________________ Number of Share Certificates for ___________ ______ shares/# Copy of Delivery Instruction Slip to (DP) for __________shares.

Delete whichever is not applicable.

Signature of Official and Date of Receipt	Stamp of collection centre

PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

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 Thursday, 21/12/2006. In case you wish to withdraw your acceptance please use this form.

OFFER
OPENS ON: SATURDAY, DECEMBER 09, 2006
CLOSES ON : THURSDAY, DECEMBER 28, 2006
LAST DATE OF WITHDRAWAL : THURSDAY, DECEMBER 21, 2006

From:

Tel No. Fax No.: E-mail:

To,
X l Softech System Limited
3, Sagar Society, Road No. 2,
Banjara Hills,
Hyderabad – 500 034

Sub : Open offer to acquire upto 20,18,880 equity shares of Rs. 10/- each representing 20% of the paid up capital of Nagarjuna Agri Tech Limited (NATL) by Sweet Solutions Ltd. ('Acquirer') in terms of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Dear Sir,
I/We refer to the Letter of Offer dated 02/12/2006 for acquiring the equity shares held by me/us in Nagarjuna Agri Tech 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 wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on __________ along with original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below: **(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')**

Sr. No.	**Certificate No.**	**Distinctive No(s)**		**No. of Shares**
		From	**To**	
Total number of equity shares *(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 and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirer to reject the shares so offered which it may decide in consultation with Manager to the Offer and in terms of the Letter of Offer and,
I/We authorise the Acquirer or the Registrar to the Offer to send by registered post the original share certificate(s), transfer deed(s) and other documents tendered by me/us to the sole/first holder at the address mentioned below or credit the shares in demat form to my/our DP Account as mentioned below :

	FULL NAME(S)	**SIGNATURE(S)**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

For Shares In Demat Form

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

Yours faithfully,

Signed
Place: Date:
Note: Incase of joint holdings, all holders must sign. A corporation must affix its common seal.

---**TEAR HERE**---

Folio No.: Sr. No.: **X l Softech System Limited** **(Acknowledgement Slip)**
Unit : Nagarjuna Agri TechLimited
3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad – 500 034

Received from Mr./Ms.

Address

Form of withdrawal in respect of __________ Number of Share Certificates representing _________ number of shares.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer