LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as shareholder(s) of ***Niryat-Sam Apparels (India) Limited****. If you require any clarification about the action to be taken, you may please consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in Niryat-Sam Apparels (India) Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.*

OPEN OFFER BY

MR SUBODH KUMAR JAIN

36, Golf Links, New Delhi -110003. Tel No (011) 24622428.

To

Acquire 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital of Target Company which consist of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each at a price of Rs. 0.50/- (Paise 50 only) per equity share, irrespective of whether it is fully paid equity shares or partly paid up equity shares

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

NIRYAT-SAM APPARELS (INDIA) LIMITED

Registered Office: *A-6, Connaught Place, New Delhi-110001*, INDIA.
Tel No: (011)-23324509 Fax No(011)- 23325128

ATTENTION:

1. **The offer is not a conditional offer.**
2. Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.
3. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the offer. i.e **Wednesday, August 2, 2006**
4. If there is any upward revision in the Offer Price by the Acquirer upto seven working days prior to the date of closure i.e. upto **Thursday, July 27, 2006**, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revision in the Offer Price would be payable for all the equity shares tendered anytime during the Offer Period.
5. **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.
6. **A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal are also available on SEBI's web-site: www.sebi.gov.in**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION "9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 14 TO 18)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THIS LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Chartered Capital And Investment Limited 13, Community Centre, East of Kailash, New Delhi-110065. Tel nos.: 011-26472557/26218274 Fax no.: 011-26219491 Email: delhi@charteredcapital.net charteredcapital@gmail.com Contact Person: **Mr. Amit Mehta**	**BEETAL** **FINANCIAL & COMPUTER SERVICES (P) LTD.** **Financial & Computer Services (P) Ltd.** **Regd & Admn. Office :** Beetal House, 3rd Floor, 99, Madangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi 110 062, Phone : 011-29961281, 29961282 Fax: 011-29961284 E-mail: beetal_99@sify.com Contact Person: **Mr. Punit Mittal**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Original Day and Date	Revised Day and Date
1.	**Date of Public Announcement (PA)**	**Friday, September 03, 2004**	**Friday, September 03, 2004**
2.	Specified Date	Tuesday, September 21, 2004	Tuesday, September 21, 2004
3.	**Last Date for a Competitive Bid(s)**	**Friday, September 24, 2004**	**Friday, September 24, 2004**
4.	Date by which Letter of Offer will be dispatched to the Shareholders	Friday, October 15, 2004	Saturday, July 15, 2006
5.	**Offer Opening Date**	**Monday, November 01, 2004**	**Wednesday, July 19, 2006**
6.	**Last Date for the Revision of the Offer Price / Number of Equity Shares.**	**Friday, November 19, 2004**	**Thursday, July 27, 2006**
7.	Last date to withdraw acceptance tendered by shareholders	Thursday, November 25, 2004	Wednesday, August 2, 2006
8.	**Offer Closing Date**	**Tuesday, November 30, 2004**	**Monday, August 7, 2006**
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	Wednesday, December 29, 2004	Monday, August 21, 2006

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DEFINITIONS

1. Acquirer or The Acquirer	Mr Subodh Kumar Jain
2. ASE	The Ahmedabad Stock Exchange Association Limited
3. BSE	The Stock Exchange, Mumbai
4. CSE	The Calcutta Stock Exchange Association Limited, Kolkata
5. DSE	The Delhi Stock Exchange Limited, Delhi
6. FEMA	Foreign Exchange Management Act, 1999
7. Form of Acceptance	Form of Acceptance cum Acknowledgement
8. Form of Withdrawal	Form of Withdrawal cum Acknowledgement
9. JSE	The Jaipur Stock Exchange Limited, Jaipur
10. LOO, or Letter of Offer	Offer Document
11. Manager to the Offer or, Merchant Banker	Chartered Capital and Investment Limited

12.	Negotiated Price	Rs.0.50 (Paisa Fifty Only) per fully paid-up equity share of face value of Rs.10/- each.
13.	NSAIL	Niryat-Sam Apparels (India) Limited, that is, Target Company
14.	Offer or The Offer	12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital, which consists of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each of Target Company at a price of Rs. 0.50/- (Paise 50 only) per equity share, irrespective of whether it is fully paid equity shares or partly paid up equity shares payable in cash.
15.	Offer Price	Rs. 0.50 (Paisa Fifty Only) per equity share of Rs.10/- each irrespective of whether it is fully paid equity shares or partly paid up equity shares payable in cash.
16.	Persons eligible to participate in the Offer	Registered shareholders of Niryat-Sam Apparels (India) Limited, and unregistered shareholders who own the equity shares of Niryat-Sam Apparels (India) Limited any time prior to the Offer closure other than the Acquirer.
17.	Public Announcement or **"PA"**	Announcement of the Open Offer by The Acquirer, which appeared in the newspapers on September 3, 2004.
18.	Corrigendum to Public Announcement	Corrigendum to Public Announcement of the Open Offer by the Acquirer which appeared in the Newspaper on July 13, 2006
19.	RBI	Reserve Bank of India
20.	Registrar or Registrar to the Offer	Beetal Financial & Computer Services P Ltd
21.	SEBI	Securities and Exchange Board of India
22.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
23.	SEBI Act	Securities and Exchange Board of India Act, 1992
24.	Specified Date	Tuesday, September 21, 2004
25.	Target Company	Niryat-Sam Apparels (India) Limited

2. 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 DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF NIRYAT-SAM APPARELS (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 16, 2004 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS 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.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 Mr. Subodh Kumar Jain son of Mr. Lalit Kumar Jain, Aged 54 years, an Indian resident, residing at 36, Golf Links, New Delhi -110003. (Hereinafter referred to as "**The Acquirer**" or **"Acquirer"**), has acquired on spot delivery basis on 30th August, 2004 *51,48,200* (Fifty One Lac Forty Eight Thousand Two Hundred Only) fully paid up equity shares of Rs.10/- each representing 64.76% of the total paid up equity share capital and 50.13% of the total voting rights of M/s ***NIRYAT-SAM APPARELS (INDIA) LIMITED***, having its registered office at *A-6, Connaught Place, New Delhi-110001* (hereinafter referred to as **"NSAIL/the Target Company"**)" from the promoter of *NSAIL*, ***Inox Leasing & Finance Limited*** *(hereinafter referred as "**promoter-Seller**")*, a company incorporated under The Companies Act, 1956 and having its registered office at 69, Jolly Maker Chamber-II, Nariman Point, Mumbai-

400021 and also separately acquired on spot delivery basis on 30th August, 2004 *15,56,200* (Fifteen Lacs Fifty Six Thousand Two Hundred only) fully paid up equity shares of Rs.10/- each representing 19.57% of the total paid up equity share capital and 15.15% of the total voting rights of NSAIL from the ***Gujrat Flourochemicals Limited*** *(a non promoter and major shareholder),* a company incorporated under The Companies Act, 1956 and having its Corporate Office at ABS Tower, 2nd Floor, Old Padra Road, Vodadara. (hereinafter referred to as the **"Non Promoter-Seller"**), at a price of Rs. 0.50 (Fifty Paisa only) per fully paid up equity share payable in cash (hereinafter referred to as "**Negotiated Price**") which resulted the total acquisition of *67,04,400* (Sixty Seven Lacs Four Thousand Four Hundred only) fully paid up equity shares of Rs.10/- each representing 84.33% of the total paid up equity share capital and 65.28% of the total voting rights of M/s ***NIRYAT-SAM APPARELS (INDIA) LIMITED*** *i.e. Target company.* The total consideration for the shares acquired as mentioned above is Rs. 33,52,200/- (Rupees Thirty Three Lacs Fifty Two Thousand Two Hundred Only).

3.1.2 Due to the acquisition as mentioned para 3.1.1, a change in control of NSAIL will be effected

3.1.3 Pursuant to the acquisition of Shares by Acquirer and in compliance with Regulation 10 & Regulation 12 of the Takeover Regulations, Acquirer is hereby making an Offer to the public shareholders of NSAIL to acquire balance aggregate 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital of "*NSAIL*", which consists of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each at a price of Rs. 0.50/- (Paise 50 only) per equity share (hereinafter referred to as "**the Offer Price**") irrespective of whether it is fully paid equity shares or partly paid up equity shares payable in cash (hereinafter referred as "**the Offer**").

3.1.4 As on the date of Public Announcement, the Acquirer hold *67,04,400* (Sixty Seven Lacs Four Thousand Four Hundred only) fully paid up equity shares of Rs.10/- each representing 84.33% of the total paid up equity share capital and 65.28% of the total voting rights of the Target Company at the price of Rs. 0.50(Fifty Paisa Only) which was acquired as mentioned under para 3.1.1 above

3.1.5 Neither the Acquirer, sellers nor the Target Company have been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.6 Acquirer have not acquired any shares of the Target Company after the date of Public Announcement till the date of Letter of Offer.

3.1.7 There may be a change in the composition of the Board of Directors of the Target Company as per SEBI (SAST) Regulation 1997 and will be done on the completion of offer.

3.1.8 The exercise of voting rights on shares acquired through spot purchases shall be done only upon completion of the open offer formalities.

3.2 The Offer

3.2.1 **T**he Acquirer have made a Public Announcement and corrigendum to the public Annuacement in all the editions of the following newspapers, namely**, i) Financial Express (English) and ii) Jansatta (Hindi)**, which appeared in the newspapers on Friday, September 3, 2004 and Thursday, July 13, 2006 respectively in terms of Regulation 15 and pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations, 1997. **The Public Announcement is also available on the SEBI website at www.sebi.gov.in**.

3.2.2 The Acquirer make this Open Offer under the SEBI (SAST) Regulations, 1997, to acquire, by tender, 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital consist of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each from the remaining shareholders of NSAIL, other than the acquirer himself, on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 0.50 (Paisa Fifty Only) per equity shares of Rs. 10/- each, irrespectively whether it is fully paid up or partly paid-up equity share payable in cash. These equity shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 Out of total 12,45,600 equity shares, 1,80,400 shares are partly paid up shares in the Target Company and those partly paid up shares has no voting Right as per Articles of Association of the Target Company.

3.2.4 **The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.**

3.2.5 The Acquirer have not acquired any equity shares in the Target Company since the date of Public Announcement i.e**. September 3, 2004**, upto the date of Letter of Offer.

3.3 Object of the Offer

3.3.1 The Offer to the Public shareholders of NSAIL is for the purpose of acquiring balance 15.67% of the total paid up equity capital and 10.38% of the voting rights. After the proposed Offer and transfer of the shares so acquired under para 3.1.1 above, the Acquirer will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

3.3.2 The object and the purpose of the Acquirer are to expand the business operations of NSAIL. The Target Company has built up premises have recently been leased out. The Target Company's present revenue would generate income by way of rental from its real estate. The Acquirer proposes to utilize these revenues profitably for revival of Target Company's business of apparels or alternatively look for diversified business. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of NSAIL and all applicable laws, rules and regulations, the Board of Directors of NSAIL will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer may make changes in the management and Board of Directors of the Target Company. The Acquirer may also change the name of the Target Company after completion of the Offer.

4. BACKGROUND OF THE ACQUIRER AND PAC

4.1 Background of the Acquirer

4.1.1 The Open Offer is being made by Mr. Subodh Kumar Jain son of Mr. Lalit Kumar Jain, Aged 52 years, an Indian resident, residing at 36, Golf Links, New Delhi -110003. Tel No (011) 24622428.

4.1.2 Mr. Subodh Kumar Jain is the sole Acquirer in the present offer.

4.1.3 Mr. Subodh Kumar Jain is a commerce graduate by qualification and an Industrialist having an experience of 30 years in the field of exports and in the business of trading in clothing.

4.1.4 The Acquirer have purchased *67,04,400* (Sixty Seven Lacs Four Thousand Four Hundred only) fully paid up equity shares of Rs.10/- each representing 84.33% of the total paid up equity share capital and 65.28% of the total voting rights of the Target Company during the 12 month period prior to the date of Public Announcement at the price of Rs. 0.50 (Fifty Paisa Only) which was acquired as mentioned under Para 3.1.1 above.

4.1.5 The compliances under Chapter II of SEBI (SAST) Regulations, 1997 are applicable to the Acqirer and he has made timely disclosers to the target company and also informed the Stock Exchanges.

4.1.6 The Acquirer has been the Director on the Board of the Target Company since incorporation and is presently the managing director of NSAIL w.e.f. 08-03-95

4.1.7 The Acquirer have not held any position as Director in any listed company other than mentioned in para 4.1.6.

4.1.8 The Acquirer Mr Subodh Kumar Jain is not holding any position as full time Director in any other company other than mentioned in para 4.1.6.

4.1.9 The Acquirer has not promoted any Firm/ Concern/ Companies and/ or any Venture other than the followings

4.1.9.1 Siddho Mal Air Products Private Limited

4.1.9.2 Sitashri Trading and Finance Private Limited.

4.1.10 The Acquirer at present have no intention to sell, dispose of or otherwise encumber any significant assets of NSAIL in the succeeding two years, except in the ordinary course of business of NSAIL. NSAIL's future policy for disposal of its assets, if any, will be decided by it's Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of NSAIL.

4.2 Details of Group Companies/Firms

4.2.1 Siddho Mal Air Products Private Limited

4.2.1.1 The Company was incorporated as private Limited company on 16th December 1986 vide incorporation certificate issued by the Registrar of Companies, Delhi & Haryana

4.2.1.2 The Company is engaged in Trading and investments activities in Shares and Mutual Funds.

4.2.1.3 The Brief Financial performance of the company is as under

(Rs in lac)

Particulars	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**
Equity Capital	4.00	4.00	4.00
Free Reserves (Excluding Revaluation Reserve)	381.37	282.25	292.34
Total Income	116.43	1.24	56.43
Profit After Tax	115.55	-9.15	55.12
Provision for Diminution in value of Investment	-	90.00	45.00
Earnings Per Share (Each Share Rs. 100/- paid up) (Rs)	2,888.75	- 228.75	1,378.00
Net Asset Value (per share of Rs 100/- each) (Rs)	9,634.25	7,156.25	7,408.50

The Company is not a Sick industrial undertaking

4.2.2 Sitashri Trading & Finance P Ltd

4.2.2.1 The Company was incorporated as private Limited company on 19th February 1990 vide incorporation certificate issued by the Registrar of Companies, Delhi & Haryana

4.2.2.2 The Company is engaged in Trading and investments activities in Shares and Mutual Funds.

4.2.2.3 The Brief Financial performance of the company is as under

(Rs in lac)

Particulars	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**
Equity Capital	19.00	19.00	19.00
Free Reserves (Excluding Revaluation Reserve)	691.15	695.04	618.21
Total Income	37.82	12.71	39.72
Profit After Tax	27.46	3.61	35.67
Provision for Diminution in value of Investment	337.50	-	112.50
Earnings Per Share (Each Share Rs. 100/- paid up) (Rs)	144.53	19.00	187.74
Net Asset Value (per share of Rs 100/- each) (Rs)	3,737.63	3,758.11	3,353.74

The Company is not a Sick industrial undertaking

5. DISCLOSURES IN TERMS OF REGULATION 21(3), IF APPLICABLE

If the Public Offer results in the public shareholding being reduced to 10% or less of the voting capital of the company, the Acquirer shall make an offer to buy the outstanding shares remaining with the shareholders in accordance with the Guidelines specified by the Board in respect of the Delisting of Securities.

6. BACKGROUND OF THE TARGET COMPANY - NIRYAT-SAM APPARELS (INDIA) LIMITED (NSAIL)

6.1 NSAIL was incorporated on January 24, 1994 with the Registrar of Companies, Delhi and Haryana, as a Public Limited Company and got Commencement of Business Certificate on March 18, 1994 from the Registrar of Companies, Delhi and Haryana. The Company has its Registered Office at A-*6,* Connaught Place, New Delhi-110001, INDIA, and Tel No.-011-23324509 and Fax No - 011-23325128

6.2 NSAIL has been engaged in the business of manufacturing, wholesale trade of clothing and apparels and are presently having rental income from leased properties.

6.3 NSAIL was having manufacturing facilities at A-8 & 9, Sector -60, Phase-III, Noida, Distt. Gautam Budh Nagar (U.P.)

6.4 The authorised share capital of NSAIL as on March 31, 2004 is Rs 3500.00 lacs, comprising of 1,00,00,000 equity shares of Rs 10/- (Rupees Ten Only) each and 25,00,000 - 8%Cumulative Redeemable Preference Shares of Rs. 100/- each. The issued, subscribed and paid-up equity share capital as on March 31, 2004 stood at Rs 795.00 lacs comprising of 79,50,000 equity shares of Rs 10/- (Rupees ten each). divided into 77,69,600 fully paid equity shares of Rs.10/- each and 1,80,400 party paid shares of Rs. 10/- each. (Rupees ten each). The issued, subscribed and paid-up 8% Cumulative Redeemable Preference share capital as on March 31, 2004 of Rs. 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 25,00,000 shares of Rs. 100/- each.

Paid up Shares of NSAIL	**No. of Shares**	**No. of Shares with voting rights**	**% voting rights**
(1) Equity Shares			
Fully paid-up Equity Shares	77,69,600	77,69,600	75.66%
Partly paid-up Equity Shares	1,80,400	Nil	Nil
Total paid-up Equity Shares	79,50,000	77,69,600	75.66%
(2) Preference Shares*	25,00,000	25,00,000	24.34%
Total	**1,04,50,000**	**1,02,69,600**	**100%**

* As per SEBI letter dated - April 12, 2006

6.5 8% Cumulative Redeemable Preference shares does not carry Voting Rights, as the dividend on these shares has been waived by way of waiver letters by all the preference shareholders individually vide their letters dated 25.04.2002 and also vide resolution passed u/s 106 of the Companies Act, 1956 by all the Preference Shareholders in the Class meeting held on 28.07.2004 has given their consent to waive off their dividend outstanding and cumulative upto 31.03.2004 and has also given their consent to increase the redemption period upto 31.03.2010 .

However SEBI has expressed that voting rights have arisen on the above preference shares. Although the Acquirers and the target company are of the considered view and have also separately been legally advised that no voting rights have arisen on these preference shares for reasons given above, however for the limited purpose of this Letter of Offer the voting capital percentage has been taken, as if, voting rights have arisen on these Preference Shares. This will make no difference to the Offer size in terms of Regulation 21 of SEBI (SAST) Regulations, 1997."

6.6 There are 1,80,400 partly paid up shares in the Company, the total call money remaining unpaid on these shares is Rs. 8,48,000/- and those partly paid up shares has no voting Right as per Articles of Association of the Target company.

6.7 There are no outstanding convertible instruments / warrants.

6.8 The current capital structure of the company has been build up since inception as under:

6.8.1 For Equity Capital

Date of allotment	No of shares issued	% of shares issued	Cumulative paid up capital in Rs.	Mode of allotment	Identity of allottees (promoters/ ex - promoters/ others)	Status of compliance
1.02.94	700	0.01%	7,000	Cash	Promoter*	No compliance is pending.
26.03.94	13,500	0.16%	1,42,000	Cash	Promoter*	
09.06.94	1,05,000	1.32%	11,92,000	Cash	Promoter*	
30.03.95	20,00,000	25.16%	2,11,92,000	Cash	Promoter*	
30.05.95	5,00,000	6.29%	2,61,92,000	Cash	Promoter*	
13.07.95	14,00,000	17.61%	4,01,92,000	Cash	Promoter*	
15.09.95	4,80,800	6.05%	4,50,00,000	Cash	Promoter*	
08.05.96	34,50,000	43.40%	7,95,00,000	Cash	Public (by way of Public Issue)	

- * Equity shares of NSAIL were acquired by Inox Leasing & Finance Limited under Scheme of Amalgamation and Reconstruction of Promotor (SMS Udyog Limited), Industrial Oxygen Company Limited and Inox Leasing & Finance Limited approved by High Court of Delhi in C.P. 252 of 1997. and Bombay High Court in C.P. 559 of 1997. In this Scheme all of the shares of other companies held by SMS Udyog Ltd and Industrial Oxygen Company Limited were transferred to Inox Leasing & Finance Limited.

6.8.2 **For Preferential Capital**

Date of Allotment	No. of shares of Rs 100/- each	% of shares issued	Cumulative Paid -up capital	Mode of Allotment	Allottees Details**
22.01.00	1000000	40	10,00,00,000	Cash	Acquirer, His Group Company
10.11.01	1500000	60	25,00,00,000	Cash	Acquirer, their Group Company and to Gujarat Flouro-chemicals Limited, a company not belonging to promoter group

**Allotment Details of Preference Shares:-

Allottee	Allotted on 22.01.2000	Allotted on 10.11.2001	Total
Siddhomal Air Products Private. Limited	150.00 Lacs	75.00 Lacs	225.00 Lacs
Sitashri Trading and Finance Private Limited	750.00 Lacs	Nil	750.00 Lacs
Subodh Kumar Jain	100.00 Lacs	700.00 Lacs	800.00 Lacs
Gujurat Flourochemicals Ltd	Nil	725.00 Lacs	725.00 Lacs
TOTAL	1000.00 Lacs	1500.00 Lacs	2500.00 Lacs

Terms of the Issue same for both the issues :-

8% Cumulative Redeemable Preference Share

Shares Allotted on 22.01.2000 due for redemption on 21.01.03, further rolled over for a further period of 2 years and now after the class meeting has been rolled over till 31.03.2010.

Shares allotted on 10.11.2001 were also redeemable at par at the end of 3 years from the date of allotment / 2 years from the date of extension further rolled over for a further period of 2 years and now after the class meeting has been rolled over till 31.03.2010.

6.9 The shares of Company has not been suspended by any stock exchanges.

6.10 The shares of "*NSAIL*" are at present listed on The Jaipur Stock Exchange Limited, The Stock Exchange, Mumbai, The Calcutta Stock Exchange Association Limited and was listed on the Delhi Stock Exchange Association Limited and The Stock Exchange Ahmedabad. The Company had applied for delisting of these equity shares from The Delhi Stock Exchange Association Limited, Delhi; The Jaipur Stock Exchange Limited, Jaipur; The Calcutta Stock Exchange Association Limited; Kolkata and The Stock Exchange, Ahmedabad. Pursuant to this application The Delhi Stock Exchange Association Limited has delisted the Company's equity shares w.e.f. 31.03.2004 and The Stock Exchange, Ahmedabad has delisted the Company's equity shares w.e.f. 25.08.2004.. The last traded price of NSAIL's share on The Stock Exchange, Mumbai is Rs. 1.55 on May 14, 2002 and the volume was 400 Shares., and are in the Z group at The Stock Exchange Mumbai.

6.11 Based on the information received from The Stock Exchange, Mumbai, vide their letter September 14, 2004 that the total volume in the shares of the Target company are Nil during the period March 2004 to August 2004 and based on the available information from the target company there is no trading at The Calcutta Stock Exchange Association Limited, and The Jaipur Stock Exchange Ltd, during the period March 2004 to August 2004. **Hence the equity shares of NSAIL are infrequently traded.**

6.12 Based on the data available with the official website of The Stock Exchange, Mumbai (Based on the information received from The Stock Exchange, Mumbai, vide their letter September 14, 2004) that last trade has been taken place on 14.05.2002 , hence no trade has taken place on the date of the Public Announcement. There is no trading at The Calcutta Stock Exchange Association Limited and at the Jaipur Stock Exchange Limited on the Date of PA, however no official data is available from The Calcutta Stock Exchange Association Limited and at the Jaipur Stock Exchange Limited.

6.13 The Acquirer, sellers, promoters and other major shareholders of the Target Company have complied with the reporting requirements under applicable provisions of the Chapter II of SEBI (SAST) Regulation 1997. Based on the declaration given by the Target Company to us, there has been some delay by NSAIL (Target Company) with the reporting requirements under Chapter II of the SEBI (SAST) Regulations, 1997 for the financial year ended 1997 to financial year ended 2000. and other requirement on time.

6.14 NSAIL has complied with requirements of the Listing Agreement and no punitive action has been initiated by the stock exchanges where its equity shares are listed.

6.15 The composition of the Board of Directors of NSAIL as on 3rd September 2004, the date of PA is as follows:

Sr. No.	Name of the Director	Designation	Qualification & Experience	Date of Appointment	Address
1.	Mr Subodh Kumar Jain	Managing Director	B.Com 30 years	24.01.1994	36, Golf Links, New Delhi-110003
2.	Mr Lalit Kumar Jain	Director	B.A. 60 years	16.08.2004	36, Golf Links, New Delhi-110003
3.	Vimal Prakash. Mittal	Director	LL.B. 42 years	18.07.1995	136, Pushpanjali, Vikas Marg, Extention, New Delhi-110092
4.	Radhe Shyam Aggarwal	Director	M.A. LL.B 45 years	12.07.1996	60, Pushpanjali, Vikas Marg, Extention, New Delhi-110092

6.16 Mr. Subodh Kumar Jain, Managing Director of the company himself is a acquirer.

6.17 There has been no merger / de-merger, spin-off during the past three years in NSAIL.

6.18 The Acquirer has been the Director on the Board of the Target Company since incorporation and is presently the managing director of NSAIL w.e.f. 08-03-95

6.19 Audited financial information of NSAIL for the financial year ended on March 31, 2002, 2003 and 2004 is given below

Profit and Loss Statement (Rs. in lac)

S No.	For the year ended on	31-Mar-02	31-Mar-03	31-Mar-04
1	Income from operations	520.78	78.47	26.63
2	Other Income	12.97	19.69	14.03
	Total Income	**533.75**	**98.16**	**40.66**
3	Total Expenditure	666.63	171.34	67.61
4	**Profit / (Loss) Before Depreciation Interest and Tax**	**-132.88**	**-73.18**	**-26.95**
5	Depreciation	83.75	81.05	49.70
6	Interest and Financial Charges	50.35	6.04	0.29
7	**Profit Before Tax**	**-266.98**	**-160.27**	**-76.94**
8	Extra Ordinary Item- Loss on sale of fixed assets	0	310.6	96.96
9	Extra Ordinary Item- Prior Period Adjustment	0		161.68
10	Provision for Tax	0		
11	**Profit/(Loss) After Tax**	**-266.98**	**-470.87**	**-335.58**
	Adjustment based on Auditors qualifications			
	Less:Adjustment for Dividend on Preference Shares	126.69	200	200
	Add: Depreciation (Change of Method)			16.22
	Add: Inventories (Change of Method)	26.27		
	Profit/(Loss) After Tax after adjustment	-367.4	-670.87	-519.36

Balance Sheet Statement

(Rs. in lac)

S No.	As On	31-Mar-02	31-Mar-03	31-Mar-04
	Sources of funds			
1	Paid-up voting share capital	776.96	776.96	776.96
	Paid-up non voting share capital	9.56	9.56	9.56
2	Reserves and Surplus (excluding revaluation reserves)	0	0	0
3	Net-worth	786.52	786.52	786.52
	Preference Share Capital	2500	2500	2500
4	Secured Loans	45.84	0	0
5	Unsecured Loans	0	80	10
	Total	**3332.36**	**3366.52**	**3296.52**
	Uses of funds			
5	Net Fixed assets	1472.46	1121.05	763.09
6	Investments	15.25	0	0
7	Net current assets	116.35	50.02	6.13
8	Misc. expenditure to the extent not written-off	14.92	11.19	7.46
9	Profit & Loss Account Debit Bal.	1713.38	2184.26	2519.84
10	Total	3332.36	3366.52	3296.52
	Adjustment based on Auditors qualifications			
11	Adjustment for Dividend on Preference Shares as per Auditors Report	222.03	422.03	622.03
12	Depreciation (Change in Method) (Excess Changed to P&L)			16.22
13	Valuation of Inventories (valuation of Stock reduced)	26.27		
14	**Profit & Loss Account Debit Bal.(After Adjustments)**	**1909.14**	**2606.29**	**3125.65**

Other Financial Data

Sr. No.	For the year ended on	31-Mar-02	31-Mar-03	31-Mar-04
1	Dividend (%)	Nil	Nil	Nil
2	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	(4.95)	(8.44)	(6.74)
3	Return on Networth (%)	Un - determinable	Un- determinable	Un- determinable
4	Book Value per Share (Rs. per equity share of face value of Rs. 10/- each)	(14.31)	(23.03)	(29.52)

6.20 Extra Ordinary Item-Loss on Sale of Fixed Assets:-

- Loss of 310.6 Lacs as at 31.03.2003:- The company entered into an agreement for sale of sewing machines and other related machinery used for production on the shop floor, with M/s. Zodiac Clothing Company Limited at Rs.199 lacs. The WDV of these machines_as date of agreement of sale are Rs.509..60 lacs. These assets have been referred to in the books of account as Fixed Assets held for disposal. During the year, the company received an advance sum of Rs.20 Lacs as against the machinery held for disposal. Accordingly, a loss amount of Rs.310.6 Lacs on machinery held for disposal was provided in the books of accounts of the company.
- Loss of 96.96 Lacs as at 31.03.2004:- which was due to loss on sale of Sewing Machines and Computers CAD/CAM Machine to M/s. Zodiac Clothing Company Limited)

6.21 Extra Ordinary Item-Prior Period Adjustments:-

The Amount of Rs.161.68 Lacs consists of :-

Loss on sale of fixed assets	-	Rs.154.85 Lacs
Power Charges	-	Rs. 6.83 Lacs

Even though the company had disposed of substantial part of its Fixed Assets in the previous year ended 31.03.2003 but the installation expenses and other ecpenses like pre-operative expenses and technical know how fee and loss on some equipments were not booked as loss on sale, due to inadvertence. The discrepancies were noticed/detected during the financial year ended 31.03.2004 and hence the loss amount of Rs.154.85 lacs was booked and shown as Prior Period Adjustments and Rs. 6.83 Lacs has been paid to UPSEB towards final settlement of Electricity Bill after termination of connection are the part of prior period adjustment for the financial year ended 31.03.2004.

6.22 Adjustments for Dividend on Preference Shares:-

The amount of dividend due for payment on preference shares as at 31.03.2002,31.03.2003 and 31.03.2004 were Rs.126.69 Lacs, 200 Lacs and 200 Lacs respectively. The company has been incurring losses since its inception and because of unavailability of in-adequate profits with the company, the company could not pay any dividend on these shares and they also could not be redeemed on due dates. Auditors has Qualified respectively years annual account that because of non- provisioning of these dividend, the loss of the company was reduced by same amount and therefore the adjustment of dividend on preference shares has been made in all the respective financial years to determine the correct EPS and Book Value of Equity Shares of the company.

6.23 Depreciation (Change of Method):-

During the year 2003-04, the company changed its accounting policies in respect of amortization of leasehold land and amortized the value of leasehold land over the period of lease. This change in policy for providing depreciation resulted in increase of depreciation charge in the accounts for the year by Rs.16.22 Lacs and decrease in the book value of the Land by the same amount. This has the effect of increasing net loss for the year by Rs.16.22 Lacs.

6.24 Inventories (Change of Method):-

From year ending 31.03.2002, the company started valuing raw materials, accessories and trims on net realizable value instead of cost on FIFO basis. Due to change in the method of valuation of stock value of raw material, accessories and trims has reduced by Rs.26.27 Lacs and consequently the loss for the year increased by Rs.26.27 Lacs.

6.25 During Financial year 2002-03, the company temporarily suspended its operations in May 2002 and retrenched majority of its staff and workers. On the basis of an application filed by the company with UPSEB, the power supply to the unit was discontinued and the company also surrendered its factory license.

Further, in order to realize a better value for the stocks of finished goods the company was holding and to keep the machinery at the factory in running condition, the management restarted production on a small scale primarily with assistance of contract labor and power supply from a captive generator.

The income from operations of 78.46 Lacs for 31.03.03 were on account of some Trading Activities undertaken and some stock sold during the years. Other Incomes for the years are due to sale of scraps, balance raw materials etc.

The income from operations of 26.62 Lacs for the year ended 31.03.04 mainly from trading activity and sale of stock available with the company.

The income for the current financial year of the company is from income from rent.

6.26 During the financial year 2001-2002 the Company is continuously incurring losses and the total accumalated losses as on 31.03.02 were Rs. 17,13,38,421. During the year there was negative cash flow from operation of Rs. 1,71,99,604. Preference shares dividends are in arrears amounting to Rs. 2,22,02,767. The company has stopped commercial production in May 2002 and retrenched majority of its staff and workers. Further the company has made an application to UPSEB for substantial power load reduction. There are no orders of job works or export in the hand of as on date old Major plant & machinery during the financial year. In view of the above mentioned conditions, there is significant uncertainty that the entity will be able to continue as a GOING CONCERN and therefore, may be unable to realise its assets and discharge its liabilities in the normal course of the business

6.27 During the financial year 2002-2003 the total accumulated losses as on 31.03.03 were Rs. 21,84,25,248/-. During the year there was negative cash flow from operation of Rs. 22,57,547. Preference shares dividends are in arrears amounting to Rs. 4,22,02,767. During the year the company temporarily suspended its operations in May 2002 and retrenched majority of its staff and workers. On the basis of an application filed by the company with UPSEB, the power supply to the unit has been discontinued; the company has surrendered its factory licence.

6.28 The Company is not a Sick Industrial Undertaking as mentioned in Auditors Report of the Company.

6.29 **Pre- and Post-Offer shareholding pattern** of the Target Company is as per the following table:

Sr No	Shareholder category	Shareholding & voting rights prior to the acquisition and offer (A)			Shares/voting rights acquired which triggered off the Regulations (B)			Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)			Shareholding/voting rights after the acquisition and Offer i.e. A+B+C		
		No.	% Capital	% V R	No.	% Capital	% V R	No.	% Capital	% V R	No.	% Capital	% V R
A	**EQUITY CAPITAL**												
1.	Promoter Group												
	a. Seller M/s Inox Leasing & Finance Ltd	5148200	64.76	50.13	(5148200)	(64.75)	(50.13)	Nil	Nil	Nil	Nil	Nil	Nil
	b. Promoters other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (a+b)	**5148200**	**64.76**	**50.13**	**(5148200)**	**(64.75)**	**(50.13)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2.	a. Acquirer												
	Mr Subodh Kumar Jain,	Nil	Nil	Nil	6704400	84.33	65.28	1245600*	15.67	10.38	7950000	100	75.66
	Total 2	**Nil**	**Nil**		**6704400**	**84.33**	**65.28**	**1245600***	**15.67**	**10.38**	**7950000**	**100**	**75.66$**
3.	Seller other than 1(a) M/s Gujrat Flourochemicals Limited	1556200	19.57	15.15	(1556200)	(19.57)	(15.15)	Nil	Nil	Nil	Nil	Nil	Nil
4.	Public (other than 1 to 3)	1063200	13.38	8.60	Nil	Nil	Nil	(1245600)*	(15.67)	(10.38)			
5.	FIs / MFs / FIIs / Banks	182400	2.29	1.78	Nil	Nil	Nil						
	Total	**7950000**	**100**	**75.66$**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**7950000**	**100**	**75.66$**
B	PREFERENCE CAPITAL	2500000	-	24.34	-	-	-	-	-	-	2500000	-	24.34
	GRAND TOTAL (A+B)	**10450000**	**-**	**100$**							**10450000**	**-**	**100$**

Note:

- *The data within bracket indicates sale of equity shares.*
- ** includes partly paid up equity shares*
- *VR- Voting Rights (Which includes voting rights on equity share capital & voting rights arisen on preference shares).*
- *$ - This percentage does not include voting rights on partly paidup shares.*

6.30 The approximate number of shareholders in NSAIL in public category is 878 as informed by Target company, *vide their letter dated 03.09.2004* which includes 58 NRI shareholders.

6.31 46,82,400 comprising of 58.90 % of equity shares of NSAIL were acquired by Inox Leasing & Finance Limited under Scheme of Amalgamation and Reconstruction of SMS Udyog Limited, Industrial Oxygen Company Limited and Inox Leasing & Finance Limited approved by High Court of Delhi in C.P. 252 of 1997. and Bombay High Court in C.P. 559 of 1997. In this Scheme all of the shares of other companies held by SMS Udyog Ltd and Industrial Oxygen Company Limited were transferred to Inox Leasing & Finance Limited. Inox Leasing & Finance Limited acquired 1,82,500 shares from Inox India Ltd, on 30.3.1998 for which report under regulation 3(4) was sent to SEBI on 21.07.1998 and Inox Leasing & Finance Limited has also made advance intimation to all the stock exchanges in which company, intimated to all the stock exchange where the company was listed.

ILFL also acquired 2,50,000 shares from GFL for which disclosure was made to Company and Stock Exchange under regulation 7 (1A).

6.32 The Company has complied with the conditions of Corporate Governance as envisaged under clause 49 of the listing agreement, statutory auditors of the company have certified compliance of conditions of corporate governance, this certificate is attached with annual report of the target Company.

6.33 The following litigation matters are pending against the Company.

6.33.1 Mr. S.C. Gupta S/o Sh. Ganga Ram Sahai-Chief Accountant of M/s East west Medical Center Vs

a) Subodh Kumar Jain, Director Niryat-Sam Apparels (India) Limited.

b) Paresh Kumar S/o Puroshotam Dass

In the Court of Addl. Chief Judicial Magistrate, Patiala House, New Delhi u/s 420/34 of IPC dt 12.03.2004. for balance payment of Rs. 71,251/- for the medical treatment of Mr. Paresh Kumar.

6.33.2 The Following litigation are sub judice for termination of workers, claiming that their termination was illegal, unjust and unwarranted.

Sr No	Petitioner/Applicant	Case No	Court
1	Mr Sanjay	46/99	Labour Court No II, Lohia Nagar, Ghaziabad (U.P.)
2	Ms Shurti Shrivastava	224/03	Labour Court No I, Lohia Nagar, Ghaziabad (U.P.)
3	Mr Jagdish	Order reserved	Labour Court No II, Lohia Nagar, Ghaziabad (U.P.)
4	Mr Suresh Chand Chauhan	101/02	Labour Court No I, Lohia Nagar, Ghaziabad (U.P.)
5	Mr Tikam Singh	79/03	Labour Court No II, Lohia Nagar, Ghaziabad (U.P.)
6	Ms Dhruvtara	1015/03	Labour Court No II, Lohia Nagar, Ghaziabad (U.P.)

6.34 Mr. Suresh Singh, Company Secretary is the compliance officer of the company, his residential address is WZ-72/1, Mohan Nagar, Pankha Road, New delhi-110046.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of NSAIL are presently listed on The Stock Exchange, Mumbai, The Jaipur Stock Exchange Limited and The Calcutta Stock Exchange Association Ltd.

7.1.2 The annualised trading turnover during the preceding six Calendar months ending August, 2004 in each of the Stock Exchanges is detailed below:

Sr. No.	Name of the Stock Exchange	Total no. of equity shares during the 6 calendar months prior to Septemeber, 2004	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
1.	BSE	NIL	79,50,000	NIL
2.	JSE	NIL	79,50,000	NIL
3.	CSE	NIL	79,50,000	NIL

As per official letters from Stock Exchanges, Mumbai
And as per information given by the target company in regard of other stock exchanges

7.1.3 As the annualised turnover (by number of equity shares) at all theStock exchanges are less than 5% of the total no. of listed equity shares, the equity shares of NSAIL are deemed to be infrequently traded at the said stock exchanges. The Offer Price of Rs. 0.50 (Paisa Fifty Only) per fully paid-up as well as per Partly Paidup equity share of face value of Rs. 10/- each, is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations, 1997 based on the following:

a.	Negotiated Price under the Acquisition		Rs. 0.50 per fully paid-up equity share
b.	Highest Price paid by the Acquirer or PAC's for acquisition including Public or Rights Issue in 26 weeks		Not applicable
c.	Price paid under preferential allotment made to the Acquirer any time during 12 months period upto date of closure of the Offer		Not applicable
d.	Highest average Price calculated as per Regulaiton 20(4)(c) during the 26 weeks preceding the date of PA or the 2 weeks preceding the date of PA		Not applicable
e.	Other parameters		
	I	***Based on audited results as on March 31, 2004***	
	i.	Return on Networth (%)	Negative, hence undeterminable
	ii.	Book Value (Rs.)	-29.52
	iii.	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	-6.53
	iv.	Price to Earnings ratio	Undeterminable

7.1.4 Hence, based on the above facts, the Offer Price of Rs. 0.50 is justifiable in terms of Regulation 20.

7.1.5 There is no non-compete agreement

7.1.6 If the Acquirer acquire equity shares after the date of Public Announcement upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 For the Offer, requirement of funds for the Offer would be Rs. 6,22,800/- (Rupees Six Lacs Twenty Two Thousand Eight Hundred Only). The Acquirer has already deposited **Rs. 6,56,000/- (Rupees Six Lac Fifty Six Thousand Only)** which is more than required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997.in full acquisition of 12,45,600 equity shares of Rs. 10/- each at an Offer Price of Rs. 0.50 per equity share.

7.2.2 The Acquirer have adequate resources to meet the financial requirements of the Offer. Ms. Roma Kapur, Partner of M/s Dewan P. N. Chopra & Co., Chartered Accountants, having Office at H-57, Connaught Circus, New Delhi - 110 001. (Membership No.90110) has certified vide certificate dated August 28, 2004 that the Net Worth of Mr. Subodh Kumar Jain, as on 28.08.2004 is over Rs. 1000 lacs and that he has sufficient means to fulfil the obligations under this Offer. No borrowing from any Bank/ Financial Institution is being made for this purpose.

7.2.3 As per Regulation 28, Acquirer have **opened an Escrow Account with Bank of Baroda, East of Kailash, New Delhi-110 065, and have deposited Rs 6,56,000/- (Rs Six Lac Fifty Six Thousand only), being more than 100% of the amount required for the Open Offer.**

7.2.4 The Acquirer have duly empowered M/s Chartered Capital and Investment Limited, Manager to the Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997

7.2.5 The Manager to the Offer, M/s Chartered Capital and Investment Limited, hereby confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations, 1997.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered shareholders of Niryat-Sam Apparels (India) Limited and unregistered shareholders who own the equity shares of Niryat-Sam Apparels (India) Limited any time prior to the date of Closure of the Offer, other than the Acquirer.

8.2 Regarding acceptance of Lock-in Shares, whether acquired pursuant to the agreement or the offer, the same can be acquired to the Acquirer subject to continuation of the residual lock-in period in the hands of the Acquirer and there shall be no discrimination in the acceptance of locked in and not locked in shares.

8.3 Statutory Approvals

8.3.1 Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.

8.3.2 No approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.

8.3.3 As on the date of Public Announcement, to the best of the Acquirer' knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.

8.3.4 In case of delay in receipt of any statutory approval, Regulation 22(12) of SEBI (SAST) Regulations, 1997, will be adhered to, i.e. SEBI has power to grant extension of time to Acquirer for payment of consideration to shareholders subject to Acquirer agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

8.4 Others

8.4.1 Accidental omission to despatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

8.4.2 This Letter of Offer has been mailed to all the shareholders of NSAIL (other than parties to the Agreement), whose names appeared on the Register of Members of NSAIL as on **Tuesday, September 21, 2004 being the Specified Date.**

8.4.3 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be credited back to respectively depository account or returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

8.4.4 Consideration for equity shares accepted would be paid by crossed account payee cheques / demand drafts / pay orders and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

9.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to the Registrar to the Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 9.17 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.2 The Registrar to the Offer, **M/s Beetal Financial & Computer Services P. Ltd.**, has opened a special depository account with **Abhipra Capital Limited** (Depository-***National Securities Depository Limited***).

9.3 Shareholders of NSAIL to whom this Offer is being made, are free to offer his / her / their equity shares of NSAIL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in this Offer.

9.4 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 1700 hours upto the date of closure of the offer i.e. **Monday, August 7, 2006.**

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with NSAIL.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of NSAIL or on the Share Certificate issued by NSAIL) as per the specimen signature(s) lodged with NSAIL and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognised stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.
- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

9.5 Beneficial owners and **<u>shareholders holding shares in the dematerialised form</u>**, will be required to send their Form of Acceptance cum Acknowledgement to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on or before 1700 hours upto the date of closure of the offer i.e. **Monday, August 7, 2006**, along with

- a Form of Acceptance cum Acknowledgement, duly completed and signed in accordance with the instructions contained therein by sole/all shareholders whose names appear (in case of joint holdings) in the same order in which their names appear in their beneficiary account;
- a photocopy of the delivery instructions in "**Off-market**" mode or counterfoil of the delivery instruction in "**Off-market**" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "**Beetal A/c-NSAIL-Open Offer Escrow A/c**" ("Depository Escrow Account") filled in as per the instructions given below:

DP Name	:	Abhipra Capital Limited
Client ID Number	:	10766782
DP ID Number	:	IN-300206
Depository	:	National Securities Depository Limited- ("**NSDL**")

- Delivery Instruction: Special attention should be paid to the following:
- Beneficial owners, who hold equity Shares of NSAIL in dematerialised form, are required to execute an "off-market" trade by tendering the Delivery Instruction for debiting their beneficiary account with their concerned depository participant and crediting the above-mentioned account. The credit in the Depository Escrow Account should be received on or before the Offer Closing Date; i.e. **Monday, August 7, 2006**, else the application would be rejected.
- The Delivery Instructions to be given to the depository participant should be in "For Off Market Trade" mode only. For each Delivery Instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement.Shareholders having their beneficiary account in Central Depository Services India Limited ("**CDSL**") have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

9.6 A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/FIIs).

9.7 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

9.8 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in NSAIL.

9.9 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarised copy of the legal representation obtained from a Competent Court.

9.10 **Special Note for shareholders who have sent their Shares for Dematerialisation:** Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Escrow Depository Account can be received on or before 1700 hours upto the Offer Closing Date i.e. Monday, August 7, 2006, else the application would be rejected.

9.11 **No document should be sent to the Acquires or to NSAIL or to the Manager to the Offer**.

9.12 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper** stating the **name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **1700 hours** upto the date of closure of the offer i.e. **Monday, August 7, 2006**.

9.13 Persons who own equity shares of NSAIL any time prior to the date of Offer Closure, but are not registered holders, can tender their equity shares for purchase by the Acquirer, by communicating his / her / their desire to tender, in writing to the Registrar to the Offer and obtain from them a copy of the Letter of Offer, the Application Form and Transfer Deed(s) and lodge the same along with the relevant Share Certificate(s) and other documents, as mentioned hereinabove together with the Original Contract Note issued by a registered Stock Broker of a recognised Stock Exchange, only at the address of Registrar to the Offer as mentioned hereinabove:

An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a ***plain paper*** *stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them* ***on or before 1700 hours on*** **Monday, August 7, 2006*.***

9.14 No indemnity is required from the unregistered shareholders.

9.15 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with NSAIL, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by NSAIL by individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by NSAIL. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such

Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by NSAIL.

9.16 In case of shareholders who have not received the LOO and holding shares in the dematerialised form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of shares offered along with a photocopy of the original delivery instructions in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the Depository Participant as specified in para 9.5 above, so as to reach the Registrar to the Offer on or before 1700 hours upto the date of Closure of the Offer **i.e. Monday, August 7, 2006**. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

9.17 The following collection centre would be accepting the documents as specified above, both in case of shares in physical and dematerialized form.

Address of Registrar to the Offer:

Sr. No.	Address of Registrar to the Offer	Business Hours	Mode of Delivery
	BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD. **Financial & Computer Services (P) Ltd.** **Regd & Admn. Office :** Beetal House, 3rd Floor, 99, Madangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi 110 062, Phone : 011-29961281, 29961282 Fax: 011-29961284 E-mail: beetal_99@sify.com Contact Person: **Mr. Punit Mittal**	**Monday to Friday** 1000 hours to 1700 hours **Saturday** 1000 hours to 1330 hours	Hand Delivery / Courier/ Registered Post

Holidays: Sundays and Bank Holidays

9.18 The Registrar to the Offer will hold in trust the shares / share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of NSAIL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

9.19 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. Wednesday August 02, 2006. The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e**. Wednesday, August 2, 2006.**

9.20 The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum-Acknowledgement / Plain paper application submitted and the Acknowledgement slip. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

9.20.1 In case of physical shares: name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares

9.20.2 In case of dematerialized shares: name, address, number of shares tendered, DP name, DP ID, date of tendering the shares, beneficiary account number and a photocopy of the delivery instructions in “off market” mode or counterfoil of the of the delivery instruction in “off market” mode, duly acknowledged by the DP, in favour of the “**Beetal A/c-NSAIL-Open Offer Escrow A/c**” (“Depository Escrow Account”).

9.20.3 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.

9.21 The intimation of returned shares to the Shareholders will be sent at the address as per the records of NSAIL / Depository as the case may be.

9.22 **Acquirer will acquire all the 12,45,600 paid-up equity shares (Fully as well as Partly) tendered in the Offer with valid applications.**

9.23 **Method of Settlement**

9.23.1 The marketable lot of NSAIL is 1 {one}.

9.23.2 The Form of Acceptance, relevant Original Share Certificate(s), valid Share Transfer Deed(s) and other documents or/ and shares lying in the special depository account, tendered by the shareholders of NSAIL under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirer only upon the fulfilment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

9.23.3 On fulfilment of all the conditions herein mentioned, the Letter of Offer and Form of Acceptance, the Acquirer will pay the Offer Price by a crossed and "Account Payee Only" cheque(s) or demand draft(s) or pay order(s) drawn in favour of the sole shareholder or first named shareholder in case of joint holding. The payment consideration will be sent by Registered Post to the sole / first named shareholder of NSAIL whose equity shares are accepted by the Acquirer at his address registered with NSAIL/ DP. **It is desirable that shareholders holding Shares in physical mode provide bank details of the first/ sole shareholder in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/demand draft. In case of shareholders holding Shares in electronic mode, bank particulars recorded with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.**

9.23.4 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

9.23.5 The equity shares of NSAIL held in dematerialised form, which are not accepted in view of not being a valid tender of equity shares or which are withdrawn by the shareholders, will be released to the beneficial owner's depository account with the respective depositary participant, from where the credit was initially received in favour of the Depository Escrow Account, at the sole risk of the beneficial owner. An intimation to that effect will be sent to the beneficial owner by Ordinary Post.

9.23.6 The Acquirer shall endeavour to complete all procedures relating to the Offer within Fifteen Days from the date of Closure of the Offer (i.e. **Monday, August 21, 2006**), including payment of consideration to the shareholders of NSAIL whose equity shares are accepted for purchase by the Acquirer.

9.23.7 While tendering the Shares under the Offer, the NRIs/OCBs/FIIs will be required to submit the No Objection Certificate/ Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration, from the Income Tax Authorities under Income Tax Act, 1961. In case the aforesaid No Objection Certificate/Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirer will send the proof of having deducted and paid the tax along with the payment consideration.

9.23.8 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirer will pay interest for the delayed payment beyond thirty days of the closure of the Offer, at such rate as may be prescribed by SEBI.

9.24 General

9.24.1 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

9.24.2 Neither the Acquirer nor the Manager nor the Registrar nor the Target company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s), copy of delivery instructions or other documents.

9.24.3 The Offer Price is denominated and payable in Indian Rupees only.

9.24.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

9.24.5 If there is any upward revision in the Offer Price (Regulation 26) by the Acquirer till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised Offer would be payable for all the shares tendered anytime during the Offer.

9.24.6 " **If there is competitive bid:**

9.24.6.1 The Public Offers under all the subsisting bids shall close on the same date.

9.24.6.2 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"

9.24.7 None of the Acquirer hold any shares of the **Target Company** as on the date of this offer.

9.24.8 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 1700 hours upto three working days prior to the date of Closure of the Offer, i.e. Wednesday, August 2, 2006, as mentioned in para 9.20

9.24.9 Alternatively, a copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement can be obtained from SEBI's **web-site: www.sebi.gov.in**.

10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 13, Community Centre, East of Kailash, New Delhi – 110065 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

10.1 Undertaking from the Acquirer, stating full responsibility for all information contained in the PA and the Letter of Offer.

10.2 Certificate from Ms. Roma Kapur, Partner of M/s Dewan P. N. Chopra & Co., Chartered Accountants, (Membership No.90110) has certified vide certificate dated August 28, 2004, regarding the Net worth and availability of financial resources to meet the financial obligations under the Offer in full by Mr. Subodh Kumar Jain.

10.3 Annual Reports of NSAIL for years ended on March 31, 2002, 2003 and 2004.

10.4 Annual Reports of the Group Companies of the Acquirer – Siddhomal Air Products P Ltd and Sitashri Trading & Finance P Ltd .for the year ended March 31, 2002,2003, and 2004.

10.5 Certificate from Bank of Baroda confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 1997 as on 03rd September 2004.

10.6 Published copy of the PA, which appeared in the newspapers on September 3, 2004 and Corrigendum to the Public Announcement which appeared in the newspapers on July 13, 2006.

10.7 The Letter Dated 14.09.2004 from the Stock Exchange Mumbai for Price & volume data as referred in the LOO.

10.8 A copy of the agreement with the Depository Participant Abhipra Capital Limited for opening a special depository account for the purpose of the offer with the Registrar To Issue.

10.9 Observation letter no CFD/DCR/SB/TO/22804/04 dated October 06, 2004 and CFD/DCR/NM/TO/64618/06 dated April 12, 2006 on the draft Letter of Offer filed with the Securities and Exchange Board of India.

11. DECLARATION BY THE ACQUIRER

11.1 The Acquirer, Mr Subodh Kumar Jain accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 1997

11.2 The Acquirer, Mr Subodh Kumar Jain is responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

11.3 All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

sd/-
Mr Subodh Kumar Jain
(Acquirer)

Place: New Delhi
Date: 13-7-2006

12. ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer)

OFFER OPENS ON	**:**	**Wednesday, July 19, 2006**
OFFER CLOSES ON	**:**	**Monday, August 7, 2006**
Please read the Instructions overleaf before filling-in this Form of Acceptance		

From:

FOR OFFICE USE ONLY
Acceptance Number
Number of equity shares offered
Number of equity shares accepted
Purchase consideration (Rs.)
Cheque/Demand Draft/Pay Order No.

Tel. No.: Fax No.: E-mail:

To,

Mr Subodh Kumar Jain,
C/o **Beetal Financial & Computer Services P. Ltd.**
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi-110062.

Dear Sirs,

Sub: ***Open*** *Offer to acquire 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital, which consists of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each of Target Company at a price of Rs. 0.50/- (Paise 50 only) per equity share, irrespective of whether it is fully paid equity shares or partly paid up equity shares by Mr Subodh Kumar Jain*

I / We, refer to the Letter of Offer dated 13.07.2006 for acquiring the equity shares held by me / us in **Niryat-Sam Apparels (India) Limited**.

1. I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
2. I / We, unconditionally offer to sell to **Mr Subodh Kumar Jain,** (hereinafter referred to as the "Acquirer") the following equity shares in Niryat-Sam Apparels (India) Limited (hereinafter referred to as "NSAIL"), held by me / us, at price of Rs.0.50 per fully paid-up equity share as well as partly paid up equity shares.

SHARES HELD IN PHYSICAL FORM

3. I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No……………………………………… Number of share certificates attached…………………………….			
Representing ……………………..................................…… equity shares			
Number of equity shares held in NSAIL		**Number of equity shares offered**	
In figures	**In words**	**In figures**	**In words**

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
	Total no. of Equity Shares			

——————✂——————————✂——————————TEAR HERE——————✂——————————✂——————————

ACKNOWLEDGEMENT SLIP

Open *Offer to acquire 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital, which consists of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each of Target Company at a price of Rs. 0.50/- (Paise 50 only) per equity share, irrespective of whether it is fully paid equity shares or partly paid up equity shares by Mr Subodh Kumar Jain*

Received from Mr. / Ms. / Mrs. ………………………...……………………………………………….. Ledger Folio No/ Client ID. ……………… ……. ....

DP ID…………………….................Number of certificates enclosed ……..……………..............…… under the Letter of Offer dated .... Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1.				
2.				
3.				
	Total no. of Equity Shares			

Authorised Signatory Stamp
Date

Note: All future correspondence, if any, should be addressed to **Registrar to the Offer**

Beetal Financial & Computer Services P. Ltd.
Contact Person: Mr. Punit Mittal
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062
Telephone Nos. (011) 29961281, 29961282, Fax: (011) 29961284 Email : beetal_99@sify.com

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARES OFFERED	NAME OF BENEFICIARY

4. I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled "**Beetal A/c-NSAIL-Open Offer Escrow A/c**" ("Depository Escrow Account") details are as under

DP Name	:	Abhipra Capital Limited
Client ID Number	:	10766782
DP ID Number	:	IN-300206
Depository	:	National Securities Depository Limited- ("**NSDL**")

5. I / We confirm that the equity shares of NSAIL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
6. I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
7. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
8. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.
9. I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
10. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
11. I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with NSAIL/D P :

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with Niryat-Sam Apparels (India) Limited):

____

— —

Place: —————————— Date: ——————————— Tel. No(s). : —————————— Fax No.: ————————-

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.

Bank Account No.: ———————————————— Type of Account: ———————————————————

(Savings / Current / Other (please specify))

Name of the Bank: ——————————————————————————————————————

Name of the Branch and Address: ———————————————————————————————

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.			

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: *In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.*

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.

2 The Form of Acceptance should be filled-up in English only.

3 Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official Seal.

4 Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of NSAIL.

II. Shareholders of NSAIL to whom this Offer is being made, are free to offer his / her / their shareholding in NSAIL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

5. Business Hours	:	Mondays to Friday	:	1000 hours to 1700 hours
		Saturday	:	1000 to 1330 hours
Holidays	:	Sundays and Bank Holidays		

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER OPENS ON	:	Wednesday, July 19, 2006
LAST DATE OF WITHDRAWAL	:	**Wednesday, August 2, 2006**
OFFER CLOSES ON	:	Monday, August 7, 2006

Please read the Instruction in Letter of Offer and overleaf before filling-in this Form of Withdrawal

From:

FOR OFFICE USE ONLY
Withdrawal Number
Number of equity shares offered
Number of equity shares withdrawn

Tel. No.: **Fax No.:** **E-mail:**

To,
Mr Subodh Kumar Jain,
C/o **Beetal Financial & Computer Services P. Ltd.**
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi-110062

Dear Sirs,

Sub: *Open* *Offer to acquire 12,45,600 equity shares of Rs. 10/- each representing 15.67 % of the total paid up equity capital and 10.38% of the voting share capital, which consists of 10,65,200 fully paid up equity shares of Rs. 10/- each and 1,80,400 Partly paid up Shares of Rs. 10/- each of Target Company at a price of Rs. 0.50/- (Paise 50 only) per equity share, irrespective of whether it is fully paid equity shares or partly paid up equity shares by Mr Subodh Kumar Jain*

Dear Sir,

I/We refer to the Letter of Offer dated 13.07.2006 for acquiring the equity shares held by me/us in Niryat-Sam Apprasel (India) Ltd.

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 __________ alongwith 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				

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 will be held in trust for me/us by you and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.

————✂————————✂—————————TEAR HERE————✂————————✂————————

Folio No.\DP ID Client ID: Serial No.:

Beetal Financial & Computer Services P. Ltd. **(Acknowledgement Slip)**
Contact Person: Mr. Punit Mittal
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi-110062

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

Note: All future correspondence, if any, should be addressed to **Registrar to the Offer**
Beetal Financial & Computer Services P. Ltd.
Contact Person: Mr. Punit Mittal
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062
Telephone Nos. (011) 29961281, 29961282, Fax: (011) 29961284
Email : beetal_99@sify.com

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARES OFFERED	NAME OF BENIFICIARY

I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled **"Beetal A/c-NSAIL-Open Offer Escrow A/c**" ("Depository Escrow Account") details are as under

DP Name	:	Abhipra Capital Limited
Client ID Number	:	10766782
DP ID Number	:	IN-300206
Depository	:	National Securities Depository Limited- ("**NSDL**")

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 of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and Delivered:

	FULL NAME OF THE HOLDER(S)	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. Wednesday, August 02, 2006.
2. Shareholders should enclose the following:-
   - **a. For Equity Shares held in demat form:**

     Beneficial owners should enclose

     i. Duly signed and completed Form of Withdrawal.

     ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.

     iii. Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.
   - b. For Equity Shares held in physical form:

     Registered Shareholders should enclose:

     i. Duly signed and completed Form of Withdrawal.

     ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.

     iii. In case of partial withdrawal, 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 Target Company and duly witnessed at the appropriate place.

     Unregistered owners should enclose:

     - Duly signed and completed Form of Withdrawal.
     - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from NSAIL. The facility of partial withdrawal is available only on to Registered shareholders.
7. **Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.**

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