LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of Pharma Com (India) Limited ("PCIL / Target Company"). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was affected.

CASH OFFER

Pursuant to regulations 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

By

Mr. Anil Babulal Agrawal ("Acquirer")

residing at

102, Malhar Tower, Yashodham, Goregoen (E), Mumbai – 400 063 (Maharashtra)

Ph: +91-22-2840 9399

to the shareholder(s) of

Pharma Com (India) Limited

Registered office: 44, Marol Co-Op. Ind. Estate, Andheri Kurla Road, Andheri (East), Mumbai – 400 059

Ph:+91-22-2617 2220; Fax: +91-22-2617 2240

To acquire 600,000 fully paid up Equity Shares of ₹ 10/- each representing 20% of the current voting capital of Pharma Com (India) Limited **at a price of** ₹ 1.40 (Rupee One and Paise Forty only) **(the "Offer Price") per fully paid-up Equity Share payable in cash.**

Please Note:

1. This Offer is being made pursuant to and in accordance with regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof (the "SAST Regulations / Regulations").
2. This Offer is neither conditional nor subject to any minimum level of acceptance by shareholders of the Target Company.
3. There are no other statutory approvals required for the purpose of this Offer. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Tuesday, October 25, 2011, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Tuesday, November 01, 2011.
5. If there is any upward revision in the Offer Price by the Acquirer prior to or on the last date for revising the Offer Price viz., Wednesday, October 19, 2011, you will be informed by way of another Public Announcement in the same newspapers in which the first Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. **No competitive bid has been announced till the date of this Letter of Offer.**
7. A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) will also be available on the website of Securities and Exchange Board of India ("SEBI") (http://www.sebi.gov.in).

Manager to the Offer	**Registrar to the Offer**
Microsec Capital Limited Azimganj House, 2nd Floor 7 Camac Street, Kolkata- 700 017 Tel.: 91-33-2282 9330 (5 Lines) Fax: 91-33-2282 9335 E-mail: mgoenka@microsec.in Website: www.microsec.in **Contact Person Mr. Manav Goenka**	**Purva Sharegistry (India) Private Ltd.** Unit no. 9, Shiv Shakti Industrial Estate J .R. Boricha Marg, Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011 Tel.: +91-22-23018261/2301 6761 Fax : +91-22-2301 2517 E-mail: busicomp@vsnl.com Website: www.purvashare.com **Contact Person Mr. Rajesh Shah**
Offer Opens on : Thursday, October 13, 2011	**Offer Closes on:** Tuesday, November 01, 2011

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day & Date
Public Announcement Date	Friday, August 19, 2011
Specified Date *	Friday, September 16, 2011
Last date for a competitive bid	Friday, September 09, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Saturday, October 08, 2011
Offer Opening Date	Thursday, October 13, 2011
Last date for revising the offer price/offer size	Wednesday, October 19, 2011
Last date for withdrawal by shareholders	Tuesday, October 25, 2011
Offer Closing Date	Tuesday, November 01, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Wednesday, November 16, 2011

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

RISK FACTORS

RISK RELATED TO THE TRANSACTION

The transaction between the Acquirer, Sellers and the Target Company is subject to the fulfillment of certain precedent conditions mentioned in the Share Purchase Agreement entered into between them.

RISK RELATED TO THE OFFER

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

a. The Offer involves an offer to acquire 20% of the current Voting Capital of the Target Company. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

b. In the event that (a) there is any litigation leading to a “stay” of the Offer, or (b) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed.

c. The Shares tendered in the Offer will lie in trust with the Registrar until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of PCIL. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of PCIL on whether to participate or not to participate in the Offer.

d. The shareholders who have lodged their shares would not be able to withdraw them after the last date of withdrawal i.e. Tuesday, October 25, 2011 even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and the payment of consideration is completed.

RISK RELATED TO ASSOCIATION WITH THE ACQUIRER

The Acquirer makes no assurance with respect to the financial performance of the Target Company or with respect to his investment/divestment relating to his proposed shareholding in the Target Company.

.

TABLE OF CONTENTS

1 DEFINITIONS

Acquirer / Mr. Anil Babulal Agrawal	Mr. Anil Babulal Agrawal , the Acquirer, aged about 46, son of Mr. Babulal Agrawal, residing at 102, Malhar Tower, Yashodham, Goregoen (E), Mumbai – 400 063 (Maharashtra)
ASE	Ahmedabad Stock Exchange Limited
BSE	Bombay Stock Exchange Limited
Date of closure of Offer	Tuesday, November 01, 2011
Eligible Person(s) / Eligible Shareholder(s) for the Offer	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirer and the Sellers.
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
Letter of Offer/LOO	This Letter of Offer dated October 1, 2011
Microsec/MCL/Manager to the offer/MB/Merchant Banker	Microsec Capital Limited, the Merchant Banker appointed by the Acquirer pursuant to regulation 13 of the SAST Regulations, having registered office at 53 Syed Amir Ali Avenue, 1st floor, Kolkata – 700 019
Offer	Open Offer for acquisition of 600,000 equity shares of the Target Company, representing 20% of its current voting capital at the Offer Price payable in cash.
Offer Price	₹ 1.40 (Rupee One and Paise Forty only).
Offer Period	20 (twenty) days period from the date of opening of offer on Thursday, October 13, 2011 to closing of offer on Tuesday, November 01, 2011
Pharma Com (India) Limited / PCIL/Target Company	A Company incorporated under the Companies Act, 1956 and having its registered office at 44, Marol Co-Op. Ind. Estate, Andheri Kurla Road, Andheri (East), Mumbai – 400 059
Public Announcement/PA	Public Announcement of the Offer made by the Acquirer on August 19, 2011 • In all editions of Financial Express (English); • In all editions of Jansatta (Hindi); • In Mumbai edition of Nav Shakti (Marathi)
Registrar/ Registrar to the Offer/	Purva Sharegistry (India) Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai 400 011
Regulations / SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act 1992
Sellers	(a) Sarla R. Doshi (b) Madhu H. Gandhi (c) Rajesh C. Gandhi (d) Roopa R. Gandhi (e) Sucheta R. Doshi (f) Uday M. Raval (g) Manisha U. Raval (h) Dhanlaxmi C. Gandhi (i) Viraj C. Gandhi (j) Nehal N. Gandhi and (k) Kunal N. Gandhi
Share(s)	Fully Paid up equity shares of face value of ₹ 10/- each of Pharma Com (India) Limited
SPA / Share Purchase Agreement	Share Purchase Agreement dated August 12, 2011 entered between the Acquirer & Sellers.
Specified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent.
Voting Capital /Paid-up capital of Target Company	Equity share capital of Pharma Com (India) Limited comprising of 3,000,000 equity shares of ₹ 10 each.

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the Regulations unless specified.

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF PHARMA COM (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 OR THE TARGET COMPANY WHOSE EQUITY 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 DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, MICROSEC CAPITAL LIMITED, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 31, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) 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.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer (the “Offer”) is being made by the Acquirer to the shareholders of the Target Company in compliance with regulations 10 and 12 of the SAST Regulations triggered pursuant to acquisition of substantial shares and voting rights and control of the Target Company in terms of the Share Purchase Agreement (“SPA”) dated August 12, 2011.

3.1.2 The Acquirer is making an Open Offer to acquire 600,000 Equity Shares of the face value of ₹ 10 each ("Offer Share"), representing in aggregate 20% of the Fully Diluted Equity Share Capital of the Target Company at a price of ₹ 1.40 (Rupee One and Paise Forty only) per fully paid up equity share payable in cash, in accordance with the provisions of the SAST Regulations and subject to the terms and conditions set out in this Letter of offer.

3.1.3 The Acquirer has entered into a Share Purchase Agreement (‘SPA’) on August 12, 2011 with (a) Sarla R. Doshi (b) Madhu H. Gandhi (c) Rajesh C. Gandhi (d) Roopa R. Gandhi (e) Sucheta R. Doshi (f) Uday M. Raval (g) Manisha U. Raval (h) Dhanlaxmi C. Gandhi (i) Viraj C. Gandhi (j) Nehal N. Gandhi and (k) Kunal N. Gandhi (collectively referred to as the “Sellers”). Under the SPA, the Acquirer has agreed to acquire 14,43,000 fully paid-up equity shares (the ‘Sale Shares’) representing 48.10% of the total current issued, subscribed and fully paid-up equity capital of Target Company at a price of ₹ 1.40 (Rupee One and Paise Forty only) (the ‘Negotiated Price’) per fully paid-up equity share in cash. The total consideration payable for the Sale Shares is ₹ 20,20,200 (Rupees Twenty Lacs Twenty Thousand Two Hundred only). As per the stock exchange filings by the Target Company, the Sellers belong to the Promoter Group. The entire shareholding of the Promoter Group in the Target Company shall be transferred to the Acquirer.

3.1.4 **The salient features of the SPA are as follows:**

a) The Sellers and the Acquirer shall not act upon the sale and purchase of the Sale Shares in the event of non-compliance of the provisions of the SAST Regulations by the Acquirer with respect to completion of the Open Offer.

b) Subject to fulfillment of the requirements under the Takeover Regulations, including without limitations the obligation set forth in sub regulation (7) of regulation 22 of the SAST Regulations, the Acquirer shall have right to appoint his nominee as directors of the Company after a period of 21 days from the date of the PA and, upon exercise of such right by the Acquirer, the Sellers shall take prompt steps for appointment of the persons nominated by the Acquirer as directors of the company.

3.1.5 Pursuant to the completion of the Open Offer (assuming full acceptance in the Open Offer), the Acquirer would hold a maximum of 20,43,000 Equity Shares of the Target Company constituting 68.10% of the Fully Diluted Equity Capital of the Target Company.

3.1.6 The Acquirer have not acquired shares/ voting rights of the Target Company during the 12 months period prior to the date of Public Announcement except as stated in para 3.1.3 above.

3.1.7 Microsec Capital Limited, the Manager to the Offer, does not hold any shares of the Target Company. They declare and undertake not to deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 (fifteen) days of the date of Closure of the Open Offer.

3.1.8 The Acquirer has not entered into any non–compete agreement with the Sellers.

3.2 **Details of the Offer**

3.2.1 In accordance with regulation 14(1) of the SEBI SAST Regulations the Acquirer has made a public announcement within 4 (four) working days of signing of the SPA. In accordance with regulation 15(1) of the SEBI SAST Regulations, the public Announcement has been published in the following newspapers:

Name of the Newspaper	**Edition**	**Date**
Financial Express (English)	All Editions	August 19, 2011
Jansatta (Hindi)	All Editions	August 19, 2011
Nav Shakti (Marathi)	Mumbai - Edition	August 19, 2011

3.2.2 A copy of the Public Announcement for the Open Offer is also available on the SEBI website (www.sebi.gov.in)

3.2.3 The Acquirer is making an offer to acquire 600,000 Equity shares of ₹10/- each representing 20% of the current issued, subscribed and fully paid-up equity capital of Target Company, in terms of regulation 21(1) of the Regulations, at a price of ₹ 1.40 (Rupee One and Paise Forty only) per fully paid up Equity Share for cash.

3.2.4 The Acquirer, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other regulation made under the SEBI Act.

3.2.5 There are no partly paid –up shares of the Target Company.

3.2.6 This is not a competitive bid and there have been no competitive bid(s) as on the date of this letter of offer.

3.2.7 This Offer is neither conditional nor subject to any minimum level of acceptance.

3.2.8 The Acquirer will acquire 600,000 Equity shares that are validly tendered in accordance with the terms of the Offer at the offer price.

3.2.9 The equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof

3.2.10 In the event the equity shares tendered in the offer by the shareholders of PCIL are more than the equity shares to be acquired under the offer, the acquisition of equity shares from each shareholder will be on the proportionate basis.

3.2.11 There are no Persons acting in Concert in relation to this Offer and the equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only.

3.2.12 The Acquirer has not acquired any shares of the Target Company from the date of the PA up to the date of this letter of Offer.

3.3 Reason for the acquisition / offer

3.3.1 On completion of the offer (assuming full acceptance in the Offer), the Acquirer may hold, in the aggregate, 20,43,000 fully paid-up shares representing 68.10% of the voting capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with regulations 10 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

3.3.2 The prime objective of the Offer is to acquire substantial acquisition of shares/voting rights and assume management control of the Target Company.

3.3.3 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

3.3.4 Other than in the ordinary course of business, the Acquirer undertakes that he will not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

3.3.5 In accordance and in compliance with regulation 22(7) of the SAST Regulations, Mr. Anil Babulal Agrawal, the Acquirer, has been appointed as a Director on the Board of the Target Company w.e.f. September 16, 2011.

4 BACK GROUND OF THE ACQUIRER

4.1 Mr. Anil Babulal Agrawal , the Acquirer, aged about 46, son of Mr. Babulal Agrawal is residing at 102, Malhar Tower, Yashodham, Goregoen (E), Mumbai – 400 063 (Maharashtra). Mr. Anil Babulal Agrawal has more than 25 years of experience in various businesses including textiles.

4.2 The net worth of Mr. Anil Babulal Agrawal as on March 31, 2011 is ₹ 31.08 Lacs as certified by Mr. Alok Chaturvedi, (Membership no. 127600) Proprietor of Alok Chaturvedi & Associates, Chartered Accountants, having office at 602, Samarpan Complex, New link Road, Chakala, Andheri (E), Mumbai – 400 099, vide his certificate dated August 12, 2011.

4.3 Apart from the current acquisition, Mr. Anil Babulal Agrawal has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to Mr. Anil Babulal Agrawal.

4.4 Companies Promoted by the Acquirer

The following companies have been promoted by the Acquirer:

(i) Count N Denier Yarns Private Limited

a. Background of the company

Count N Denier Yarns Private Limited, was incorporated on February 6, 2008 as a private limited company under the Companies Act, 1956, having its registered office at 22, Sharda Bhavan, Nehru Road, Nanda Patkar Marg, Ville Parle (East), Mumbai- 400 057 (Maharashtra). The company is engaged in the business of manufacturing and trade of yarns.

b. Financial information of the company

₹ in Lacs

Particulars	31-Mar-08	31-Mar-09	31-Mar-10
Equity Capital	1.00	1.00	20.00
Reserves (excluding revaluation reserve)	-	1.69	39.72
Preliminary Expenses (not written off)	0.11	0.10	0.08
Total Income	-	1,093.99	1,213.85
Profit after tax	-	1.69	3.82
Earnings per Share (₹)	-	16.95	1.91
Book Value per Share (₹)	8.94	25.99	29.82

***(Source:** Audited Financials)*

(ii) Count N Denier Realities Private Limited

a. Background of the company

Count N Denier Realities Private Limited, was incorporated on March 26, 2007 as a private limited company under the Companies Act, 1956, having its registered office at 22, Sharda Bhavan, Nehru Road, Nanda Patkar Marg, Ville Parle (East), Mumbai- 400 057 (Maharashtra). The Company is engaged in the business of buying and selling of movable and immovable properties and dealing in real estate work i.e. consultancy, brokerage and other related works.

b. Financial information of the Company

₹ in Lacs

Particulars	31-Mar-08	31-Mar-09	31-Mar-10
Equity Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserve)	0.73	2.55	3.98
Preliminary Expenses (not written off)	0.35	0.31	0.27
Total Income	3.58	9.19	8.60
Profit after tax	0.73	1.81	1.45
Earnings per Share (₹)	7.32	18.14	14.50
Book Value per Share (₹)	13.80	32.33	47.04

***(Source:** Audited Financials)*

(iii) Count N Denier Exim Private Limited

a. Background of the Company

Count N Denier Exim Private Limited, was incorporated on July 29, 2003 as a private limited company under the Companies Act, 1956, having its registered office at 22, Sharda Bhavan, Nehru Road, Nanda Patkar Marg, Ville Parle (East), Mumbai- 400 057 (Maharashtra). The Company is engaged in the business of export, import and distribution of all kinds of yarns, textiles and readymade garments.

b. Financial information of the Company

₹ in Lacs

Particulars	31-Mar-08	31-Mar-09	31-Mar-10
Equity Capital	21.00	41.00	41.00
Reserves (excluding revaluation reserve)	25.69	47.82	65.00
Preliminary Expenses (not written off)	0.14	0.08	0.06
Total Income	792.36	1,601.78	1,953.90
Profit after tax	7.60	6.13	17.18
Earnings per Share (₹)	3.62	1.50	4.19
Book Value per Share (₹)	22.17	21.64	25.84

***(Source:** Audited Financials)*

(iv) Other Confirmations

None of the above named companies have become a sick company under the meaning of Sick Industrial Companies Act, 1985 and no winding proceedings have been initiated against any of these companies. Furthermore, no applications have been made in respect of any of the above companies to the Registrar of Companies for striking off their names.

4.5 Apart from the companies listed in point no. 4.4 above, Mr. Anil Babulal Agrawal is not a full time director in any other company. Apart from Target Company, he does not hold any position on the Board of Directors of any listed company.

4.6 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

4.7 **Pending Litigations**

The Acquirer has duly complied with all the provisions of the applicable laws and there have been no communications from regulatory agencies concerning any non-compliance of applicable laws.

There are no legal cases, prosecutions, show cause notices pending against the Acquirer in any Court of law or any other concerned statutory/ regulatory authorities as on date of Letter of Offer.

4.8 **Disclosure under Regulation 16 (ix)**

4.8.1 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company .

4.8.2 Other than in the ordinary course of business, the Acquirer undertakes that he will not sell, dispose off or otherwise encumber any substantial Assets of the Target Company except with the prior approval of the shareholders of the Target Company.

4.9 **Future plans/strategies of Acquirers with regard to the Target Company:**

At present, the Target Company is not engaged in any business activities. The Acquirer would strengthen the Target Company with the requisite financial and human resources and would explore various business options in line with their core expertise. Any new line of activity would be subject to the necessary approval of the shareholders of the Target Company and compliance with applicable laws.

5 DISCLOSURE IN TERMS OF REGULATION 21(2) OF THE REGULATIONS

As per the Listing Agreements with the Stock Exchanges and in terms of clause 40A of the Listing Agreement (as amended), the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

Pursuant to the successful closure of the Offer and assuming full acceptances, the public shareholding in the Target Company shall not fall to less than 25% of the Voting Capital.

6 BACK GROUND OF THE TARGET COMPANY

6.1 Pharma Com (India) Limited ("PCIL"/ "Target Company") is a public limited company having its registered office at 44, Marol Co-Op. Ind. Estate, Andheri Kurla Road, Andheri (East), Mumbai – 400 059, Tel.: +22–2617 2220; Fax: +22–2617 2240. The Target Company was incorporated as "Pharma Offset Limited" on September 05, 1994. Subsequently the name of the Company was changed to "Pharma Com (India) Limited" on April 20, 2000. The CIN no. of the Company is "L74999MH1994PLC080842".

6.2 PCIL has been incorporated with an object to carry on the business of manufacturing, processing, dealing, exporting, importing of various type of printing, stationery and packing item. At present the Target Company is not engaged in any manufacturing activities.

6.3 The present Authorised Share Capital of the Target Company is ₹ 350 Lacs comprising of 3,500,000 Equity Shares of ₹ 10/- each. The current Issued, Subscribed and Paid-up capital of the Target Company is ₹ 300 Lacs comprising of 3,000,000 fully paid-up Equity Shares of ₹ 10/- each. PCIL does not have any partly paid-up Equity Shares.

6.4 The capital structure of the Target Company is as under:

Paid Up Equity Shares	**No. of Shares/ Voting Rights**	**% of shares/voting rights**
Fully Paid up Equity Shares	30,00,000	100%
Partly Paid Up Equity Shares	Nil	Nil
Total paid Up Equity Shares	30,00,000	100%
Total Voting Rights in the Target Company	30,00,000	100%

6.5 The build-up of the Capital of the Target Company is detailed below:

Date of Allotment	**Number of Shares issued**	**% of shares issued**	**Cumulative No. of Shares**	**Cumulative Paid-up Capital (₹ in Lacs)**	**Mode of Allotment**	**Identity of Allottees**	**Status of Compliance ***
On incorporation	700,000	23.33%	700,000	70.00	Subscribers to the Memorandum	Promoter & Promoter group	Complied
26-Sep-94	450,000	15.00%	1,150,000	115.00	Preferential Allotment	Promoter & Promoter group	Complied
30-Dec-94	350,000	11.67%	1,500,000	150.00	Preferential Allotment	Promoter & Promoter group	Complied
03-Mar-95	1,500,000	50.00%	3,000,000	300.00	Public Issue	Public	Complied
Total	**3,000,000**	**100.00%**					

**The status of compliance by the Target Company relating the capital build is with respect to Companies Act 1956 and the other statutory requirements, as applicable.*

6.6 The Target Company does not have any outstanding convertible instruments to be exercised at a later date and neither any shares of the company are partly paid up carrying voting right.

6.7 The Equity shares of the Target Company are currently listed on the Bombay Stock Exchange Limited (BSE) and the Ahmedabad Stock Exchange Limited (“ASE”). However, due to non compliances of various provisions of the listing agreement over a period of time, the trading of shares of the Target Company was suspended by the Bombay Stock Exchange Limited w.e.f. June 2, 2003. The Target Company has taken necessary measures for revocation of suspension and has regularized all the non compliances and paid the requisite penalty. The suspension on trading has been revoked w.e.f. September 29, 2011.

6.9 BPCIL does not have any unlisted shares on the Stock Exchanges.

6.10 As per the information provided, the Target Company has made delays in complying with the provisions of regulations 6(2), 6(4) & 8(3) of Chapter II of the Regulations as given below:

(i) Delay of 5151 Days in filing disclosure by the Target Company as per regulations 6(2) & 6(4) of SAST Regulations on June 27, 2011, for the due date of May 20, 1997.

(ii) Delay of 4870 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on August 30, 2011, for the due date of April 30, 1998.

(iii) Delay of 4505 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on August 30, 2011, for the due date of April 30, 1999.

(iv) Delay of 4139 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on August 30, 2011, for the due date of April 30, 2000.

(v) Delay of 3774 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on August 30, 2011, for the due date of April 30, 2001.

(vi) Delay of 3409 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on August 30, 2011, for the due date of April 30, 2002.

(vii) Delay of 2963 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2003.

(viii) Delay of 2597 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2004.

(ix) Delay of 2232 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2005.

(x) Delay of 1867 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2006.

(xi) Delay of 1502 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2007.

(xii) Delay of 1136 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2008.

(xiii) Delay of 771 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2009.

(xiv) Delay of 406 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2010.

(xv) Delay of 41 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on June 10, 2011, for the due date of April 30, 2011.

SEBI may initiate suitable action against the Target Company for the above delay in compliances of the applicable provisions of the Takeover Regulations.

6.11 As per the information provided, the Promoters of the Target Company have timely complied with provisions of Chapter II of SEBI (SAST) Regulations 1997 except for one instance where the Promoters of the Target Company have not made the disclosure required under regulation 7(1A) of SEBI (SAST) Regulations 1997. On April 17, 2001, there was a transmission of 311,000 equity shares from Mr. Rashmikant C. Doshi to Mrs. Sarla R. Doshi on account of death of Mr. Rashmikant C. Doshi. The due date for filling disclosure under regulation 7(1A) of SAST Regulations was April 23, 2001. However no disclosure under regulation 7(1A) was made. SEBI may initiate suitable action against the erstwhile promoters for the non-compliance.

6.12 There has been no merger, de-merger and spin off in the last three years in the Target Company.

6.13 The Target Company does not have any subsidiary.

6.14 The Board of Target Company as on the date of this letter of Offer, comprises of 5 (Five) Directors. The details of the Board of Directors of PCIL are as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Viki Vijay Takasali – Whole Time Director	03577908	April 1, 2000	MBA	More than 12 years of experience in Printing & Stationery of Pharma products	6, Venus Apt, Devidayal Rd, Mulund (W), Mumbai, 400080, Maharashtra
Mr. Anil Babulal Agrawal - Additional Director	00749002	September 16, 2011	B. Com	Mr. Agrawal has more than 25 years of experience in various businesses including textiles	102, Malhar Tower, Yashodham, Goregoen (E), Mumbai – 400 063, Maharashtra
Mr. Vineet Tulsyan - Independent Director	00317725	February 15, 2005	Chartered Accountant	More than 15 years of experience in finance & accounts.	80G, Sarat Bose Road, Kolkata, 700025, West Bengal
Mr. Abhishek Umashankar Lath – Independent Director	00331675	January 15, 2002	MBA	More than 8 years of experience in textile industry	Shree Hari Kripa, 165 Lalbaug Station Road, Behind Rana Marble, Burhanpur, 450331, Madhya Pradesh
Mr. Vinay Surendra Shah - Independent Director	00714903	July 4, 1996	Chartered Accountant & MBA	More than 10 years of experience in finance and consultancy	201 Indira Apartments, Carmichael Road, Mumbai, 400026, Maharashtra

Note: *Excepting Mr. Anil Babulal Agrawal, no other Director of the Target Company is a representative of the Acquirer. Mr. Anil Babulal Agrawal has not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer and has undertaken that he will abstain from all proceedings related to this Offer as per Regulation 22(9) of the Regulations.*

6.15 Brief financial details of the Target Company for the last three financial years are as below:

Profit & Loss Account

(₹ in Lacs)

Particulars	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Income from Operations	-	-	-
Other Income	-	-	5.60
Total Income	**-**	**-**	**5.60**
Total Expenditure	0.23	0.10	5.31
Profit before Interest, Depreciation and Tax	**(0.23)**	**(0.10)**	**0.29**
Depreciation	-	-	-
Interest	-	-	-
Profit before Tax	**(0.23)**	**(0.10)**	**0.29**
Provision for Tax	-	-	0.09
Profit after tax	**(0.23)**	**(0.10)**	**0.20**

Balance Sheet Statement

(₹ in Lacs)

Particulars	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Sources of funds			
Paid up share capital	300.00	300.00	300.00
Reserves & Surplus (excluding revaluation reserve)	7.50	7.50	7.50
Profit & Loss Account	(309.95)	(310.05)	(309.86)
Net Worth	**(2.45)**	**(2.55)**	**(2.36)**
Unsecured Loan	5.00	5.00	5.00
Total	**2.55**	**2.45**	**2.64**
Uses of funds			
Net Fixed Assets	-	-	-
Investments	-	-	-
Net Current Assets	2.55	2.45	2.64
Total	**2.55**	**2.45**	**2.64**

Other Financial Data

Particulars	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Dividend (%)	Nil	Nil	Nil
Earnings per share (₹)	(0.01)	(0.00)	0.01
Return on Net Worth (%)	-	-	-
Book Value per Share of ₹ 10/-	(0.08)	(0.09)	(0.08)

***(Source:** Audited Financials)*

Note:

i) *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
ii) *Return on Networth calculated as PAT/Networth at the end of the year*
iii) *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

6.16 **Reasons for fall / rise in the total income and PAT in the past:**

<u>Comparison between 2010-11 and 2009-10</u>

Total Income for the year ended 31st March 2011 was ₹ 5.60 Lacs as compared to nil for the year ended 31st March 2010. The total income for the year ended 31st March 2011 consists of other income. Further, on account of other income the net profit for the year ended 31st March 2011was ₹ 0.20 Lacs as compared to a loss of ₹ 0.10 in financial year in 2010.

<u>Comparison between 2009-10 and 2008-09</u>

The Target Company did not carry out any activities in financial year 2009 & 2010, therefore there has no income in the said years.

6.17 As per the information provided, the Target Company does not have any contingent liability in its books of accounts.

6.18 As on the date of this letter of offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

<table>
<tr><th>Shareholders' Category</th><th colspan="2">Shareholding & voting rights prior to the agreement/ acquisition and offer</th><th colspan="2">Shares /voting rights agreed to be acquired which triggered off the Regulations</th><th colspan="2">Shares/voting rights to be acquired in open offer (Assuming full acceptances)</th><th colspan="2">Share holding / voting rights after the acquisition and offer.</th></tr>
<tr><td></td><td colspan="2">(A)</td><td colspan="2">(B)</td><td colspan="2">(C)</td><td colspan="2">(A)+(B)+(C)=(D)</td></tr>
<tr><td></td><td>No.</td><td>%</td><td>No.</td><td>%</td><td>No.</td><td>%</td><td>No.</td><td>%</td></tr>
<tr><td>(1) <u>Promoter Group</u></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>a. Parties to agreement, if any</td><td>1,443,000</td><td>48.10</td><td>(1,443,000)</td><td>(48.10)</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>b. Promoters other than (a) above</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td><u>(2) Acquirer</u></td><td>-</td><td>-</td><td>1,443,000</td><td>48.10</td><td>600,000</td><td>20.00</td><td>2,043,000</td><td>68.10</td></tr>
<tr><td><u>(3) Parties to agreement other than(1)& (2)</u></td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td><u>(4) Public (other than parties to agreement, Acquirer</u></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td><u>a) Institutions (Mutual Funds / UTI, FIs/Banks/FIIs/FVCI etc</u></td><td>199,100</td><td>6.64</td><td></td><td></td><td rowspan="4">(600,000)</td><td rowspan="4">(20.00)</td><td rowspan="4">957,000</td><td rowspan="4">31.90</td></tr>
<tr><td>b) Bodies Corporate</td><td>125,200</td><td>4.17</td><td></td><td></td></tr>
<tr><td>c) Others</td><td>1,232,700</td><td>41.09</td><td></td><td></td></tr>
<tr><td><u>Total (4)(a+b+c)</u></td><td>1,557,000</td><td>51.90</td><td></td><td></td></tr>
<tr><td>GRAND TOTAL (1+2+3+4)</td><td>3,000,000</td><td>100.00</td><td></td><td></td><td>-</td><td>-</td><td>3,000,000</td><td>100.00</td></tr>
</table>

6.19 As on June 30, 2011, there are 3534 shareholders in the public category holding 1,557,000 shares of the Target Company.

6.20 The Acquirer has not acquired any share of the Target Company from the date of PA till the date of this letter of offer.

6.21 Details about the numbers of shares held and percentage holding of promoters and promoter group in the Target Company as at March 31 of every year since 1997 are given below:

Date	Shareholding	% age holding
31.03.1997	1,443,000	48.10%
31.03.1998	1,443,000	48.10%
31.03.1999	1,443,000	48.10%
31.03.2000	1,443,000	48.10%
31.03.2001	1,443,000	48.10%
31.03.2002	1,443,000	48.10%
31.03.2003	1,443,000	48.10%
31.03.2004	1,443,000	48.10%
31.03.2005	1,443,000	48.10%
31.03.2006	1,443,000	48.10%
31.03.2007	1,443,000	48.10%
31.03.2008	1,443,000	48.10%
31.03.2009	1,443,000	48.10%
31.03.2010	1,443,000	48.10%
31.03.2011	1,443,000	48.10%

Note: There has been no change (individual & aggregate) in the shareholding of the Promoter group since March 31, 1997 except during the financial year 2001-2002 there was a transmission of 311,000 Equity shares from Mr. Rashmikant C. Doshi to Mrs. Sarla R. Doshi on account death of Mr. Rashmikant C. Doshi.

6.22 The Target Company has complied with all the requirement of Corporate Governance under clause 49 of the Listing agreement entered into with the stock exchange.

6.23 **Pending Litigations**

There is no litigation pending against the Target Company.

6.24 **Compliance Officer**

Mr. Vijay Tiwari
44, Marol Co-Op. Ind. Estate,
Andheri Kurla Road, Andheri (East),
Mumbai – 400 059
Ph: +91-22-2617 2220;
Fax: +91-22-2617 2240

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of PCIL are currently listed in India on the Bombay Stock Exchange Limited (“BSE”) and the Ahmedabad Stock Exchange Limited (“ASE”). Based on the information available the equity shares of the Target Company are infrequently traded on the BSE & ASE within the meaning of explanation (i) to regulation 20(5) of the SAST Regulations.

7.1.2 The annualized trading turnover during the preceding six calendar months prior to August 2011 (the month in which the Public Announcement made) in the Stock Exchanges is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the 6 calendar months prior to August 2011	Total No. of equity shares listed	Annualised Turnover (in terms of % to total no. of shares)
BSE	NIL	3,000,000	-
ASE	NIL	3,000,000	-

Source: Official data obtained from the Stock Exchanges

7.1.3 The Offer price of ₹ 1.40 (Rupee One and Paise Forty only) per fully paid equity share is justified in terms of regulation 20(5) of SAST Regulations in view of the following:

A	Negotiated price	₹ 1.40 per Share
B	Highest price paid by the acquirer for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of Public Announcement	Not Applicable
C	**Other financial Parameters**	**March 31, 2011**
I	Return on Net Worth (%)	Negative
ii	Book value per share (₹)	(0.08)
iii	Earnings per Share (₹)	0.01
iv	Industry Average P/E Multiple*	4.8

** Source: Capital Market Vol. XXVI/12, August 8, 2011 – August 21, 2011; Sector: Packaging.*

7.1.4 Mr. Alok Chaturvedi, (Membership no. 127600) Proprietor of Alok Chaturvedi & Associates, Chartered Accountants, having office at 602, Samarpan Complex, New link Road, Chakala, Andheri (E), Mumbai – 400 099 vide his certificate dated August 12, 2011 have certified that based on the decision of Hon’ble Supreme Court of India in the case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30), the fair value of the equity share of the Target Company is ₹ 0.03.

7.1.5 In the opinion of the Manager to the Offer and the Acquirer, the Offer Price of ₹ 1.40 (Rupee One and Paise Forty only) per fully paid-up equity share is justified in terms of 20(5) of SEBI (SAST) Regulations.

7.1.6 There is no non-compete agreement.

7.1.7 If the Acquirer acquires any shares of the Target Company after the date of the PA and up to 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 applications received under the offer. Further, the Acquirer shall not acquire any shares of the Target Company during the last seven working days prior to the closure of the offer, except those accepted in the offer.

7.2 **Financial Arrangements:**

7.2.1 The maximum consideration payable by the Acquirer assuming full acceptance in the Offer would be ₹ 840,000 (Rupees Eight Lacs Forty Thousand only) ("**Maximum Consideration**") at a price of ₹ 1.40 (Rupee One and Paise Forty only) per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of cash deposit for an amount of ₹ 8,50,000 (Rupees Eight Lacs Fifty Thousand only) **("Cash Deposit")** placed with HDFC Bank Limited, Central Plaza Branch, 2/6 Sarat Bose Road, Kolkata-700 020 **('Escrow Bank')** for the performance of the Acquirer's obligations under the Regulations. The cash deposit is in excess of 100% of the maximum consideration payable under the offer. The Manager to the Offer is empowered to realize the value of the aforesaid escrow account and instruct the escrow bank to issue cheques/demand drafts in terms of the SAST Regulations.

7.2.3 The Acquirer has made firm financial arrangements to meet the financial requirement for the Offer. Mr. Alok Chaturvedi, (Membership no. 127600) Proprietor of Alok Chaturvedi & Associates, Chartered Accountants, having office at 602, Samarpan Complex, New link Road, Chakala, Andheri (E), Mumbai – 400 099, vide his certificate dated August 12, 2011 has certified that the Acquirer has adequate financial resources available for meeting his obligations under the Regulations for a value up to the Maximum Consideration.

7.2.4 On the basis of the aforesaid financial arrangements and based on the confirmations received from the escrow bank and the chartered accountants, the Manager to the Offer confirms that adequate funds are available with the Acquirer through verifiable means to implement this offer in full.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 All owners of equity shares, except the Acquirer and Sellers, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of PCIL whose names appear on the register of members of PCIL, at the close of business hours on September 16, 2011 (the 'Specified Date'). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the open offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website www.sebi.gov.in during the period the Offer is open and may also be downloaded from the site.

8.3 There shall be no discrimination in acceptance of locked-in and non-locked in shares. However, the equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

8.4 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of the Offer.

8.5 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.6 The Acquirer is permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than Wednesday, October 19, 2011, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where original Public Announcement was published.

8.7 The Acquirer, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other regulation made under the SEBI Act.

8.8 **Statutory approvals and other approvals required for the offer**

8.8.1 As on date of this Letter of Offer, there are no other statutory approvals required for the purpose of this Offer. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals.

8.8.2 It may be noted that in case of non-receipt of any statutory approval within time, SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the shareholders under the Offer provided that the Acquirer agrees to pay interest for the delay, in accordance with Regulation 22(12) of the SAST Regulations.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed will be mailed to the shareholders of PCIL whose names appear on the register of members of PCIL, at the close of business hours on Friday, September 16, 2011 (the 'Specified Date').

9.2 Shareholders of the Target Company who wish to avail of and accept the offer shall send/ deliver the Form of Acceptance along with all the revelant documents to the Registrar to the offer **Purva Sharegistry (India) Private Limited** at Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai 400 011 whether by hand delivery on weekdays or by registered post, so as to reach on or before the closure of the Offer, i.e. November 01, 2011 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.3 Shareholders who hold equity shares of PCIL and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, Original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, so as to reach on or before the closure of the Offer, i.e. November 01, 2011.

9.4 Unregistered owners or shareholders who have not received the Letter of Offer may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, folio number, distinctive numbers, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

9.5 Shareholders of PCIL who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to PCIL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form.

9.6 **THE SHARES AND THE OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR THE TARGET COMPANY OR THE MANAGER TO THE OFFER**

9.7 The Registrar to the Offer will hold in trust the Share Certificate(s), Form of Acceptance and the transfer deed(s) on behalf of the shareholders of PCIL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are dispatched/ returned.

9.8 **Mode of making payment**

The payment of consideration, if any, would be done through any of the following modes:

a) Electronic Clearing System (ECS) – Payment of consideration would be done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, odhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non- MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of considerations would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of consideration through ECS is mandatory for shareholders having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive payment through direct credit or RTGS.

b) Direct Credit – Shareholders having bank accounts with the Escrow Banker, in this case being, HDFC Bank Limited shall be eligible to receive considerations through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirer.

c) RTGS – Shareholders having a bank account at any of the abovementioned 68 centres and whose consideration amount exceeds ₹ One Lac, have the option to receive payment through RTGS. Such eligible shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirer. Charges, if any, levied by the shareholders's bank receiving the credit would be borne by the shareholder.

d) National Electronic Fund Transfer (NEFT) – Payment of consideration shall be undertaken through NEFT wherever the shareholders' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

e) For all other shareholders, the payments will be dispatched through Speed Post/ Registered Post. Such payments will be made by cheques, pay orders or demand drafts drawn on HDFC Bank Limited and payable at par.

9.9 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the Shareholder's / unregistered owner's sole risk to the sole / first Shareholder.

9.10 In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer on or before Tuesday, October 25, 2011.

- The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal.
- Shareholders should enclose the following: -

  Registered shareholders should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - 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 PCIL and duly witnessed at the appropriate place.

  Unregistered owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - The withdrawal of Equity Shares will be available only for the Share certificates that have been received by the Registrar to the Offer.
  - The intimation of returned Equity Shares to the shareholders will be sent at the address as per the records of Target Company.
  - The Form of Withdrawal along with enclosure should be sent to the Registrar to the Offer only.
  - In case of partial withdrawal of Equity Shares tendered in the Open Offer, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from PCIL. The facility of partial withdrawal is available only to registered shareholders.
  - In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details: name, address, Distinctive Nos., Certificate Numbers., Folio Number, number of Equity Shares tendered

9.11 Any shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of the Target Company may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such shares are received

9.12 While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961,indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, the Acquirer reserve the right to reject such shares tendered. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount payable to such NRI / OCB /Non-domestic companies / other persons who are not resident in India.

9.13 In case the number of shares tendered by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

9.14 Schedule of the major activities of the open offer are as under:

Activity	**Day & Date**
Public Announcement Date	Friday, August 19, 2011
Specified Date *	Friday, September 16, 2011
Last date for a competitive bid	Friday, September 09, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Saturday, October 08, 2011
Offer Opening Date	Thursday, October 13, 2011
Last date for revising the offer price/offer size	Wednesday, October 19, 2011
Last date for withdrawal by shareholders	Tuesday, October 25, 2011
Offer Closing Date	Tuesday, November 01, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Wednesday, November 16, 2011

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

9.15 Financial data contained in this Letter of Offer has been rounded off to the nearest Lac except wherein stated.

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 Azimganj House, 2nd Floor 7, Camac Street, Kolkata 700 017 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.

a) Certificate dated August 12, 2011 issued by Mr. Alok Chaturvedi, (Membership no. 127600) Proprietor of Alok Chaturvedi & Associates, Chartered Accountants, having office at 602, Samarpan Complex, New link Road, Chakala, Andheri (E), Mumbai – 400 099, certifying the net worth of the Acquirer.

b) Certificate dated August 12, 2011 issued by Mr. Alok Chaturvedi, (Membership no. 127600) Proprietor of Alok Chaturvedi & Associates, Chartered Accountants, having office at 602, Samarpan Complex, New link Road, Chakala, Andheri (E), Mumbai – 400 099, confirming that the Acquirer has adequate financial resources available for meeting its obligations under the Regulations.

c) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

d) Audited Financials of Pharma Com (India) Limited for the years ended March 31, 2009, 2010 and 2011.

e) Copy of letter from HDFC Bank Limited confirming the cash deposit of ₹ 8.50 Lacs in the escrow account with a lien marked in favour of the Manager to the Offer.

f) Copy of the SPA dated August 12, 2011 which triggered the Open Offer.

g) Published copy of the Public Announcement.

h) A Copy of letter bearing reference number CFD/DCR/TO/SD/OW/30896/11 dated September 29, 2011 received from SEBI in terms of regulation 18(2) of the SAST Regulations.

11 DECLARATION BY THE ACQUIRER

The Acquirer accepts full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirer shall be responsible for ensuring compliance with the SEBI (SAST) Regulations and for his obligations laid down in the SEBI (SAST) Regulations.

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

Anil Babulal Agrawal

Date: October 1, 2011
Place: Mumbai

Encl.:

1) Form of Acceptance-cum-Acknowledgement
2) Form of Withdrawal
3) Transfer Deed

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank