LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a shareholder of Sah Petroleums Limited. If you require any clarifications about the action to be taken, you may consult your stock broker 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 (and Transfer Deed) to the member of the stock exchange through whom the said sale was affected.

NAF India Holdings Ltd

a private limited company incorporated under the laws of Republic of Mauritius
(Registered Office: 608 St. James Court, St Denis Street, Port Louis, Mauritius. Tel: +230 210 9000; Fax: +230 210 9001)

Along with the following persons acting in concert

Navis Lube Holdings Pvt Ltd

a private limited company incorporated under the laws of Republic of Mauritius
(Registered Office: 608 St. James Court, St Denis Street, Port Louis, Mauritius. Tel: +230 210 9000; Fax: +230 210 9001)

Navis Asia Fund V, L.P.

a limited partnership, incorporated in Cayman Islands under Exempted Limited Partnership Law, 1991
(Registered Office: M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080)

Navis Asia Fund V-(2) L.P.

a limited partnership, incorporated in Cayman Islands under Exempted Limited Partnership Law, 1991
(Registered Office: M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080)

Navis Asia Fund V-E L.P.

a limited partnership, incorporated in Cayman Islands under Exempted Limited Partnership Law, 1991
(Registered Office: M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080)

Navis Asia Fund V-G.P, L.P.

a limited partnership, incorporated in Cayman Islands under Exempted Limited Partnership Law, 1991
(Registered Office: M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080)

AND

Navis Asia Fund V-G.P. Limited

a private limited company, incorporated in Cayman Islands under the Companies Law CAP. 22
(Registered Office: M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080)

MAKE A CASH OFFER AT Rs. 48.50 PER FULLY PAID UP EQUITY SHARE TO ACQUIRE 88,00,000 Shares representing 27.50% of the Current Share Capital (20% of the voting capital post Preferential Allotment) of

Sah Petroleums Limited

a company incorporated under the Companies Act, 1956
(Registered Office: 406/407, Embassy Centre, Nariman Point, Mumbai – 400 021. Tel: +91-22-6630 1911; Fax: +91-22-2287 5751)

- This Offer is being made pursuant to and in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof.
- This Offer is not subject to a minimum level of acceptance.
- The Offer is not a competitive bid. There have been no competitive bids as on date.
- This Offer is not subject to any approval from FIPB.
- The nature of the current business carried on by the Target Company does not require any government approvals to be obtained for the purpose of this Offer.
- This Offer is subject to statutory and regulatory approvals and clearances from RBI required to acquire Shares tendered pursuant to this Offer as described in detail in Section VII.
- Shareholders, who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same up to three working days prior to the closure of the Offer (January 6, 2009).
- If there is any upward revision of the Offer Price by the Acquirer till the last permitted date for revision viz. December 31, 2008 or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers in which the original Public Announcement had appeared. Such revised Offer Price would be payable for all the Shares tendered anytime during the Offer and accepted under the Offer.
- **If there is a competitive bid: (i) the public offers under all the subsisting bids shall close on the same date; (ii) as the Offer Price cannot be revised during seven working days prior to the closing date of the offers / bids, it would therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
- **There has been no competitive bid as on date.**
- A copy of the Public Announcement and this Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) is expected to be available on SEBI's website (www.sebi.gov.in) during the period that the Offer is open.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Kotak Mahindra Capital Company Limited Bakhtawar, 3rd Floor, 229, Nariman Point Mumbai 400 021 Tel: +91 22 6634 1100, Fax: +91 22 22840492 Contact Person: Chandrakant Bhole Email: navis.offer@kotak.com	**Sharepro Services (India) Private Limited** Satam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099 Tel: +91-22- 6772 0420, 6772 0422 Fax: +91-22- 2859 1568 Contact Person: Anand Moolya Email: navis.offer@shareproservices.com

	Schedule	
Activity	**Date**	**Day**
Public Announcement	October 20, 2008	Monday
Specified Date	October 31, 2008	Friday
Last date for a competitive bid, if any	November 10, 2008	Monday
Corrigendum Public Announcement	December 15, 2008	Monday
Last date for dispatch of Letter of Offer to the Shareholders of the Target Company	December 18, 2008	Thursday
Offer Opens on	December 24, 2008	Wednesday
Last date for revising the Offer Price	December 31, 2008	Wednesday
Last date for withdrawal by Shareholders	January 6, 2009	Tuesday
Offer Closes on	January 12, 2009	Monday
Last date by which acceptance / rejection would be intimated and corresponding payment for acquired shares and / or the share certificate / demat delivery instruction for rejected Shares will be dispatched / issued	January 27, 2009	Tuesday

RISK FACTORS

Risks related to the Transaction

- The Transaction is subject to the terms of the SSPSA entered into between the Acquirer, Target Company and the Promoters of the Target Company. In accordance with the SSPSA, the Transaction shall be completed upon the fulfillment of certain conditions precedents agreed between the Acquirer, the Target Company and the Promoters of the Target Company.

Risks related to the Offer

- This Offer is subject to certain statutory and regulatory approvals and clearances from the RBI and other authorities described in detail in Section VII. In the event any of the required statutory approvals are refused or under such circumstances as in the opinion of SEBI merit withdrawal, the Offer may be withdrawn in terms of regulation 27 of the Regulations.

- In the event that either (a) regulatory approvals are not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Shares are accepted under this Offer as well as the return of Shares not accepted under this Offer by the Acquirer may get delayed. In case of delay, due to non-receipt of statutory approval(s), as per regulation 22(12) of the Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to pay interest to the Shareholders. Further, Shareholders should note that after the last date of withdrawal i.e. January 6, 2009, Shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered Shares and documents would be held in trust by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

- The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

- In the event of oversubscription in the Offer, the acceptance of the Shares tendered will be on a proportionate basis and will be contingent on the level of oversubscription.

- The Acquirer does not accept any responsibility for statements made otherwise than in this Letter of Offer /PA and anyone placing reliance on any other source of information (not released by the Acquirer) would be doing so at his/her/their own risk.

Risks related to association with the Acquirer

- The Acquirer is making this Offer as per regulation 10 and regulation 12 of the Regulations, triggered by an agreement to acquire more than 15% of Shares of the Target Company accompanied with a proposal to change in the control of the Target Company. There is no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.

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

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Key Definitions

Acquirer/NAF India	NAF India Holdings Ltd is a private company incorporated on January 9, 2007, under the laws of Republic of Mauritius with its registered office located at 608 St. James Court, St Denis Street, Port Louis, Mauritius. Tel: +230 210 9000; Fax: +230 210 9001
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Current Share Capital	Issued, subscribed, and paid-up equity share capital of Sah Petroleums Limited, as on the date of the PA, consisting of 3,20,00,000 Shares
Depositories	CDSL and NSDL
Diluted Share Capital	Equity share capital of the Target Company, post preferential allotment of 1,20,00,000 Shares, comprising 4,40,00,000 Shares
FEMA	Foreign Exchange Management Act, 1999, as amended
Form	Form of Acceptance-cum-Acknowledgement attached to this Letter of Offer
Letter of Offer / LOF	This Letter of Offer dated December 12, 2008
Manager to the Offer / KMCC	Kotak Mahindra Capital Company Limited ,the merchant banker appointed by the Acquirer pursuant to regulation 3 of the Regulations, having its registered office at Bakhtawar, 3rd Floor, 229 Nariman Point, Mumbai 400 021
Maximum Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is Rs. 42,68,00,000 (Rupees Forty Two Crores and Sixty Eight Lacs only)
NAF V LP	Navis Asia Fund V, L.P. is a limited partnership firm formed in Cayman Islands on January 12, 2007 under Exempted Limited Partnership Law, 1991 with its registered office located at M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080
NAF V (2) LP	Navis Asia Fund V-(2) L.P. (“NAF V (2) LP”) is a limited partnership firm formed on January 25, 2007 in Cayman Islands under the Exempted Limited Partnership Law, 1991 with its registered office located at M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.
NAF V – E LP	Navis Asia Fund V – E L.P. (“NAF V – E LP”) is a limited partnership firm formed on March 20, 2007 in Cayman Islands under the Exempted Limited Partnership Law, 1991 with its registered office located at M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.
NAF V GP LP	Navis Asia Fund V-G.P, L.P. (“NAF V GP LP”), a limited partnership firm formed on January 12, 2007 in Cayman Islands under the Exempted Limited Partnership Law, 1991 with its registered office located at M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080
NAF V GP Ltd	Navis Asia Fund V-G.P. Limited (“NAF V GP Ltd”) is a private limited company incorporated on January 12, 2007 in Cayman Islands under the Companies Law CAP. 22 with its registered office located at M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080
Navis Group	Elaborated in Section III
Navis Lube Holdings	Navis Lube Holdings Pvt. Ltd (“Navis Lube Holdings”) is a private limited company incorporated on October 10, 2008 under the laws of Republic of Mauritius with its registered office located at 608 St. James Court, St Denis Street, Port Louis, Mauritius. Tel: +230 210 9000; Fax: +230 210 9001

NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Offer	Offer being made by the Acquirer for acquiring 88,00,000 Shares representing 20.00% of the Diluted Share Capital from the Shareholders at the Offer Price payable in cash
Offer Period	Period from the date of the Public Announcement to the date of closure of the Offer
Offer Price	Price of Rs. 48.50 (Rupees Forty Eight and Fifty Paise only) per Share payable in cash
Offer Size	88,00,000 Shares representing 27.5% of Current Share Capital and 20.0% of the Diluted Share Capital
Eligible Person(s)	All Shareholders / beneficial owners (registered or otherwise) of Shares of the Target Company, except the Acquirer, PACs and Promoters, who own the Shares any time prior to the closure of the Offer
Public Announcement /PA	Public announcement of this Offer made on behalf of the Acquirer to the Shareholders, which appeared on October 20, 2008 in all editions of Business Standard, all editions of Pratahkal, and the Mumbai edition of Sakal and corrigendum public announcement which appeared on December 15, 2008 in all editions of Business Standard, all editions of Pratahkal, and the Mumbai edition of Sakal.
PACs	Persons acting in concert i.e. Navis Lube Holdings, NAF V LP, NAF V (2) LP, NAF V – E LP, NAF V GP LP and NAF V GP Ltd
Preferential Allotment	Allotment of 1,20,00,000 Shares to the Acquirer at a price of Rs 26.65 per share pursuant to SSPSA
Promoters	Existing promoters of the Target Company comprising Mr. Rajendra Sah, Aditya Sah, Vivek Sah, their family members, and entities owned and controlled by them
RBI	Reserve Bank of India
Registrar to the Offer	Sharepro Services (India) Private Limited, the registrar appointed by the Acquirer, having its registered office at Satam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099. Tel: +91-22- 6772 0300/6772 0400 Fax: +91-22 - 2859 1568
Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
Shares	Fully paid up equity share of the Target Company having a face value of Rs.5/- each
Shareholders	Shareholders of the Target Company
SSPSA	Share Subscription-cum-Share Purchase-cum-Shareholders Agreement dated October 17, 2008, entered into between the Acquirer, Target Company and the Promoters of the Target Company
Specified Date	October 31, 2008 being the date for the purpose of identifying shareholders of the Target Company to whom the Letter of Offer will be sent
Stock Exchanges	BSE and NSE
Target Company / SPL	Sah Petroleums Limited, incorporated under the Companies Act, 1956 having its registered office at 406/407, Embassy Centre, Nariman Point, Mumbai – 400 021

Note: *1. All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the Regulations.*

2. Certain financial details contained in this Letter of Offer are denominated in USD (US Dollar). The Rupee equivalent quoted for the US Dollar is calculated in accordance with RBI Reference rate as on October 16,2008, i.e.,USD 1 = Rs 48.86 (source www.rbi.org.in)

I. 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 SAH PETROLEUMS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER(S) IS 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(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED October 23, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

II. Details of the Offer

Background of the Offer

1. This Offer is being made by Acquirer along with PACs pursuant to and in compliance with, among others, regulation 10 and regulation 12 of the Regulations, triggered by an agreement to acquire more than 15% of Shares of the Target Company accompanied with a proposal of change of control of the Target Company.

2. The Acquirer on October 17, 2008 entered into a Share Subscription-cum-Share Purchase-Cum-Shareholders Agreement ("SSPSA") with the Target Company and its Promoters. As of the date of the PA, the Promoters together hold 1,74,30,292 Shares of SPL constituting 54.47% of the Current Share Capital.

   As per the SSPSA, the Acquirer would be allotted by the way of a preferential allotment 1,20,00,000 Shares in SPL representing 27.27% of the Diluted Share Capital of the Target Company at a price of Rs.26.65 per Share to be paid in cash, and the Acquirer would purchase from the Promoters of SPL, 65,00,000 Shares representing 14.77% of Diluted Share Capital at a price of Rs. 48.50 per Share to be paid in cash. The above proposed events are hereinafter referred to as the "Transaction". Pursuant to completion of the Transaction, the Promoters shall hold 1,09,30,292 Shares comprising 24.84% of the Diluted Share Capital of SPL.

   On October 17, 2008, the Board of Directors of the Target Company ("Board"), subject to the consent of the shareholders, approved the Preferential Allotment, and convened an extraordinary general meeting ("EGM") of shareholders of the Target Company on November 17, 2008 to obtain their consent under Section 81(1A) of the Companies Act, 1956 for the Preferential Allotment and to authorize the Board to allot the new shares to the Acquirer. In the EGM held on November 17, 2008, the shareholders approved the Preferential Allotment and authorised the Board to allot the new shares. BSE and NSE have vide their letters dated November 17, 2008 and November 18, 2008, respectively granted the in-principle approval for issue of shares under Preferential Allotment. On November 29, 2008, the Board passed a resolution allotting the shares to the Acquirer. Applications for final listing approval for shares allotted under Preferential Allotment have been made to BSE on December 8, 2008 and to NSE on December 10, 2008.

3. Salient features of the SSPSA are as follows:

   a) In compliance with regulation 22 (16) of the Regulations, the SSPSA incorporates a provision that the Acquirer shall acquire the Shares from the Promoters only upon completion of the Offer.

b) Details of the Promoters from whom Shares are proposed to be purchased are as under:

No.	Name	Number of Shares to be Sold	% of Shares to be Sold	Address	Phone	Fax
1	Rajendra Sah	16,34,065	3.71%	406/407, Embassy Centre, Nariman Point, Mumbai 400 021.	+91-22-66301911	91-22-22875751
2	Rajendra Sah – HUF	39,81,486	9.05%	406/407, Embassy Centre, Nariman Point, Mumbai 400 021.	+91-22-66301911	+91-22-22875751
3	Chaitali Sah	8,84,449	2.01%	406/407, Embassy Centre, Nariman Point, Mumbai 400 021.	+91-22-66301911	+91-22-22875751

c) The Transaction is based on customary representations, warranties, and indemnities. The Transaction shall be completed upon the fulfillment of certain conditions precedents agreed between the Acquirer, the Promoters and the Target Company; however none of these condition precedents have any implications on the certainty of completion of this Offer made by the Acquirer to the shareholders of the Target Company.

d) The Promoters have agreed to not dispose of their shares in the Target Company other than in accordance with the SSPSA.

e) The Acquirer has a right of first refusal and a drag-along right in respect of the shares held by the Promoters in SPL. The Promoters have the right of first offer on shares held by the Acquirer in case the Acquirer desires to transfer its shares in SPL. The Acquirer and the Promoters enjoy tag-along rights in respect of shares held by them in SPL in the event of sale or otherwise transfer of shares by either party to a third party.

f) The Promoters shall have certain affirmative rights in relation to certain matters in certain circumstances, including in relation to change in share capital, winding-up, amalgamation, related party arrangements, commencement of any new line of business, change of auditors, etc, till they hold 8.33% of the Diluted Share Capital of the Target Company.

g) The SSPSA contains certain non-compete provisions whereby the Promoters have agreed not to compete with the Target Company during the period commencing the date of the SSPSA and continuing for a period of 2 (two) years after the Promoters' shareholding falls below 5% of their direct ownership in the Target Company or its affiliates. No specific or additional consideration has been paid to the Promoters for the non-compete arrangement.

4. As on the date of the PA, the Acquirer, PACs, and its directors do not hold any Shares of the Target Company

5. The proposed change of control of the Target Company is not through any scheme of arrangement

6. The Acquirer, the PACs, the Promoters and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations under the SEBI Act, 1992.

7. The Acquirer shall have the right to appoint a majority of the non independent Board of Directors of the Target Company upon the completion of the Transaction.

8. Pursuant to the completion of the Transaction, Mrs Shobha Shah will be resigning from the board of the Target Company. Mr. Bruno P.Y.G. Seghin, representative of Acquirer, would be appointed as a director on the board of the Target Company. Other nominees of the Acquirer on the Board of Directors of the Target Company shall be nominated in due course.

Details of the proposed Offer

9. In accordance with regulation 15(1) of the Regulations, the Acquirer issued a Public Announcement on October 20, 2008, which appeared in all editions of Business Standard, all editions of Pratahkal, and the Mumbai edition of Sakal. A copy of the PA is available on SEBI's website (www.sebi.gov.in).

10. Pursuant to this Offer, the Acquirer proposes to acquire 88,00,000 Shares of the Target Company representing 20% of the Diluted Share Capital (27.50% of the Current Share Capital) of the Target Company at a price of Rs. 48.50 (Rupees Forty Eight and Fifty Paise only) for each Share of the Target Company, to be paid in cash in accordance with the Regulations.

11. There are no partly paid-up shares of the Target Company. This Offer is not subject to any minimum level of acceptance.

12. The Acquirer and the PACs have neither acquired nor have been allotted any Shares of the Target Company in the 12 months prior to the date of the PA. Also, the Acquirer and PACs have not acquired any Shares since the date of the PA and up to the date of the Letter of Offer.

13. There have been no competitive bids till date.

14. To the extent of the Offer Size, all the Shares of the Target Company that are validly accepted in this Offer are proposed to be acquired by the Acquirer, subject to the terms and conditions of the Offer and receipt of approvals.

15. The Shares to be acquired under this Letter of Offer are to be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.

16. This Offer is made to all Eligible Persons.

17. The Letter of Offer is being sent to those shareholders of the Target Company (except the Acquirer, PACs and Promoters) whose names appeared in the Register of Members of the Target Company at the close of business hours on October 31, 2008, being the Specified Date, as required under the Regulations.

Object of the acquisition / Offer

18. The Offer is being made in accordance with regulation 10, regulation 12 and other applicable provisions on account of agreement to acquire substantial Shares of the Target Company with proposed change of control.

19. The Acquirer acknowledges the significant potential offered by the lubricants manufacturing business in India due to its inherent strengths and proposes to invest in this industry through this Transaction.

20. The Acquirer proposes to strengthen the Target Company's position in this industry through various strategies, including the following:
    a. The Acquirer proposes to utilize its pool of experienced professionals who would contribute to the strategic decision making of the Target Company.
    b. The Acquirer proposes to help the Target Company with its long term capital requirements for growth.

III. Background of the Acquirer and PACs

NAF India Holdings Ltd - Acquirer

21. NAF India Holdings Ltd ("NAF India") is a private company incorporated on January 9, 2007, under the laws of Mauritius with its registered office located at 608 St. James Court, St Denis Street, Port Louis, Mauritius. Tel:+230 210 9000; Fax: +230 210 9001. NAF India is a part of the Navis Group.

22. NAF India is a part of the Navis Group and is managed and controlled by Navis Asia Fund V-G.P. L.P.

23. The primary business of NAF India is to act as investment vehicle for investments made by Navis Asia Fund V-G.P. L.P.

24. NAF India has not held any Shares of the Target Company since inception till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

25. Navis Lube Holdings Pvt. Ltd is the promoter of NAF India and holds 100% of NAF India.

26. The details of the Board of Directors of NAF India as on the date of the PA are as under:

Name	Residential Address	Educational Qualifications	Date of Appointment
Boopendradas Sungker	12 Cambridge Lane, Avenue Ollier, Rose-Hill, Mauritius	Master in Commercial Law, Bachelor in Law	January 9, 2007
Aslam M. Koomar	31, Impasse Dr. Eugene Laurent Str., Port-Louis, Mauritius	Diploma in Professional Accounting, Certificate in Fundamentals of Accountancy	April 6, 2007
Srikala Janarhanan	No. 4 Lorong SS 7/17E, Taman Sri Kelena, 47301 Petaling Jaya, Malaysia	Bachelor of Economics	April 6, 2007
Richard Elletson Foyston	76, Lorong Setiabistari 1, Bukit Damansara, 50490 Kuala Lumpur, Malaysia.	MBA, B Comm CA	April 6, 2007

None of the above directors is a director of the Target Company.

Details of experience of the Board of Directors of NAF India are given below:

Mr Boopendradas Sungker has over twelve years of professional experience including one year as a Legal Secretary, over two years as Corporate Services Officer, one year as Corporate Services Supervisor, four years as Client Manager at International Proximity, and four years as Director at International Proximity. Mr Sungker holds a Bachelor in Law from University of Montpellier I, France, and a Masters in Commercial Law from the School of Law, University of Northumbria, United Kingdom.

Mr. Aslam M. Koomar has over thirteen years of professional experience in accountancy. He currently serves as the Head of Client Accounting and Compliance Manager at International Proximity, an offshore management company, and has held this position for eleven years. He has also worked as an audit & tax officer with a chartered accountancy firm with offices in Mauritius and London. He is a Fellow Member of the Chartered Association of Certified Accountants.

Ms. Srikala has over ten years of auditing and management accounting experience. Ms. Srikala gained her experience from the private sector holding the position of Management Accountant and as Finance Manager in a number of industries including property development, construction, consumer goods and engineering consultancy in Malaysia.

Mr Richard Elletson Foyston is the Managing Director of NAF V G.P. Ltd. He has 4 years of work experience in accountancy, 15 years of work experience in management consultancy, and 10 years of work experience in investments. He holds a Bachelor of Commerce degree from Queen's University, Canada and an MBA from Harvard Business School.

27. The shares of NAF India are not listed on any stock exchange.

28. Details of the paid up capital of NAF India are as follows:

Total paid-up share capital	US$ 2 (Rs.97.72)
Face Value of shares	US$ 1 (Rs.48.86)
Market Price of shares	Not Applicable

29. The financial details of NAF India since inception till date is as follows

Profit & Loss Statement	**For period beginning Jan 1, 2008 and ending Oct 13, 2008^^**		**For period beginning Jan 9, 2007 and ending Dec 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Income from operations/Total Investment Income	**-**	**-**	**-**	**-**
Other Income	-	-	-	-
Total Income	-	-	-	-
Total Expenditure.	-	-	-	-
Profit Before Depreciation, Interest and Tax	-	-	-	-
Depreciation	-	-	-	-

Profit & Loss Statement	For period beginning Jan 1, 2008 and ending Oct 13, 2008^^		For period beginning Jan 9, 2007 and ending Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Interest	-	-	-	-
Profit Before Tax	-	-	-	-
Provision for Tax	-	-	-	-
Profit After Tax	-	-	-	-

Balance Sheet	As on Oct 13, 2008^^		As on Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Sources of funds				
Paid up share capital	0.002	0.001	0.002	0.001
Reserves and Surplus (excluding revaluation reserves)	-	-	-	-
Networth	0.002	0.001	0.002	0.001
Secured loans	-	-	-	-
Unsecured loans	2,351	1,149	-	-
Total	**2,351**	**1,149**	**0.002**	**0.001**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	-	-	-	-
Net Current assets	2,351	1,149	0.002	0.001
Total miscellaneous expenditure not written off	-	-	-	-
Total	**2,351**	**1,149**	**0.002**	**0.001**

Other Financial Data	For period beginning Jan 1, 2008 and ending Oct 13, 2008^^		For period beginning Jan 9, 2007 and ending Dec 31, 2007^	
	USD	Rs	USD	Rs
Earning per share	-	-	-	-
Book Value per share*	1.0	48.86	1.0	48.86
Dividend (%)	-		-	
Return on Net worth **	-		-	

^ Based on audited financials
^^ Based on limited review financials
* Book value per share calculated as Networth / Number of outstanding shares as at the end of the year
**Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86 (Source: www.rbi.org.in).

No adjustments are required to the above financial information pursuant to the provisions of Annexure I, item 11 of the Standard Letter of Offer of SEBI.

30. NAF India has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Navis Lube Holdings Pvt. Ltd – PAC

31. Navis Lube Holdings Pvt. Ltd ("Navis Lube Holdings") is a private limited company incorporated on October 10, 2008 under the laws of Mauritius with its registered office at 608 St. James Court, St Denis Street, Port Louis, Mauritius Tel: +230 210 9000; Fax: +230 210 9001.

32. Navis Lube Holdings is a part of the Navis Group.

33. Navis Lube Holdings is managed and controlled by Navis Asia Fund V - G.P. L.P. As on October 16, 2008, the paid-up share capital of Navis Lube Holdings consists of 1,000 ordinary shares of US$ 1 each (Rs. 48.86). The Promoters hold 100% shareholding of Navis Lube Holdings. The Promoters are Navis Asia Fund V, L.P. (holds 97.2% stake), Navis Asia Fund V - (2) L.P. (holds 2.7% stake) and Navis Asia Fund V-E L.P. (holds 0.1% stake).

34. The details of the Board of Directors of Navis Lube Holdings as on the date of the PA are as under:

Name	Residential Address	Educational Qualifications	Date of Appointment
Janarhanan Srikala	No. 4 Lorong SS7/17E, Taman Sri Kelana, 47307 Petaling Jaya, Selangor, Malaysia	Bachelor of Economics	October 14, 2008
Jonathan Daryl Gartner	Unit B-4-1, No. 1 Persiaran Persekutuan, Sri Bukit Persekuthan, 50840 Kuala Lumpur, Wilayah Persekuthan, Malaysia	Bachelor of Arts, MBA	October 14, 2008

None of the above directors is a director of the Target Company.

35. The shares of Navis Lube Holdings are unlisted.

36. Navis Lube Holdings has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

37. Since Navis Lube Holdings was incorporated only on October 10, 2008 and its financial year end is December 31, 2008, no audited accounts are available for the Acquirer.

38. The primary business of Navis Lube Holdings is to act as an investment vehicle for investments made by Navis Asia Fund V –G.P. L.P.

39. Navis Lube Holdings has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Navis Asia Fund V, L.P. - PAC

40. Navis Asia Fund V, L.P. ("NAF V LP") is a limited partnership formed in Cayman Islands on January 12, 2007 under Exempted Limited Partnership Law, 1991. The address of NAF V LP is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.

41. NAF V LP is a private equity fund that is controlled by Navis Asia Fund V, GP LP and is a part of the Navis Group. Limited Partners of NAF V LP include a number of US, European, Middle Eastern and Asian commercial and investment banks, pension funds, insurance companies, corporations, as well as a number of high net worth individuals and family offices.

42. The total partner's capital of NAF V LP as on Dec 31 2007 was US$ 326,446,481 (Rs. 1,59,502 Lacs).

43. The primary business of NAF V LP is to make equity & equity related investments in Asia, with a specific focus on South & South East Asia.

44. NAF V LP has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

45. The financial details of NAF V LP since inception till date is as follows:

Profit & Loss Statement	**For period beginning Jan 1, 2008 and ending June 30, 2008^^**		**For period beginning Jan 12, 2007 and ending Dec 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Income from operations/Total Investment Income	**370**	**181**	**981**	**479**
Other Income	6,302	3,079	4,251	2,077
Total Income	6,672	3260	5,232	2,556
Total Expenditure.	13,164	6,432	23,991	11,772
Profit Before Depreciation, Interest and Tax	(6,492)	(3,172)	(18,759)	(9,166)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	(6,492)	(3,172)	(18,759)	(9,166)
Provision for Tax	-	-	-	-
Profit After Tax	(6,492)	(3,172)	(18,759)	(9,166)

Balance Sheet	**As on June 30, 2008^^**		**As on Dec 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Sources of funds				
Paid up share capital	407,408	199,059	326,446	159,502
Reserves and Surplus (excluding revaluation reserves)	(25,251)	(12,338)	(18,759)	(9,166)
Networth	382,157	186,722	307,687	150,336
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Total	**382,157**	**186,722**	**307,687**	**150,336**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	374,630	183,044	292,957	143,139
Net Current assets	7,527	3,678	14,730	7,197
Total miscellaneous expenditure not written off	-	-	-	-
Total	**382,157**	**186,722**	**307,687**	**150,336**

Other Financial Data	**For period beginning Jan 1, 2008 and ending June 30, 2008^^**	**For period beginning Jan 12, 2007 and ending Dec 31, 2007^**
Dividend (%)	-	-
Return on Net worth *	(1.7%)	(6.1%)

^ Based on audited financials
^^ Based on limited review financials
*Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86 (Source: www.rbi.org.in). The figures above have been rounded off for representation without decimals.

No adjustments are required to the above financial information pursuant to the provisions of Annexure I, item 11 of the Standard Letter of Offer of SEBI.

The income of NAF V LP comprises of interest income and unrealized appreciation on investments. The main reason for the variance in income between the period January 12, 2007 – December 31, 2007 and the period January 1, 2008 – June 30, 2008 is the unrealized appreciation on investments. Expenses for NAF V LP comprise management fees and typical fund expenses such as audit, tax, and investment related travel expenses. The main reason for the difference in the expenses in the two periods is the proportionate difference arising out of comparing accounts for a 6 month period with accounts for a 12 month period.

46. NAF V LP has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Navis Asia Fund V (2) LP - PAC

47. Navis Asia Fund V-(2) L.P. ("NAF V (2) LP") is a limited partnership formed on January 25, 2007 in the Cayman Islands under the Exempted Limited Partnership Law, 1991. The address of NAF V (2) LP is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.

48. NAF V (2) LP is a private equity fund that is controlled by Navis Asia Fund V-G.P. L.P, and is a part of the Navis Group.

49. The total partner's capital of NAF V (2) LP as on Dec 31 2007 was US$ 8,865,857 (Rs. 4,332 Lacs).

50. The primary business of NAF V (2) LP is to make equity & equity related investments in Asia Pacific, with a specific focus on South & South East Asia.

51. NAF V (2) LP has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

52. The financial details of NAF V (2) LP since inception till date is as follows:

Profit & Loss Statement	**For period beginning Jan 1, 2008 and ending June 30, 2008^^**		**For period beginning Jan 25, 2007 and ending Dec 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Income from operations/Total Investment Income	**10**	**5**	**58**	**28**
Other Income	171	83	115	56
Total Income	181	88	172	84
Total Expenditure.	359	175	659	322
Profit Before Depreciation, Interest and Tax	(178)	(87)	(487)	(238)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	(178)	(87)	(487)	(238)
Provision for Tax	-	-	-	-
Profit After Tax	(178)	(87)	(487)	(238)

Balance Sheet	**As on June 30, 2008^^**		**As on Dec 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Sources of funds				
Paid up share capital	11,213	5,479	8,866	4,332
Reserves and Surplus (excluding revaluation reserves)	(665)	(325)	(487)	(238)
Networth	10,548	5,154	8,379	4,094
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Total	**10,548**	**5,154**	**8,379**	**4,094**

Balance Sheet	As on June 30, 2008^^		As on Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Uses of funds				
Net fixed assets	-	-	-	-
Investments	10,087	4,928	7,933	3,876
Net Current assets	461	225	446	218
Total miscellaneous expenditure not written off	-	-	-	-
Total	**10,548**	**5,154**	**8,379**	**4,094**

Other Financial Data	For period beginning Jan 1, 2008 and ending June 30, 2008^^	For period beginning Jan 25, 2007 and ending Dec 31, 2007^
Dividend (%)	-	-
Return on Net worth *	(1.7%)	(5.8%)

^ Based on audited financials
^^ Based on limited review financials
*Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86 (Source: www.rbi.org.in). The figures above have been rounded off for representation without decimals.

No adjustments are required to the above financial information pursuant to the provisions of Annexure I, item 11 of the Standard Letter of Offer of SEBI.

The income of NAF V (2) LP comprises of interest income and unrealized appreciation on investments. The main reason for the variance in income between the period January 25, 2007 – December 31, 2007 and the period January 1, 2008 – June 30, 2008 is the unrealized appreciation on investments. Expenses for NAF V (2) LP comprise management fees and typical fund expenses such as audit, tax, and investment related travel expenses. The main reason for the difference in the expenses in the two periods is the proportionate difference arising out of comparing accounts for a 6 month period with accounts for a 12 month period.

53. NAF V (2) LP has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Navis Asia Fund V – E LP - PAC

54. Navis Asia Fund V–E L.P. ("NAF V-E LP") is a limited partnership formed on March 20, 2007 in the Cayman Islands under the Exempted Limited Partnership Law, 1991. The address of NAF V-E LP is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.

55. NAF V-E LP is a private equity fund that is controlled by Navis Asia Fund V-G.P. L.P. and is part of the Navis Group.

56. The total partner's capital of NAF V-E LP as on Dec 31 2007 was US$ 448,800 (Rs. 219 Lacs).

57. The primary business of NAF V-E LP is to make equity & equity related investments in Asia, with a specific focus on South & South East Asia.

58. NAF V-E LP has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

59. The financial details of NAF V-E LP since inception till date is as follows:

Profit & Loss Statement	For period beginning Jan 1, 2008 and ending June 30, 2008^^		For period beginning Mar 20, 2007 and ending Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Income from operations/Total Investment Income	**0.6**	**0.3**	**2.3**	**1.1**
Other Income	8.6	4.2	5.8	2.8
Total Income	9.3	4.5	8.1	4.0
Total Expenditure.	5.7	2.8	21.9	10.7

Profit & Loss Statement	For period beginning Jan 1, 2008 and ending June 30, 2008^^		For period beginning Mar 20, 2007 and ending Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Profit Before Depreciation, Interest and Tax	3.5	1.7	(13.8)	(6.8)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	3.5	1.7	(13.8)	(6.8)
Provision for Tax	-	-	-	-
Profit After Tax	3.5	1.7	(13.8)	(6.8)

Balance Sheet	As on June 30, 2008^^		As on Dec 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Sources of funds				
Paid up share capital	568	277	449	219
Reserves and Surplus (excluding revaluation reserves)	(10)	(5)	(14)	(7)
Networth	557	272	435	213
Secured loans	-	-	-	-
Unsecured loans	-	-	-	-
Total	**557**	**272**	**435**	**213**
Uses of funds				
Net fixed assets	-	-	-	-
Investments	510	249	401	196
Net Current assets	47	23	34	16
Total miscellaneous expenditure not written off	-	-	-	-
Total	**557**	**272**	**435**	**213**

Other Financial Data	For period beginning Jan 1, 2008 and ending June 30, 2008^^	For period beginning Mar 20, 2007 and ending Dec 31, 2007^
Dividend (%)	-	-
Return on Net worth *	0.6%	(3.2%)

^ Based on audited financials
^^ Based on limited review financials
*Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86 (Source: www.rbi.org.in). The figures above have been rounded off for representation without decimals.

No adjustments are required to the above financial information pursuant to the provisions of Annexure I, item 11 of the Standard Letter of Offer of SEBI.

The income of NAF V – E LP comprises of interest income and unrealized appreciation on investments. The main reason for the variance in income between the period March 20, 2007 – December 31, 2007 and the period January 1, 2008 – June 30, 2008 is the unrealized appreciation on investments. Expenses for NAF V – E LP comprise typical fund expenses such as audit, tax, and investment related travel expenses. The main reason for the difference in the expenses in the two periods is the proportionate difference arising out of comparing accounts for a 6 month period with accounts for a 12 month period.

60. NAF V–E LP has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Navis Asia Fund V-G.P. L.P. - PAC

61. Navis Asia Fund V-G.P. L.P. ("NAF V GP LP") is a limited partnership formed on January 12, 2007 in the Cayman Islands under the Exempted Limited Partnership Law, 1991. The address of NAF V GP LP is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.

62. NAF V GP LP is the general partner of and controls NAF V LP, NAF V (2) LP, and NAF V-E LP.

63. NAF V GP LP is part of the Navis Group and is controlled and is managed by NAF V GP Ltd.

64. The total partner's capital of NAF V GP LP as on Mar 31 2008 was US$ 2 (Rs. 97.72).

65. The primary business of NAF V GP LP is to make equity & equity related investments in Asia Pacific, with a specific focus on South & South East Asia.

66. NAF V GP LP has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

67. The financial details of NAF V GP LP since inception till date is as follows:

Profit & Loss Statement	**For period beginning April 1, 2008 and ending June 30, 2008^^**		**For period beginning April 1, 2007 and ending Mar 31, 2008^**		**For period beginning Jan 12, 2007 and ending Mar 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Income from operations/Total Investment Income	-	-	4	2	**-**	**-**
Other Income	-	-	-	-	-	-
Total Income	-	-	2	2	-	-
Total Expenditure.	2	1	14	7	5	2
Profit Before Depreciation, Interest and Tax	(2)	(1)	(10)	(5)	(5)	(2)
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Profit Before Tax	(2)	(1)	(10)	(5)	(5)	(2)
Provision for Tax	-	-	-	-	-	-
Profit After Tax	(2)	(1)	(10)	(5)	(5)	(2)

Balance Sheet	**As on June 30, 2008^^**		**As on Mar 31, 2008^**		**As on Mar 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Sources of funds						
Paid up share capital	0.002	0.001	0.002	0.001	0.002	0.001
Reserves and Surplus (excluding revaluation reserves)	(171)	(83)	(207)	(101)	(5)	(2)
Networth	(171)	(83)	(207)	(101)	(5)	(2)
Secured loans	-	-	-	-	-	-
Unsecured loans	-	-	-	-	-	-
Total	**(171)**	**(83)**	**(207)**	**(101)**	**(5)**	**(2)**
Uses of funds						
Net fixed assets	-	-	-	-	-	-
Investments	5,300	2,589	5,202	2,542	435	213
Net Current assets	(5,471)	(2,673)	(5,409)	(2,643)	(440)	(215)
Total miscellaneous expenditure not written off	-	-	-	-	-	-
Total	**(171)**	**(83)**	**(207)**	**(101)**	**(5)**	**(2)**

Other Financial Data	For period beginning Apr 1, 2008 and ending June 30, 2008^^	For period beginning Apr 1, 2007 and ending Mar 31, 2008^	For period beginning Jan 12, 2007 and ending Mar 31, 2007^
Dividend (%)	-	-	-
Return on Net worth *	NA	NA	NA

^ Based on audited financials
^^ Based on limited review financials
*Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86
(Source: www.rbi.org.in). The figures above have been rounded off for representation without decimals.

No consolidated financial statements for the period ended March 31, 2007 were presented, which is a departure from the accounting principles generally accepted in the United States ("US GAAP") EITF 04-05 and FAS 94. However no audit adjustments are required for the period ended March 31, 2007 as the financial statements for the year ended March 31, 2008 are prepared in accordance with International Financial Reporting Standards ("IFRS") which do not require presentation of consolidated financial statements. There are no audit qualifications or adjustments required for the financial statements for the period ended March 31, 2008.

There are no material amounts relating to adjustments that should be adjusted in arriving at the profits of the periods to which they relate.

There has been no change in accounting policy, other than as stated below:
For the period ended March 31, 2007, NAF V G.P. L.P. prepared its financial statements in accordance with US GAAP, except for the non-consolidation of its investments in accordance with EITF 04-05 and FAS 94. The financial statements for the year ended March 31, 2008, are the first set that NAF V GP LP has prepared in accordance with IFRS. The transition from US GAAP to IFRS has not had a material impact on its financial statements.

There are no extraordinary items in the income statements.

There are no asset revaluation accounts relating to fixed assets in the balance sheets of NAF V GP LP.

Income for NAF V GP LP comprises of interest income and is subject to free cash placed in interest earning deposits. Expenses for NAF V GP LP comprise audit and secretarial filing costs. Additional set up costs were incurred in 2007.

68. NAF V GP LP has not promoted any company since incorporation and up to the date of this Letter of Offer.

Navis Asia Fund V-G.P. Limited - PAC

69. Navis Asia Fund V-G.P. Limited ("NAF V GP Ltd") is a private limited company incorporated on January 12, 2007 in the Cayman Islands under the Companies Law CAP. 22. The address of NAF V GP Ltd is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Tel: +1 345 949 8066; Fax: +1 345 949 8080.

70. NAF V GP Ltd is the general partner of and controls NAF V GP LP. Navis Group is the promoter and owns 100% of NAF V GP Ltd. As of October 13, 2008, the paid-up share capital of NAF V GP Ltd consists of 100 ordinary shares of US$ 1 each (Rs. 48.86).

71. The primary business of NAF V GP Ltd is to make equity & equity related investments in Asia Pacific, with a specific focus on South & South East Asia.

72. NAF V GP Ltd has not held any shares in the Target Company since inception and till the date of the PA and hence the provisions of Chapter II of the Regulations do not apply to it.

73. The details of Board of Directors of NAF V GP Ltd as on the date of the PA are as follows:

Name of director	Residential address	Qualifications	Date of appointment
Richard Elletson Foyston	A-13A-4, Suasana Sentral Condomimium, Jalan Tun Sambanthan 50470 Kuala Lumpur	MBA, B Comm CA	12 January 2007
Nicholas Rupert Heylett Bloy	No. 9, 70, Jalan Damansara 50490 Kuala Lumpur	MBA, BA Hons	12 January 2007
Rodney Chadwick Muse	17, Bangsar Hills Jalan Medang Serai Bukit Bandaraya Bangsar 59100 Kuala Lumpur	MBA, BA Hons	12 January 2007

None of the above directors is a director of the Target Company as on the date of the PA

Details of experience of the Board of Directors of NAF V GP Ltd are given below:

Richard Elletson Foyston is the Managing Director of NAF V GP Ltd. He has 4 years of work experience in accountancy, 15 years of work experience in management consultancy, and 10 years of work experience in investments. He holds a Bachelor of Commerce degree from Queen's University, Canada and an MBA from Harvard Business School.

Nicholas Rupert Heylett Bloy is a Director of NAF V GP Ltd. He has 13 years of work experience in management consultancy and 8 years of work experience in investment. He has a BA Hons degree from University College, London, and an MBA from INSEAD, France.

Rodney Chadwick Muse is a Director of NAF V GP Ltd. He has 3 years of work experience in banking, 4 years of work experience in management consultancy, 5 years of experience as an entrepreneur, and 9 years of experience in investment. He has a BA Hons degree from St. Lawrence University and an MBA from Harvard Business School.

74. The financial details of NAF V GP Ltd since inception till date is as follows:

Profit & Loss Statement	**For period beginning Apr 1, 2008 and ending June 30, 2008^^**		**For period beginning April 1, 2007 and ending Mar 31, 2008^**		**For period beginning Jan 12, 2007 and ending Mar 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Income from operations/Total Investment Income	-	-	10	5	**-**	**-**
Other Income	-	-	-	-	-	-
Total Income	-	-	10	5	-	-
Total Expenditure.	1.3	0.6	19	9	5	2
Profit Before Depreciation, Interest and Tax	(1.3)	(0.6)	(9)	(4)	(5)	(2)
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Profit Before Tax	(1.3)	(0.6)	(9)	(4)	(5)	(2)
Provision for Tax	-	-	-	-	-	-
Profit After Tax	(1.3)	(0.6)	(9)	(4)	(5)	(2)

Balance Sheet	**As on June 30, 2008^^**		**As on Mar 31, 2008^**		**As on Mar 31, 2007^**	
	USD ('000)	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**	**USD ('000)**	**Rs. Lacs**
Sources of funds						
Paid up share capital	0.1	0.05	0.1	0.05	0.1	0.05
Reserves and Surplus (excluding revaluation reserves)	(15)	(8)	(14)	(7)	(5)	(2)

Balance Sheet	As on June 30, 2008^^		As on Mar 31, 2008^		As on Mar 31, 2007^	
	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs	USD ('000)	Rs. Lacs
Networth	(15)	(7)	(14)	(7)	(5)	(2)
Secured loans	-	-	-	-	-	-
Unsecured loans	-	-	-	-	-	-
Total	**(15)**	**(7)**	**(14)**	**(7)**	**(5)**	**(2)**
Uses of funds						
Net fixed assets	-	-	-	-	-	-
Investments	0.1	0.05	0.1	0.05	-	-
Net Current assets	(15)	(8)	(14)	(7)	(5)	(2)
Total miscellaneous expenditure not written off	-	-	-	-	-	-
Total	**(15)**	**(7)**	**(14)**	**(7)**	**(5)**	**(2)**

Other Financial Data	For period beginning Apr 1, 2008 and ending June 30, 2008^^		For period beginning Apr 1, 2007 and ending Mar 31, 2008^		For period beginning Jan 12, 2007 and ending Mar 31, 2007^	
	USD	Rs.	USD	Rs.	USD	Rs.
Earnings per share	(13)	(648)	(91)	(4,454)	(50)	(2,443)
Book Value per share*	(153)	(7,496)	(140)	(6,848)	(50)	(2,443)
Dividend (%)	-		-		-	
Return on Net worth **	NA		NA		NA	

^ Based on audited financials
^^ Based on limited review financials
* Book value per share calculated as Networth / Number of outstanding shares as at the end of the year
**Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
Note: Exchange rate used is the RBI Reference Rate as on October 16, 2008, i.e. USD 1 = Rs 48.86 (Source: www.rbi.org.in). The figures above have been rounded off for representation without decimals.

No consolidated financial statements for the period ended March 31, 2007 were presented, which is a departure from the accounting principles generally accepted in the United States ("US GAAP") EITF 04-05 and FAS 94. However no audit adjustments are required for the period ended March 31, 2007 as the financial statements for the year ended March 31, 2008 are prepared in accordance with International Financial Reporting Standards ("IFRS") which do not require presentation of consolidated financial statements. There are no audit qualifications or adjustments required for the financial statements for the period ended March 31, 2008.

There are no material amounts relating to adjustments that should be adjusted in arriving at the profits of the periods to which they relate.

There has been no change in accounting policy, other than as stated below:
For the period ended March 31, 2007, NAF V GP Ltd prepared its financial statements in accordance with US GAAP, except for the non-consolidation of its investments in accordance with EITF 04-05 and FAS 94. The financial statements for the year ended March 31, 2008, are the first set that NAF V GP Ltd has prepared in accordance with IFRS. The transition from US GAAP to IFRS has not had a material impact on its financial statements.

There are no extraordinary items in the income statements.

There are no asset revaluation accounts relating to fixed assets in the balance sheets of NAF V G.P. Ltd

Income for NAF V GP Ltd comprises of interest income and is subject to free cash placed in interest earning deposits. Expenses for NAF V GP Ltd comprise audit and secretarial filing costs. Additional set up costs were incurred in 2007.

75. NAF V GP Ltd has not promoted any operating company since incorporation and up to the date of this Letter of Offer.

Overview of Navis Group

76. NAF India, NAF V LP, NAF V (2) LP, NAF V-E LP, NAF V GP LP and NAF V GP Ltd are all part of the Navis Group ("Navis"). Navis was formed in 1998 to make private equity investments in buyouts,

recapitalizations, and financial restructurings in Asia. Navis contributes both capital and management expertise to a limited number of well-positioned companies with the objective of directing strategic, operational and financial improvements. Navis focuses exclusively on enterprises based in Asia, particularly South and Southeast Asia. Navis manages several private equity funds, whose Limited Partners include a number of well-known US, European, Middle Eastern and Asian commercial and investment banks, pension funds, insurance companies, corporations, as well as a number of high net worth individuals and family offices. Navis Group has grown significantly since inception, and now is one of the largest private equity professional teams in Asia, comprising 40 professional investment staff, supported by 20 administrative staff, in seven offices across the region. Navis' first investment was made in 2000. Navis manages approximately US$2 billion in capital commitments.

Disclosures in terms of regulation 16(ix) of the Regulations

77. The Acquirer acknowledges the significant potential offered by the lubricants manufacturing business in India due to its inherent strengths and proposes to invest in this industry through this Transaction.

78. The Acquirer proposes to strengthen the Target Company's position in this industry through various strategies, including the following:

    a) The Acquirer proposes to utilize its pool of experienced professionals who would contribute to the strategic decision making of the Target Company.

    b) The Acquirer proposes to help the Target Company with its long term capital requirements for growth.

79. As of the date of the PA, the Acquirer does not have any plans to dispose of 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, and except to the extent required for the purpose of restructuring and/or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company and except to the extent already contracted by the Target Company. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters as per the requirements of business and in line with the business opportunities and exigencies from time to time.

80. Other than in the ordinary course of business, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

IV. Continuous Listing

81. Pursuant to the listing norms applicable to the Target Company, the Target Company is required to maintain a minimum public shareholding of 25% of the issued share capital. If the Offer results in the public shareholding being reduced to less than 25% of the issued share capital of the Target Company, the Acquirer undertakes to comply with the continuous listing guidelines laid out in the listing agreement of the Target Company with stock exchanges as required by regulation 21(2) of the Regulations. The Acquirer shall, either sell-down its shareholding in the Target Company or endeavour to get the Target Company to issue additional shares to the public such that the minimum public shareholding threshold of 25% is regained within the timelines specified in the listing agreement in consultation with the Stock Exchanges.

V. Background of the Target Company

82. SPL is a public company incorporated on July 6, 1983 under the Companies Act, 1956. The registered office of the Target Company is located at 406/407, Embassy Centre, Nariman Point, Mumbai – 400 021. Tel: +91-22-6630 1911, +91-22-2287 3097; Fax: +91-22-2287 5751.

83. SPL is one of the leading manufacturers of industrial lubricants in India and manufactures a wide range of industrial and automotive lubricants, specialties, process oils etc., under the brand name of "IPOL". The manufacturing facilities of SPL are located in Vasai and Daman.

84. The total paid up equity share capital of the Target Company is Rs. 16,00,00,000 (Rupees Sixteen Crores only) consisting of 3,20,00,000 Shares of face value of Rs. 5 each. There are no partly paid up Shares in the Target Company. The share capital structure of the Target Company as on the date of the PA is as under:

	Number of Shares / voting rights	% of Shares / voting rights
Fully paid up equity shares	3,20,00,000	100
Partly paid up equity shares	-	-
Total paid up equity shares	3,20,00,000	100
Total voting rights in the Target Company	3,20,00,000	100

85. Build-up of the current capital structure of the Target Company since inception till the date of the PA is as under:

Date of Allotment	No. of shares issued	Cumulative Paid-up Share Capital (Rs.)	Mode of Allotment	Identity of Allotees	Status of Compliance
July 6, 1983	35,000	3,50,000	Cash	Promoters	Complied
September 14, 1983	430	3,54,300	Cash	Promoters	Complied
September 16, 1983	30	3,54,600	Cash	Promoters	Complied
September 17, 1983	45	3,55,050	Cash	Promoters	Complied
September 19, 1983	75	3,55,800	Cash	Promoters	Complied
September 20, 1983	10	3,55,900	Cash	Promoters	Complied
September 24, 1984	34,900	7,04,900	Cash	Promoters	Complied
May 14, 1985	70	7,05,600	Cash	Promoters	Complied
August 2, 1985	5	7,05,650	Cash	Promoters	Complied
January 27, 1987	20	7,05,850	Cash	Promoters	Complied
February 4, 1986	10	7,05,950	Cash	Promoters	Complied
February 5, 1986	15	7,06,100	Cash	Promoters	Complied
February 6, 1986	10	7,06,200	Cash	Promoters	Complied
July 3, 1986	5	7,06,250	Cash	Promoters	Complied
September 3, 1986	5	7,06,300	Cash	Promoters	Complied
June 29, 1987	370	7,10,000	Cash	Promoters	Complied
May 10, 1990	71,000	14,20,000	1:1 Bonus	Promoters	Complied
January 29, 1993	2,84,000	42,60,000	2:1 Bonus	Promoters	Complied
May 18, 1993	4,14,000	84,00,000	Rights/Cash	Existing Holders	Complied
March 6, 1996	8,40,000	1,68,00,000	1:1 Bonus	Existing Holders	Complied
March 15, 2004	16,80,000	1,68,00,000	Split of shares from face value of Rs 10/- to Rs 5/-	Existing Holders	Complied
March 15, 2004	75,60,000	5,46,00,000	2.25:1 Bonus	Existing Holders	Complied
September 17, 2004	90,80,000	10,00,00,000	IPO/Cash	Public	Complied
October 26, 2005	1,20,00,000	16,00,00,000	3:5 Bonus	Existing Holders	Complied

86. There has been no suspension of trading of the Shares of the Target Company on the Stock Exchanges.

87. There has not been any non-listing of any Shares of the Target Company at the Stock Exchanges.

88. There are no outstanding convertible instruments (warrants/FCDs/PCDs) etc. in the Target Company as of date of PA. There are no partly paid up Shares of the Target Company.

89. The Target Company and the Promoters have complied with the applicable provisions of Chapter II of the Regulations within the time specified in the Regulations except as disclosed in paragraph 97.

90. The Target Company has complied with the listing requirements of the Stock Exchanges. No penal / punitive actions have been taken by the Stock Exchanges.

91. The Board of Directors of the Target Company, as of the date of the PA, is as under:

Name of director	Residential address	Qualifications	Date of appointment
Rajendra Sah	17, Firuz Ara, M.K. Road, Mumbai – 400 021.	BSC & LLB	06-07-1983
Vivek Sah	8, Firuz Ara, 160, M.K. Road, Mumbai–400 021.	B. Com	11-11-1988
Aditya Sah	15, Prem Court, Dnshaw Vacha Road, Churchgate, Mumbai-400 020.	B.Com	01-10-1998
Shobha Sah	17, Firuz Ara, M.K. Road, Mumbai – 400 021.	BA	06-07-1983
Noshir B. Dubash (Independent)	Joshi House, 2nd Floor, 16, Cumballa Hill, Mumbai-400 036.	BA & LLB	05-04-2004
Alok D. Sukhani (Independent)	D-8, Saibaba Complex, Goregaon (E), Mumbai-400 063.	B.Com (Hons)	05-04-2004
Pradip C. Shah (Independent)	Flat No. 3, Nandkutir, TPS V, Plot No. 334, Shraddhanand Road, Vile Parle (E), Mumbai-400 057	B.Com, LLB & F.C.S.	05-04-2004
Vinay G. Rao (Independent)	Flat No. 4, Sharmishtha-2, 1077 A, Shivaji Nagar, Pune–411 016	BE (MET)	05-04-2004

None of the Directors on the Board of Directors of the Target Company are representatives of the Acquirer.

In compliance with regulation 22(7) of the Regulations, the Acquirer or PACs shall not be entitled to be appointed on the Board of Directors of the Target Company during the Offer Period.

92. Details of the experience and qualifications of the Board of Directors of the Target Company are as under:

Mr. Rajendra Sah is the Chairman of the Company. He is a BSC graduate from Wilson college of Mumbai & also holds an L.L.B. from Government Law college of Mumbai. He is the founder promoter of the Company. Mr. Rajendra Sah started his career in 1964 as dealer of IOC & HPCL Lubricant Product on a small scale. Over the decade he grew the business multifold and in the year 1973 he started manufacturing of Lubricant Products under the brand name IPOL. He has 44 years of work experience in this industry.

Mr. Vivek Sah is the Managing Director of the Company. He is a B.Com graduate with specialization in marketing. He has work experience of 20 years. He looks after Strategic Marketing, new areas of Business Development & Product Development across the whole chain. He has been instrumental in diversifying the business risks of the Company across products like rubber process oils, hydraulic oils, cutting oils and transformer oils spreading up to the clients like Telco, ACC Bridgestone, Bajaj Auto, Godrej & Boyce, Eicher Motors etc. He has been the key person for the Company to make inroads into state transport undertakings, Government transport undertakings and the defense sector. He has been actively involved in the Company obtaining for ISO 9001:2000 and IS0 14001:2004 certification for quality systems and environment, applicable to manufacturing practices and distribution process across the entire product chain

Mr. Aditya Sah is the Joint Managing Director of the Company. He is a B.Com graduate with specialization in finance. He has been involved with the Company since 1992. He has a work experience of 16 years. He is a member of the shareholders grievance redressal committee of the Company. He is the head of purchase, finance, production, company law and secretarial matters of the Company. The Company has been able to tap new suppliers & geographical locations for raw materials at competitive rates. On the production side, the Company has been able to reduce its manufacturing cost and increase its production to cater to the demands of the customers.

Mrs. Shobha Sah is the Executive Director of the Company. She is a BA graduate from Rajasthan University, Jaipur. She looks after the general administration / operations of the Company having 29 years of work experience. She is the founder promoter of the Company and has also been instrumental in the growth of the Company.

Mr. Noshir B. Dubash is an Independent, Non Executive Director of the Company. He holds a BA and LLB and possesses rich experience in the various industrial fields. He is a member of the Shareholders grievance redressal and audit committee of the Company.

Mr. Alok D. Sukhani is an Independent, Non Executive Director of the Company. He holds a B.Com (Hons) degree. He has more than 24 years experience in his own textile business and possesses good experience in accounts, purchase, and labour law matters. He is a member of the shareholders grievance redressal and audit committee of the Company

Mr. Pradip C. Shah is an Independent, Non Executive Director of the Company. He is a B.Com graduate and also holds L.L.B and F.C.S degrees. He is the practicing company secretary and possesses 29 years experience in accounts, legal and company law matters. He is a member of the audit committee of the Company.

Mr. Vinay G. Rao is an Independent, Non Executive Director of the Company. He has more than 44 years experience in the various industries and he is the technical expert in the industrial field.

93. There has been no merger, demerger, or spin off involving the Target Company during the last three years.

94. The brief audited financial information of SPL for the last three financial years and the unaudited financial results for the period ended June 30, 2008 is provided below. It must be noted that the financial results for the period ended June 30, 2008 although unaudited have been subjected to a limited review by the statutory auditors as is required under clause 41 of the listing agreement with the Stock Exchanges. The results have been adopted by the Board of Directors of the Company at its meeting on July 31, 2008 and the statutory auditors have issued their limited review report dated August 29, 2008 on the same.

Profit & Loss Statement	**Period of 3 months ended June 30, 2008^^**	**Financial year ended March 31, 2008^**	**Financial year ended March 31, 2007^**	**Financial year ended March 31, 2006^**
	Rs. Lacs	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**
Income from operations	**6,031**	**20,551**	**17,967**	**11,472**
Other Income	76	875	555	193
Total Income	6,107	21,426	18,522	11,606
Total Expenditure.	5,564	19,027	17,141	10,642
Profit Before Depreciation, Interest and Tax	543	2,399	1,381	964
Depreciation	29	101	75	43
Interest	66	116	135	16
Profit Before Tax	448	2,182	1,171	905
Provision for Tax	83	338	164	104
Profit After Tax	365	1,844	1,007	801

Balance Sheet Statement	**As on June 30, 2008^^**	**As on March 31, 2008^**	**As on March 31, 2007^**	**As on March 31, 2006^**
	Rs. Lacs	**Rs. Lacs**	**Rs. Lacs**	**Rs. Lacs**
Sources of funds				
Paid up share capital	1,600	1,600	1,600	1,600
Reserves and Surplus (excluding revaluation reserves)	NA	6,758	5,297	4,391
Networth	NA	8,358	6,897	5,991
Secured loans	NA	-	-	-
Unsecured loans	NA	942	750	1,198
Deferred Tax Liability	NA	74	52	33
Total	NA	9,374	7,698	7,222
Uses of funds				
Net fixed assets	NA	1,990	1,717	1,341
Investments	NA	3,178	1,176	1,626
Net current assets	NA	4,206	4,544	3,993

Balance Sheet Statement	As on June 30, 2008^^	As on March 31, 2008^	As on March 31, 2007^	As on March 31, 2006^
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Total miscellaneous expenditure not written off	NA	-	262	262
Total	NA	9,374	7,698	7,222

Other Financial Data	Period of 3 months ended June 30, 2008^^	Financial year ended March 31, 2008^	Financial year ended March 31, 2007^	Financial year ended March 31, 2006^
Dividend (%)	NA	5%	5%	5%
Earning per Share	1.14*	5.76	3.15	2.50
Return on Net worth **	NA	22.06%	14.61%	13.36%
Book Value per Share ***	NA	26.12	21.55	18.72

^ Based on audited financials
^^ Based on limited review financials
* Not annualized
**Return on Networth calculated as Profit After Tax/ Networth as at the end of the period
***Book Value per share calculated as the Networth / Number of outstanding shares as at the end of the period.

95. The reasons for the rise of net sales and profit after tax of the Target Company are as follows:

FY2008

The performance of the Target Company during the year 2007-2008 has shown improvement over the previous year due to change in the product mix. Gross turnover for the year ended 31st March, 2008 amounted to Rs.23,982.26 lacs as compared to Rs.20,901.75 lacs for last year registering growth of 14.74%. The profit before tax (after interest and depreciation) of Rs.2,181.89 lacs and the profit after tax of Rs.1,843.72 lacs for the financial year under review, as against Rs.1,171.20 lacs and Rs.1,007.64 lacs respectively for the previous financial year, improved by 86.30% and 82.97% respectively.

FY2007

The performance of the Target Company during the year 2006-2007 has shown improvement over the previous year due to the company venturing into the retail distribution of automotive lubricants. Gross turnover for the year ended 31st March, 2007 amounted to Rs.20,901.75 lacs as compared to Rs.13,297.12 lacs for last year registering a growth of 57.19%. The profit before tax (after interest and depreciation) of Rs.1,171.20 lacs and the profit after tax of Rs.1,007.64 lacs for the financial year under review, as against Rs.904.81 lacs and Rs.800.48 lacs respectively for the previous financial year, improved by 29.44% and 25.88% respectively.

FY2006

The performance of the Target Company during the year 2005-2006 has shown improvement over the previous year due to expansion of its storage and production facilities. Gross turnover for the year ended 31st March, 2006 amounted to Rs.13,297.12 lacs as compared to Rs.8,400.09 lacs for last year registering growth of 58.30%. The profit before tax (after interest and depreciation) of Rs.904.81 lacs and the profit after tax of Rs.800.48 lacs for the financial year under review, as against Rs.780.77 lacs and Rs.651.07 lacs respectively for the previous financial year, improved by 15.89% and 22.95% respectively.

96. Pre and post Offer shareholding pattern of the Target Company as on date of the LOF is as follows:

Shareholders' category	Shareholding & voting rights prior to the agreement/ acquisition and offer as on October 20, 2008		Shares /voting rights agreed to be acquired which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer. i.e.	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%*	No.	%**	No.	%**	No.	%**
(1) Promoter Group								
(a) Parties to the SSPSA	1,74,30,292	54.47	(65,00,000)	(14.77)	NIL	-	1,09,30,292	24.84

Shareholders' category	Shareholding & voting rights prior to the agreement/ acquisition and offer as on October 20, 2008		Shares /voting rights agreed to be acquired which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer. i.e.	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C) = (D)**	
	No.	**%***	**No.**	**%****	**No.**	**%****	**No.**	**%****
(b) Promoters other than (a) above:	NIL	-	NIL	-	NIL	-	NIL	-
Total 1 (a+b)	**17,430,292**	**54.47**	**(65,00,000)**	**(14.77)**	**NIL**	**-**	**1,09,30,292**	**24.84**
(2) Acquirer & PACs@							-	
(a)Acquirer	-	-	1,85,00,000	42.05	88,00,000	20.00	2,73,00,000	62.05
(b)PACs	-	-	-	-	-	-	-	-
Total 2 (a+b)	**-**	**-**	**1,85,00,000**	**42.05**	**88,00,000**	**20.00**	**2,73,00,000**	**62.05**
(3) Parties to the SSPSA other than (1)(a) and (2) above	NIL	-	NIL	-	NIL	**-**	NIL	-
(4) Public (other than parties to the SSPSA, Acquirer & PACs) – Details summarized below								
(a) Financial Institutions/ Banks	NIL	-	NIL	-	NIL	**-**	NIL	-
(b) Mutual Funds/ UTI	NIL	-	NIL	-	NIL	-	NIL	-
(c) FIIs	NIL	-	NIL	-	NIL	-	NIL	-
(d) Venture Capital Funds	5,760	0.02					This will depend on response from and within each category of (4)	
(e) Others	1,45,63,948	45.51						
Total (4)	**1,45,69,708**	**45.53**	**NIL**	**-**	**NIL**	**-**	**57,69,708**	**13.11**
GRAND TOTAL (1+2+3+4)	**3,20,00,000**	**100.00**	**1,20,00,000**	**27.27**	**88,00,000**	**20.00**	**4,40,00,000**	**100.00**

* *Percentage calculated based on Current Share Capital.*

** *Percentage calculated based on Diluted Share Capital.*

@ *The Acquirer and PACs have not acquired any Shares since the date of the PA and up to the date of the Letter of Offer.*

As on October 17, 2008, there were 18,835 public shareholders holding 1,45,69,708 Shares of the Target Company.

Post Transaction, the current Promoters will continue to be named as promoters along with the Acquirer as their shareholding post Transaction will be 24.84% of the total share capital.

97. Change in the shareholding of the Promoters in the Target Company is as under:

Date	Number of shares acquired or allotted / (sold)	Details of Shares Issued	Cumulative Promoter Group Shareholding	Total Share Capital of Company	% Promoter Group Holding	% Change in Holding	Compliance Details
Before Listing			10,920,000	10,920,000	100.0000%		
17-Sep-04	517,916	Allotted during IPO	11,437,916	20,000,000	57.1896%		
20-Oct-04	(517,916)	Sold	10,920,000	20,000,000	54.6000%	-2.59%	
18-Nov-04	707	Purchase	10,920,707	20,000,000	54.6035%	0.00%	
18-Nov-04	(707)	Sold	10,920,000	20,000,000	54.6000%	0.00%	
30-Nov-04	289	Purchase	10,920,289	20,000,000	54.6014%	0.00%	
30-Nov-04	(289)	Sold	10,920,000	20,000,000	54.6000%	0.00%	
1-Dec-04	12,000	Purchase	10,932,000	20,000,000	54.6600%	0.06%	
17-Dec-04	16,000	Purchase	10,948,000	20,000,000	54.7400%	0.08%	
3-Jan-05	(26,000)	Sold	10,922,000	20,000,000	54.6100%	-0.13%	
4-Jan-05	(2,000)	Sold	10,920,000	20,000,000	54.6000%	-0.01%	
29-Mar-05	79,933	Purchased	10,999,933	20,000,000	54.9997%	0.40%	
13-Apr-05	(8,933)	Sold	10,991,000	20,000,000	54.9550%	-0.04%	
10-Jun-05	(51,000)	Sold	10,940,000	20,000,000	54.7000%	-0.25%	
17-Jun-05	(20,000)	Sold	10,920,000	20,000,000	54.6000%	-0.10%	
26-Oct-05	6,551,998	3:5 Bonus	17,471,998	32,000,000	54.6000%	0.00%	
9-Dec-05	(200,000)	Sold	17,271,998	32,000,000	53.9750%	-0.62%	
15-Dec-05	(950,000)	Sold	16,321,998	32,000,000	51.0062%	-2.97%	Filing made under Regulation 13(3) of SEBI (Prohibition of Insiders Trading) Regulations, 1992
20-Jan-06	(400,000)	Sold	15,921,998	32,000,000	49.7562%	-1.25%	
29-Mar-06	53,037	Purchased	15,975,035	32,000,000	49.9220%	0.17%	
7-Apr-06	214,229	Purchased	16,189,264	32,000,000	50.5915%	0.67%	
11-May-06	9,430	Purchased	16,198,694	32,000,000	50.6209%	0.03%	
19-May-06	109,956	Purchased	16,308,650	32,000,000	50.9645%	0.34%	
26-May-06	432,831	Purchased	16,741,481	32,000,000	52.3171%	1.35%	
2-Jun-06	193,518	Purchased	16,934,999	32,000,000	52.9219%	0.60%	Filing made under SEBI (Prohibition of Insiders Trading) Regulations, 1992 as individual shareholding of Rajendra Sah - HUF reached 14%
6-Jun-06	248,065	Purchased	17,183,064	32,000,000	53.6971%	0.78%	Intimation filed with stock exchanges for shares purchased by Chaitaili Shah
16-Jun-06	24,434	Purchased	17,207,498	32,000,000	53.7734%	0.08%	
21-Jul-06	74,686	Purchased	17,282,184	32,000,000	54.0068%	0.23%	
4-Aug-06	24,668	Purchased	17,306,852	32,000,000	54.0839%	0.08%	
20-Oct-06	(275,000)	Sold	17,031,852	32,000,000	53.2245%	-0.86%	
22-Dec-06	7,386	Purchased	17,039,238	32,000,000	53.2476%	0.02%	
30-Dec-06	33,168	Purchased	17,072,406	32,000,000	53.3513%	0.10%	
5-Jan-07	37,978	Purchased	17,110,384	32,000,000	53.4700%	0.12%	
12-Jan-07	1,736	Purchased	17,112,120	32,000,000	53.4754%	0.01%	
19-Jan-07	32,820	Purchased	17,144,940	32,000,000	53.5779%	0.10%	
25-Jan-07	38,691	Purchased	17,183,631	32,000,000	53.6988%	0.12%	
2-Feb-07	39,243	Purchased	17,222,874	32,000,000	53.8215%	0.12%	
23-Feb-07	22,678	Purchased	17,245,552	32,000,000	53.8924%	0.07%	
2-Mar-07	761	Purchased	17,246,313	32,000,000	53.8947%	0.00%	
9-Mar-07	14,679	Purchased	17,260,992	32,000,000	53.9406%	0.05%	
16-Mar-07	22,700	Purchased	17,283,692	32,000,000	54.0115%	0.07%	
6-Apr-07	1,500	Purchased	17,285,192	32,000,000	54.0162%	0.00%	
20-Jul-07	19,026	Purchased	17,304,218	32,000,000	54.0757%	0.06%	
27-Jul-07	7,185	Purchased	17,311,403	32,000,000	54.0981%	0.02%	
3-Aug-07	23,026	Purchased	17,334,429	32,000,000	54.1701%	0.07%	
24-Aug-07	6,572	Purchased	17,341,001	32,000,000	54.1906%	0.02%	
31-Aug-07	16,439	Purchased	17,357,440	32,000,000	54.2420%	0.05%	
14-Sep-07	72,852	Purchased	17,430,292	32,000,000	54.4697%	0.23%	

Details of non-compliance in the above are as follows:

i. For the transaction dated October 20, 2004, no filing was made under regulation 7 (1A) of the Regulations
ii. For the transaction dated December 15, 2005, filing was made under SEBI (Prohibition of Insiders Trading) Regulations, 1992. However, no filing was made under regulation 7 (1A) of the Regulations
iii. For the transaction dated June 2, 2006, filing was made under SEBI (Prohibition of Insiders Trading) Regulations, 1992. However, no filing was made under regulation 7 (1) of the Regulations

SEBI may initiate appropriate action with respect to the above non-compliances.

As certified by the Target Company, there have been no other purchases or sales by the promoters of the Target Company other than what has been disclosed above.

98. The Target Company has confirmed that it is in compliance with the Corporate Governance provisions of Clause 49 of the Listing Agreement with the Stock Exchanges.

99. The Target Company has duly complied with all the provisions of Corporate Governance and there is no material litigation pending against the Target Company except as disclosed below and provided for by the Target Company as part of contingent liabilities as disclosed in the Annual Report as on March 31, 2008, as below:

S. No.	Nature of Contingent Liability	2007-2008 (Rs.)
1	Guarantees given by banks	1,223,219
2	Estimated amount of contracts / capital commitments	5,887,877
3	Claims against the Target Company not acknowledged as debts:	
	a. Excise Matter	9,408,719
	b. Others	158,875

With regards to item no. 3 a, the Target Company has contested the same in appeal and the Target Company believes that the said claim is not sustainable

100. Compliance Officer

Mr D. Malla Reddy, Company Secretary, Address: 406/407, Embassy Centre, Nariman Point, Mumbai, 400 021, India. Phones: +91 22 66301911, +91 22 22873097 Fax: +91 22 22875751, Email:dmreddy@sahpetroleums.com

VI. Offer Price and Financial Arrangements

Justification of Offer Price

101. The Shares of the Target Company are listed on BSE and NSE.

102. The annualized trading turnover during the period April 2008 to September 2008, the six calendar months prior to October (the month in which PA was made), was as follows:

Name of the Stock Exchange(s)	Total number of Shares traded during the preceding 6 calendar months prior to the month of the PA	Total number of listed Shares	Annualised trading turnover (as % of total number of listed Shares)
BSE	5,610,417	32,000,000	35.07%
NSE	7,084,126	32,000,000	44.28%

Source: www.bseindia.com and www.nseindia.com

103. Based on the above information, the Shares of the Target Company are deemed to be frequently traded on both BSE and NSE as the annualized trading turnover based on the trading during six calendar months i.e. April 2008 to September 2008 is more than 5% of the total number of listed Shares in terms of Explanation (i) to regulation 20(5) of the Regulations. As the annualized trading turnover on NSE is 44.28% as compared to 35.07% on BSE of the total number of listed Shares, the Shares of the Target Company are deemed to be "most frequently traded" on NSE in terms of Explanation (i) to regulation 20(5) of the Regulations.

104. The details of closing prices and volume on NSE for the 26-week period prior to the date of the PA are as under:

Week Number	Week-ended	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Number of Shares)
1	25-Apr-08	16.00	15.75	15.88	2,07,569
2	2-May-08	15.75	15.40	15.58	86,846
3	9-May-08	18.85	15.30	17.08	11,58,924
4	16-May-08	19.05	17.30	18.18	6,19,141
5	23-May-08	22.30	19.35	20.83	19,78,986
6	30-May-08	18.65	16.85	17.75	7,60,258
7	6-Jun-08	16.70	16.15	16.43	2,86,945
8	13-Jun-08	16.05	15.35	15.70	1,81,763
9	20-Jun-08	16.10	15.05	15.58	1,28,753
10	27-Jun-08	14.55	13.75	14.15	1,73,242
11	4-Jul-08	13.70	13.00	13.35	1,32,488
12	11-Jul-08	14.60	13.95	14.28	87,302
13	18-Jul-08	14.05	13.40	13.73	97,360
14	25-Jul-08	14.40	13.70	14.05	91,372
15	1-Aug-08	15.50	14.45	14.98	1,91,315
16	8-Aug-08	15.85	15.25	15.55	1,33,071
17	14-Aug-08	15.50	14.80	15.15	67,097
18	22-Aug-08	14.95	14.40	14.68	60,535
19	29-Aug-08	14.55	14.15	14.35	49,178
20	5-Sep-08	14.50	14.35	14.43	42,881
21	12-Sep-08	14.55	14.15	14.35	40,915
22	19-Sep-08	14.10	13.00	13.55	84,358
23	26-Sep-08	13.35	12.55	12.95	72,644
24	3-Oct-08	12.15	11.85	12.00	59,879
25	10-Oct-08	9.90	9.25	9.58	1,49,626
26	17-Oct-08	12.10	10.30	11.20	1,93,055
			Average	**14.82**	

Source: www.nseindia.com

The Target Company announced a dividend of Rs.0.25 per Share on August 20, 2008 and the Shares of the Target Company started trading on an ex-dividend basis from September 24, 2008. Hence, in compliance with regulation 20 (11), cum-dividend quotations from August 20, 2008 to September 24, 2008 have been adjusted for the dividend amount of Rs. 0.25 per Share as under:

Period	Weeks Ending	Average (Rs.)	Adjusted Average (Rs.)	Number of Weeks
I	Thu, 14-Aug-08	15.78	16.03 (15.78 + 0.25)	17
II	Fri, 19-Sep-08	14.27	14.27	5
III	Fri, 17-Oct-08	11.43	11.68 (11.43 + 0.25)	4
	Weighted Average		**15.02**	
	Average Market Price		**14.77 (15.02 – 0.25)**	

Note: Price for weeks ending before August 14, 2008 and for the weeks falling between September 19, 2008 and October 17, 2008 has been adjusted for cum - dividend for Rs 0.25 per Share by adding Rs. 0.25 to average prices

The details of intra-day high and low prices and volume on NSE for the 2-week period prior to the date of the PA are as under:

Day Number	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Number of Shares)
1	6-Oct-08	12.00	9.50	10.75	53,292
2	7-Oct-08	10.75	9.50	10.13	37,982
3	8-Oct-08	10.00	8.05	9.03	18,384
4	10-Oct-08	9.80	8.00	8.90	39,968
5	13-Oct-08	11.00	9.70	10.35	54,724

Day Number	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Number of Shares)
6	14-Oct-08	12.85	10.00	11.43	31,886
7	15-Oct-08	12.50	10.95	11.73	25,337
8	16-Oct-08	11.00	10.15	10.58	19,925
9	17-Oct-08	12.40	11.00	11.85	61,183
			Average	**10.51**	

Source: www.nseindia.com

105. The Offer Price of Rs. 48.50 per Share is justified in terms of regulation 20 of the Regulations as it is the highest of:

a)	The average of the weekly high and low of the closing prices for Shares of the Target Company on NSE for the 26 weeks before the date of the PA	Rs. 14.77/- Share
b)	The average of the daily high and low of the Shares of the Target Company on NSE for the two week period before the date of the PA	Rs. 10.51/- Share
c)	The negotiated price	Rs. 48.50/ Share
d)	The highest price paid by the Acquirer or persons acting in concert with them for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the 26 weeks before the date of the PA	NA

106. While the Promoters have entered into a non-compete arrangement with the Acquirer, the consideration payable to them for acquisition of Shares is a composite consideration and no specific or additional consideration has been paid to the Promoters for the non-compete arrangement.

107. Based on the above, the Offer Price of Rs. 48.50/- is justified in terms of regulation 20 (11) of the Regulations.

108. The Offer Price shall not be less than the highest price paid by the Acquirer and persons acting in concert for any acquisition of Shares of the Target Company from the date of PA upto seven working days prior to the closure of the Offer. Further, no Shares shall be acquired during the last seven working days prior to the closure of the Offer, except those accepted in the Offer.

109. As per the Regulations, the Acquirer can revise the Offer Price upwards up to 7 working days prior to the closure of this Offer and the revision, if any, would be announced in the same newspapers where the PA has appeared and the revised price will be paid for all shares acquired pursuant to this Offer.

Financial Arrangements

110. The maximum consideration payable under this Offer, assuming full acceptance, is Rs.42,68,00,000 (Rupees Forty Two Crores and Sixty Eight Lacs only) ("Maximum Consideration").

111. The Acquirer being foreign entities, the funds for this Offer would be remitted from outside India. Ernst & Young (Address: Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia. Tel: +603 7495 8000; Fax: +603 2095 5332) ("Accountants"), have confirmed vide their certificate dated October 15, 2008 that the Acquirer has adequate financial resources available for meeting its obligations under the Regulations for a value up to the Maximum Consideration.

112. By way of security for performance of its obligations under the Regulations, the Acquirer has made an escrow arrangement for the Offer comprising of cash deposit of an amount of Rs.10,67,00,000 (Rupees Ten Crores and Sixty Seven Lacs Only) in cash, amounting to 25% of the Maximum Consideration. The Acquirer has made the cash deposit with Kotak Mahindra Bank Limited, Mittal Court Branch, Nariman Point, Mumbai - 400021. This has been confirmed vide a confirmation letter dated October 16, 2008 issued by Kotak Mahindra Bank Limited. The Manager to the Offer is empowered to realize the value of the cash deposit in terms of the Regulations.

For the balance amount of Maximum Consideration, draw down notices have been issued to the investors of Navis Asia Fund V against which funds have been received and credited to the bank account of the Acquirer on December 4, 2008. This has been confirmed by HSBC Bank (Mauritius) Limited, 6th Floor, HSBC Centre, 18, CyberCity, Ebene, Mauritius vide its letter dated December 4, 2008.

113. On the basis of the aforesaid financial arrangements and the Accountants' certificate, the Manager to the Offer confirms that adequate funds are available with the Acquirer through verifiable means to implement this Offer in full.

VII. Terms and Conditions of the Offer

114. The Letter of Offer together with the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal will be mailed to the shareholders of the Target Company whose names appear on the Register of Members of the Target Company and the beneficial owners of the shares of the Target Company whose names appear as beneficiaries on the records of the respective Depositories, on October 31, 2008, being the Specified Date, except to the Acquirer, PACs and Promoters. Accidental omission to dispatch 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.

115. The Acquirer will acquire the Shares, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

116. There are 40,00,015 locked in Shares of the Target Company held entirely by the Promoters and the same would not be tendered in the Offer or be transacted as a part of this Transaction. These Shares would remain locked in till April 30, 2009.

Eligibility for accepting the Offer

117. This Offer is being made to all shareholders / beneficial owners (registered or otherwise) of Shares of the Target Company, except the Acquirer, PACs and Promoters, who own the Shares any time prior to the closure of the Offer.

118. Subject to the terms and conditions of the Offer and receipt of necessary approvals, to the extent of the Offer Size, all the shares of the Target Company that are accepted pursuant to this Offer are proposed to be acquired by the Acquirer.

119. The Regulations provide for an upward revision of the Offer Price at any time up to seven working days prior to the closure of the Offer viz. up to December 31, 2008 and allows withdrawal of the Offer under certain circumstances. Any such revision / withdrawal would be informed by way of an announcement in the same newspapers where the PA appeared. In case of revision, the revised price will be payable by the Acquirer for all the shares that are validly accepted pursuant to the Offer.

120. Each Eligible Person of the Target Company to whom this Offer is being made is free to offer his shareholding in the Target Company in whole or in part while accepting this Offer. The acceptance must be unconditional and should be absolute and unqualified.

121. Eligible Persons who hold shares in **physical form** and who wish to tender their shares will be required to send the Form of Acceptance-cum-Acknowledgement, duly signed and completed in the manner specified therein together with all the necessary documents, as specified in Section VIII of this Letter of Offer entitled “Procedure for Acceptance and Settlement”, to the Registrar to the Offer at any of its collection centers, mentioned under paragraph 130 of this Letter of Offer, either by hand delivery during Business Hours or by registered post so that the same are received on or before the closing date i.e January 12, 2009.

122. In respect of **dematerialised shares** the credit for the shares tendered must be received in the Special Depository Account (as specified in paragraph 133) on or before 5 p.m. Indian Standard Time on January 12, 2009. If the Eligible Persons hold their shares through CDSL, their Depository Participant Instruction will have to take the form of an inter-depository delivery instruction to CDSL for the purpose of crediting their shares in favour of the Special Depository Account with NSDL as mentioned in paragraph 133 below.

123. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and/or Offer acceptance documents during transit and Eligible Persons are advised to adequately safeguard their interest in this regard. In case of any lacunae and/or defect or modifications in the documents/forms submitted, the acceptance is liable to be rejected.

124. **In case of non-receipt of this Letter of Offer**, the Eligible Persons may send their participation, to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, demat account number, client id, number of shares offered, along with the necessary documents (as mentioned in paragraph 132) so as to reach the Registrar to the Offer on or before the closure of the Offer.

125. The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgement constitute part of the terms of this Letter of Offer.

Statutory Approvals

126. This Offer is subject to the Acquirer's obtaining all necessary approvals including approvals from the RBI under FEMA, for the acquisition / transfer of the Shares tendered pursuant to this Offer. The Acquirer and the Target Company will make the requisite application to RBI to obtain its approval for the acquisition / transfer of Shares validly tendered pursuant to this Offer.

127. FDI up to 100% is allowed in the sector in which the Target Company operates. Hence, currently investment can be made through the automatic route and FIPB Approval is not required. The nature of business carried on by the Target Company and its structure does not require any government approvals to be obtained for the purpose of this Offer. As of the date of this Letter of Offer there are no other statutory approvals required to acquire the Shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event any statutory approval indicated herein is not obtained in terms of regulation 27 of the Regulations.

128. It may be noted that in case of non-receipt of statutory approvals within time, SEBI has a power to grant an extension of time to the Acquirer for payment of consideration to Shareholders subject to the Acquirer agreeing to pay interest for the delay, as directed by SEBI under regulation 22(12) of the Regulations. Further if the delay occurs due to willful default of the Acquirer in obtaining the requisite approvals, regulation 22 (13) of the Regulations will become applicable.

129. As per the loan agreements of the Target Company with various lenders, the following events require the consent of the banks and financial institutions as listed below

a. Axis Bank (working capital and LC facility) – any drastic change in management requires permission of the bank.
b. Dena Bank (working capital facility) – bank's prior consent in writing required to effect any change in the Target Company's capital structure as otherwise stipulated by the bank and make changes in board of directors.
c. ICICI Bank – prior written approval of the bank to amend or modify Target Company's charter documents.

The Target Company has applied for the above consents required from concerned banks and financial institutions.

As on the date of this Letter of Offer, consent from Axis Bank and Dena Bank has been obtained by the Target Company.

VIII. Procedure for Acceptance and Settlement

130. Eligible Persons, who wish to avail of and accept this Offer, should deliver the requisite documents mentioned below by Registered Post with acknowledgement due or in person or by courier so as to reach the Registrar to the Offer or the Registrar's Collection Centers at the addresses mentioned below before 4:30 pm Indian Standard Time on January 12, 2009. Eligible Persons are advised to ensure that the Form of Acceptance-cum-Acknowledgement and other documents are complete in all respects otherwise the same is liable to be rejected. In the case of dematerialized shares, Eligible Persons are advised to ensure that their shares are credited in favour of the Special Depository Account, before the close of the Offer i.e. by January 12, 2009. The Form of Acceptance-cum-Acknowledgment of such dematerialised shares not credited in favour of the Special Depository Account before the close of the Offer is liable to be rejected. The Form of Acceptance-cum-Acknowledgement along with all the relevant documents may be submitted at any of the collection centers below.

S.No	Collection Centre	Address of Collection Centre	Contact Person	Phone no	Fax	Mode of delivery	E-MAIL ID
1.	Ahmedabad	S-3/150, Shanti Apartment, Near Vardharan Tower, Shastri Nagar, Naranpura, Ahmedabad – 380 013	Mr. Alphesh D Sutar	+919227209715	0265-2337291	Hand Delivery	alpesh.suthar@tatatel.co.in
2.	Bangalore	Samarth Services, #74 Keshava Krupa Ist Floor, 30th Cross Jayanagar, 4th Block Bangalore – 560 011	Mr Umashanker	080-28918963/ +919845158104	080-41650974	Hand Delivery	umashankar_prabhakar@yahoo.co.in
3.	Baroda	45, Taskent Society, Near Dave Deep Shopping Complex, Nizampura, Baroda – 390 002	Mr Sanjay Sutar	0265-2775420/ +919825450718	0265-2337291	Hand Delivery	sanjaysuthar.47@rediffmail.com
4.	Chennai	C/o Skystock Financial, 7/A Laxman Nagar, East Main Road, Chennai – 600 082	Mr B. Srinivasan	044-26712611/ +919840109859	044-26712611	Hand Delivery	skystock_financial@yahoo.com

S.No	Collection Centre	Address of Collection Centre	Contact Person	Phone no	Fax	Mode of delivery	E-MAIL ID
5.	Hyderabad	1-8-155/A, Behind Autofin Showroom, above Sharavana Bhavan Hotel, P G Road ,Secunderabad – 500 003	Mr Sireesh Tarela	040-65648544/65908183/ 65428544/ +919246529673	040-27729082	Hand Delivery	prvssai123@yahoo.com
6.	Jaipur	M/s Maloo Finance & Invest Services, 103,110 First floor, Brij Anukampa , Opposite BSNL Office, Ashok Marg, C-Scheme, Jaipur – 302 001	Mr Ramesh Maloo	0141-2360571/5068824	0141-2360572	Hand Delivery	kamalkmaloo2002@yahoo.com
7.	Kolkata	C/o Skystock Financial, 161 Rabindra Saroni, Omkar Market, Near Canara Bank, Kolkata - 700 007	Mr Simraj	033-32930032/ 22739872/ +919322206719	033-32445589	Hand Delivery	latokolkata7@yahoo.com
8.	Mumbai	Satam Estate 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala Andheri (East), Mumbai - 400 099	Mr Ganesh Rane	022-67720300/67720400/ 67720422	022-28508927	Hand Delivery/ Post	-
9.	New Delhi	C/o Sterling Services, F-63 Ist Floor, Bhagat Singh Market, Near Gol Market, New Delhi - 110 001	Mr Sridhar	011-65058126/ +919810095391	011-23341292	Hand Delivery	sterlingservices20022002@yahoo.com
10.	Pune	3 Chintamani Apartments, Lane No. 13 Off V G Kale Path, 824/D Bhandarkar Road, Pune - 411 004	Mr Milind Saraf	020-25662855	020-25662855	Hand Delivery	-
11.	Surat	2nd Garden View, Near Raymonds Showroom, Opposite Rangupvan, Makkaipul, Surat	Mr. Akhil Saiyed	0261 2472324/ +919825171771	0261-2352742	Hand Delivery	akil.saiyed@yahoo.com

Working Hours: Monday to Friday 10:30 a.m. – 4:30 p.m. Saturday: 10:30 a.m. – 1:30 p.m. Holidays: Sunday & Bank Holidays

NO SHARES OR DOCUMENTS SHOULD BE SENT DIRECTLY TO THE ACQUIRER / PACs / TARGET COMPANY / MANAGER TO THE OFFER

131. Applicants who cannot hand deliver their documents at the collection centers referred to above, may send the same by registered post or by courier, at their own risk and cost, to the Registrar to the Offer at its address Satam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099; Ph.No. +91-22- 67720300, 67720400; Fax No. +91-22- 28591568

132. In case of non-receipt of the Letter of Offer, acceptance of Offer by unregistered Shareholders, owners of Shares who have sent the Shares for transfer, the Eligible Persons may obtain a copy of the Letter of Offer from the SEBI website www.sebi.gov.in, or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the Shares. Alternatively those desirous of tendering their Shares to the Acquirer may participate in the Offer as follows:

    (a) In case Shares are held in the dematerialized form
    by sending their consent in writing on a plain paper to the Registrar to the Offer, such that it is received by the Registrar to the Offer before 4:30 p.m. Indian Standard Time on January 12, 2009, stating the name, address, no. of shares held, no. of shares offered, DP name, DP ID, beneficiary account number along with a photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the DP, in favour of "Sharepro Services – Escrow A/C – Sah Petroleums Open Offer" filled as specified in paragraph 133.

    (b) In case of shares held in the physical mode
    the name, address, no. of shares held, no. of shares offered, distinctive nos., folio no., the original contract note issued by a registered share broker of a recognized stock exchange through whom such shares were acquired, along with the original share certificate(s) and transfer deed(s) duly signed (as specified in paragraph 124, as applicable, above), either by hand delivery or by Registered Post or by courier such that these are received by the Registrar to the Offer before 4:30 p.m. Indian Standard Time on January 12, 2009.

133. Documents to be delivered by all Eligible Persons are as follows:

    (a) For Shares held in the DEMATERIALIZED FORM
        (i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Shares, as per the records of the Depository Participant ("DP").

(ii) Photocopy of the Delivery Instruction in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP. The details of the special depository account ("Special Depositary Account") are as follows:

Depository Name	National Securities Depository Limited
DP Name	Kotak Mahindra Bank Limited
DP ID Number	IN303173
Beneficiary Account Name	Sharepro Services – Escrow A/C – Sah Petroleums Open Offer
Beneficiary Account Number	20000862
ISIN	INE586G01017
Market	Off-Market
Execution Date	On or before January 12, 2009

Please note the following:

(i) For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

(ii) The Registrar to the Offer is not bound to accept those acceptances for which corresponding Shares have not been credited to the above special account or for Shares that are credited in the above Special Depository Account but the corresponding Form of Acceptance-cum-Acknowledgement has not been received as on the date of closure of the Offer.

(b) In case of shares held in the PHYSICAL MODE by REGISTERED SHAREHOLDERS:

(i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all Shareholders. In case of shares held in joint names, names should be filled up in the same order in which they hold shares in the Target Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer;

(ii) Original equity share certificate(s); and

(iii) Valid equity share transfer form(s) duly signed by transferor (by all Shareholders in case the shares are in joint names) as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place(s).

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED

(c) In case of shares held in the PHYSICAL MODE by PERSONS NOT REGISTERED AS SHAREHOLDERS:

(i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein;

(ii) Original equity share certificate(s) accompanied by valid share transfer forms as received from the market, wherein the name of the transferee has not been filled in; and

(iii) Original broker contract note of a registered broker of a recognized stock exchange in relation to the purchase of the shares being tendered in this case.

(iv) In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company / its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/ its transfer agents, of the share certificate(s) and the transfer deed(s).

(v) No indemnity is required from persons not registered as Shareholders.

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED.

134. Non-resident Shareholders should, in addition to the above, enclose copy(ies) of permission(s), received from RBI or any other regulatory authority to acquire shares held by them in the Target Company.

135. Shareholders who have sent their physical shares for dematerialization may participate in the Offer by submitting the Form of Acceptance-cum-Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Depository Participant. Shareholders who have sent their physical shares for dematerialization need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the Special Depository Account duly instructed by the shareholder should be received on or before the close of the Offer (i.e. January 12, 2009), else the application will be rejected.

136. All Shareholders should provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

- Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorisations (including board and/or general meeting resolutions).

137. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the duly certified directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. This Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

138. In case the number of Shares validly tendered in the Offer by the Shareholders are more than the Shares to be acquired under the Offer, the acquisition of Shares from each shareholder will be, as per the provisions of regulation 21(6) of the Regulations, on a proportional basis in such a way that the acquisition from any shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. As the Shares trade in the compulsory dematerialized settlement segment of BSE and NSE, the minimum marketable lot for the Shares is 1 (one).

139. Subject to the statutory approvals, the Acquirer intends to complete all formalities, including the payment of consideration within a period of 15 days from the closure of the Offer, (i.e. January 27, 2009) and for the purpose open a special account as provided under regulation 29, provided that where the Acquirer is unable to make the payment to the Shareholders who have accepted the Offer before the said period of 15 days due to non-receipt of requisite statutory approvals, SEBI may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days, as may be specified by SEBI from time to time.

140. The unaccepted share certificates, transfer forms and other documents, if any, would be returned by registered post at the Shareholders' sole risk. Shares, to the extent unaccepted, held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per details furnished in the Form of Acceptance-cum-Acknowledgement.

141. The Registrar to the Offer will hold in trust the share certificates, credit of dematerialized Shares, Form of Acceptance-cum-Acknowledgement duly filled in and the transfer deed(s) on behalf of the Shareholders who have accepted the Offer, till such time as the Acquirer completes the obligations under the Offer.

142. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of the closure of the Offer, in terms of regulation 22(5A) of the Regulations.

143. The withdrawal option can only be exercised by submitting the Form of Withdrawal as per the instructions below so as to reach the Registrar to the Offer at its address Satam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099; Ph.No. +91-22- 67720300, 67720400; Fax No. +91-22-28591568 on or before three working days prior to the date of closure of the Offer either by hand delivery or by registered post by 5 P.M. on January 6, 2009. **Please note that the Withdrawal Forms will not be accepted at other Collection Centres.**

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

    a. Incase of physical Shares: Name and address of the shareholder, distinctive numbers, folio numbers, number of Shares tendered/withdrawn;

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

145. No tax will be deducted at source on payment made to resident share holders as per the prevailing laws.

146. As per the provisions of Section 195(1) of the IT Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge). Since the Offer consideration would be chargeable to capital gains under the IT Act, the Acquirer will need to deduct tax at source (including surcharge) at the applicable capital gains tax rate on the gross consideration payable to the following categories of Shareholders, as given below:

- Non-resident Indians: The Acquirer will deduct tax at source (including surcharge) at the applicable rates on the Offer Price of Rs 48.50 per Share.

- Non-domestic companies: The Acquirer will deduct tax at source (including surcharge) at the applicable rates on the Offer Price of Rs 48.50 per Share.

147. FIIs enjoy exemption from tax deduction at source on capital gains under Section 196D(2) of the IT Act and hence no tax shall be deducted on amount payable to FIIs subject to receipt of an undertaking from them stating their residential status and that it does not have a permanent establishment in India and the amount received by them as a part of the Offer constitutes capital gains and does not constitute business income for them and that similar gains have been taxed as capital gains by the tax authorities in India in the past.

148. For the purpose of determining as to whether the capital gains are short-term or long-term in nature:

- In the case of physical Shares registered with the Target Company, the date of registration of the Shares with the Target Company shall be taken as the date of acquisition.
- In the case of physical Shares not registered with the Target Company, the capital gain shall be assumed to be short-term in nature.
- In the case of dematerialized Shares, the date of credit of the Shares to the Shareholders' demat account shall be taken as the date of acquisition.
- In case of any ambiguity, incomplete or conflicting information or the information not being available with the Target Company regarding the same, the capital gain shall be assumed to be short-term in nature.

149. In the event the aforementioned categories of Shareholders require non-deduction of tax or deduction of tax at a lower rate or on a lower amount, they would need to obtain an order from the Income Tax authorities under Section 195(3) or Section 197 of the IT Act, and submit the same while submitting the Form. On failure to produce such certificate from the Income Tax authorities, tax will be deducted as aforesaid, and a certificate in the prescribed form shall be issued to that effect.

150. All Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

151. The payment of consideration for accepted applications will be made by the Acquirer in cash through Electronic Clearing Services ("ECS") (subject to availability of all information for crediting the funds), account payee cheques, drafts, warrants, etc. sent by Registered Post for amounts exceeding Rs. 1,500 and otherwise by UCP in accordance with the Regulations, and the same will be drawn in the name of the first named person in case of joint Shareholders.

In order to avail the ECS facility, Eligible Persons holding Shares in physical mode are requested to submit the enclosed ECS mandate form duly filled in and signed while submitting the Form if the same has not been submitted earlier to the Company/Registrar & Share Transfer Agents. Eligible Persons holding shares in dematerialised mode are requested to instruct their respective depository participant regarding bank accounts in which they wish to receive the consideration before the close of the Offer. The Company/ Registrar & Share Transfer Agents will not act on any direct request received from Eligible Persons holding Shares in dematerialised form for change/deletion of such bank details.

IX. Documents for Inspection

Copies of the following documents will be available for inspection at the office of the Manager to the Offer at 3rd floor, Bakhtawar, 229 Nariman Point, Mumbai 400 021 on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 am to 1:00 pm from the date of opening of the Offer up to the closure of this Offer.

- Certificate of Incorporation, Charter Documents of the Acquirer
- Memorandum and Articles of Association of the Target Company
- Audited Results of the Target Company for the Year ended March 31, 2008, Year ended March 31, 2007, and Year ended March 31, 2006
- Limited Review Certificate of M/s N.D. Daga & Co. certifying the financials of the Target Company for the period April 1 2008 to June 30 2008
- Certificate from Ernst & Young, dated October 15, 2008, certifying the adequacy of financial resources with Acquirer to fulfill the Offer obligations
- Letter from Kotak Mahindra Bank, dated October 16, 2008, confirming the amount kept in the escrow account and a lien in favour of Kotak Mahindra Capital Company.
- Letter from HSBC bank dated December 4, 2008, confirming credit of funds to the bank account of the Acquirer
- Escrow Agreement
- Copy of the SSPSA
- Published copy of the Public Announcement dated October 20, 2008 and corrigendum public announcement dated December 15, 2008
- Copies of the applications made to RBI and the approval from RBI, in case the approval from RBI is received prior to the Offer Closing Date
- Copy of the agreement between the Acquirer and the Depository Participant for opening the Depository Escrow Account for the purpose of the Offer
- SEBI's observation letter dated December 8, 2008

X. Declaration by the Acquirer

The Boards of Directors of the Acquirer and the PACs accept full responsibility for the information contained in this Letter of Offer and shall be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations.

Signed by

For the Board of Directors of NAF India Holdings Ltd

Sd/-

Authorised Signatory
Name : Srikala Janarhanan
Designation : Director
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For the Board of Directors of Navis Lube Holdings Pvt. Ltd
Sd/-

Authorised Signatory
Name : Srikala Janarhanan
Designation : Director
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For Navis Asia Fund V, L.P.

Sd/-

Authorised Signatory
Name : Rodney C. Muse
Designation : Director of the General Partner
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For Navis Asia Fund V-(2) L.P.

Sd/-

Authorised Signatory
Name : Rodney C. Muse
Designation : Director of the General Partner
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For Navis Asia Fund V – E LP

Sd/-
Authorised Signatory
Name : Rodney C. Muse
Designation : Director of the General Partner
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For Navis Asia Fund V-G.P. L.P.
Sd/-

Authorised Signatory
Name : Rodney C. Muse
Designation : Director of the General Partner
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

For the Board of Directors of Navis Asia Fund V-G.P. Limited

Sd/-

Authorised Signatory
Name : Rodney C. Muse
Designation : Director
Date : December 12, 2008
Place : Kuala Lumpur, Malaysia

FORM OF WITHDRAWAL

Sah Petroleums Limited Open Offer

OFFER OPENS ON	WEDNESDAY, DECEMBER 24, 2008
LAST DATE OF WITHDRAWAL	TUESDAY, JANUARY 6, 2009
OFFER CLOSES ON	MONDAY, JANUARY 12, 2009

From

Folio No./DP ID No./Client ID No.:

To,
The Acquirer:
NAF India Holdings Ltd – Sah Petroleums Limited Open Offer
C/ o Sharepro Services (India) Private Limited
Satam Estate, 3rd Floor, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai - 400 099;
Ph.No. +91-22- 67720300, 67720400;
Fax No. +91-22- 28591568

Dear Sir,

Sub: Open Offer to acquire 8,800,000 equity shares representing 20% of the Diluted Share Capital of Sah Petroleums Limited by NAF India Holdings Ltd ("NAF India") ("Acquirer") along with persons acting in concert (at a price of Rs. 48.50/- per fully paid up equity share)

I/We refer to the Public Announcement dated October 20, 2008, the Corrigendum Public Announcement dated December 15, 2008 and the Letter of Offer for acquiring the equity shares held by me/us in Sah Petroleums Limited. I / We, the undersigned have read the aforementioned Public Announcement and the Letter of Offer and understood their contents including the terms and conditions as mentioned therein.

I / We hereby consent unconditionally and irrevocably to withdraw my / our Shares from the Offer and I / we further authorize the Acquirer to return to me / us, the tendered Share Certificate(s) / Share(s) at my / our sole risk.

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

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. January 6, 2009.

I / We note the Acquirer / Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay / loss in transit of the Shares held in physical form and also for the non-receipt of Shares held in the dematerialized form in the DP account due to inaccurate / incomplete particulars/ instructions.

I / We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) / Shares in dematerialized form only on completion of verification of the documents, signatures and beneficiary position as available with the depositories from time to time.

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

S. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No of Shares
			From	To	
1					
2					
3					
4					
5					
(In case the space provided is inadequate, please attach a separate sheet with details.)				**Total No. of Equity Shares**	

TEAR HERE

— — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

ACKNOWLEDGEMENT RECEIPT

Sah Petroleums Limited Open Offer

Received from Mr./Ms. ______________________ residing at ______________________

a Form of Withdrawal for ________ Shares along with:

☐ copy of depository instruction slip from DP ID __________ Client ID __________

☐ copy of acknowledgement slip issued when depositing dematerialized Shares

☐ copy of acknowledgement slip issued when depositing physical Shares for withdrawing from the Offer made by the Acquirer.

Stamp of Collection Centre:	Signature of Official:	Date of Receipt:

I / We hold the following Shares in dematerialized form and had executed an off-market transaction for crediting the Shares to the "Sharepro Services – Escrow A/C – Sah Petroleums Open Offer". Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our Shares have been tendered are as follows:

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

I / We note that the Shares will be credited back only to that depository account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

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

In case of dematerialized Shares, I / we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,

Signed and Delivered

	Full Name(s) of the Shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

Place:

Date:

(1) **All queries** pertaining to this Offer may be directed to the Registrar to the Offer.

(2) **In case of Shares held in joint names,** names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold Shares in the Target Company, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Counter Offer.

(3) **In case where the signature is subscribed by thumb impression,** the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(4) **In case of bodies corporate,** certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of Shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(5) **All the Shareholders** should provide all relevant documents which are necessary to ensure transferability of the Shares in respect of which the withdrawal is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

(b) Duly attested power of attorney if any person apart from the shareholder has signed withdrawal form or transfer deed(s).

— — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

Note: All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address:

The Acquirer:
NAF India Holdings Ltd -
Sah Petroleums Limited Open Offer
C/o. Sharepro Services (India) Private Limited
Satam Estate, 3rd Floor,
Cardinal Gracious Road,
Chakala, Andheri (E),
Mumbai - 400 099;
Ph. No. +91-22- 67720300, 67720400;
Fax No. +91-22- 28591568

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Sah Petroleums Limited Open Offer

OFFER OPEN ON	WEDNESDAY, DECEMBER 24, 2008
OFFER CLOSES ON	MONDAY, JANUARY 12, 2009

From

Folio No./DP ID No./Client ID No.:

To,

The Acquirer:

NAF India Holdings Ltd - Sah Petroleums Limited Open Offer
C/o. Sharepro Services (India) Private Limited
Satam Estate, 3rd Floor, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai - 400 099;
Ph. No. +91-22- 67720300, 67720400;
Fax No. +91-22- 28591568

Dear Sir,

Sub: Open Offer to acquire 8,800,000 equity shares representing 20% of the Diluted Share Capital of Sah Petroleums Limited by NAF India Holdings Ltd ("NAF India") ("Acquirer") along with persons acting in concert (at a price of Rs. 48.50/- per fully paid up equity share)

I/We refer to the Public Announcement dated October 20, 2008, the Corrigendum Public Announcement dated December 15, 2008 and the Letter of Offer for acquiring the equity shares held by me/us in Sah Petroleums Limited. I/We, the undersigned, have read the Public Announcement and Letter of Offer and understood their contents including the terms and conditions mentioned therein.

☐ **SHARES IN DEMATERIALIZED FORM**

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

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

/We have executed an off-market transaction for crediting the Shares to the special depository account as per the details below

☐ via a delivery instruction from my account with NSDL

☐ via an inter-depository delivery instruction from my account with CDSL

TEAR HERE

Depository Name	National Securities Depository Limited
DP Name	Kotak Mahindra Bank Limited
DP ID Number	IN303173
Beneficiary Account Name	Sharepro Services – Escrow A/C – Sah Petroleums Open Offer
Beneficiary Account Number	20000862
ISIN	INE586G01017
Market	Off-Market
Execution date	On or before January 12, 2009

Shareholders should ensure that the Shares are credited in the aforementioned account before the close of business hours on January 12, 2009.

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

☐ **SHARES IN PHYSICAL FORM**

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

S. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No of Shares
			From	To	
1					
2					
3					
4					
5					
(In case the space provided is inadequate, please attach a separate sheet with details.)				**Total No. of Equity Shares**	

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

Foreign Institutional Investors enjoy exemption from tax deduction at source on capital gains under Section 196D(2) of the Income-tax Act, 1961 and hence no tax shall be deducted on amount payable to FIIs subject to receipt of an undertaking from them stating their residential status and that it does not have a permanent establishment in India, the amount received by them as a part of the Offer constitutes capital gains and does not constitute business income for them and that similar gains have been taxed as capital gains by the tax authorities in India in the past.

FIIs to confirm if the above is true ☐ Yes ☐ No

I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ RBI approvals for acquiring Shares of Sah Petroleums Limited hereby tendered in the Offer.

☐ Others please specify _______________

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

I/We authorize the Acquirer to accept the Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, share certificate(s)/Shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UCP as may be applicable at my/our risk, the draft/cheque/warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below. In case I have tendered my Shares in dematerialized form, I authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to use my details regarding my address and bank account details as obtained from my depository participant for the purpose of mailing the aforementioned instruments.

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

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For Shares that are tendered in demat form, the Bank account as obtained from the beneficiary position download to be provided by the depositories will be considered and the warrants will be issued with the said Bank particulars, and not any details provided herein.

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

Yours faithfully,

Signed and Delivered

	Full Name(s) of the Shareholders	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

Place:

Date:

The details of the collection centres are as follows:

S. No	Collection Centre	Address of Collection Centre	Contact Person	Phone no	Fax	Mode of delivery	E-MAIL ID
1.	Ahmedabad	S-3/150, Shanti Apartment, Near Vardharan Tower, Shastri Nagar, Naranpura, Ahmedabad – 380 013	Mr. Alphesh D Sutar	+919227209715	0265-2337291	Hand Delivery	alpesh.suthar@tatatel.co.in
2.	Bangalore	Samarth Services, #74 Keshava Krupa Ist Floor, 30th Cross Jayanagar, 4th Block Bangalore – 560 011	Mr Umashanker	080-28918963/ +919845158104	080-41650974	Hand Delivery	umashankar_prabhakar@yahoo.co.in
3.	Baroda	45, Taskent Society, Near Dave Deep, Shopping Complex, Nizampura, Baroda – 390 002	Mr Sanjay Sutar	0265-2775420/ +919825450718	0265-2337291	Hand Delivery	sanjaysuthar.47@rediffmail.com
4.	Chennai	C/o Skystock Financial, 7/A Laxman Nagar, East Main Road, Chennai – 600 082	Mr B. Srinivasan	044-26712611/ +919840109859	044-26712611	Hand Delivery	skystock_financial@yahoo.com
5.	Hyderabad	1-8-155/A, Behind Autofin Showroom, above Sharavana Bhavan Hotel, P G Road, Secunderabad – 500 003	Mr Sireesh Tarela	040-65648544/ 65908183/ 65428544/ +919246529673	040-27729082	Hand Delivery	prvssai123@yahoo.com
6.	Jaipur	M/S Maloo Finance & Invest Services, 103,110 First floor, Brij Anukampa , Opposite BSNL Office, Ashok Marg, C-Scheme, Jaipur – 302 001	Mr Ramesh Maloo	0141- 2360571/ 5068824	0141-2360572	Hand Delivery	kamalkmaloo2002@yahoo.com
7.	Kolkata	C/o Skystock Financial, 161 Rabindra Saroni, Omkar Market, Near Canara Bank, Calcutta - 700 007	Mr Simraj	033-32930032/ 22739872/ +919322206719	033-32445589	Hand Delivery	latokolkata7@yahoo.com
8.	Mumbai	Satam Estate 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala Andheri (East), Mumbai – 400 099	Mr Ganesh Rane	022-67720300/ 67720400/ 67720422	022-28508927	Hand Delivery/ Post	—
9.	New Delhi	C/o Sterling Services, F-63 Ist Floor, Bhagat Singh Market, Near Gol Market, New Delhi – 110 001	Mr Sridhar	011-65058126/ +919810095391	011-23341292	Hand Delivery	sterlingservices20022002 @yahoo.com
10.	Pune	3 Chintamani Apartments, Lane No. 13 Off V G Kale Path, 824/D Bhandarkar Road, Pune – 411 004	Mr Milind Saraf	020-25662855	020-25662855	Hand Delivery	—
11.	Surat	2nd Garden View, Near Raymonds Showroom, Opposite Rangupvan, Makkaipul, Surat	Mr. Akhil Saiyed	0261 2472324/ +919825171771	0261-2352742	Hand Delivery	akil.saiyed@yahoo.com

Working hours for the above collection centres: 10:30 a.m. to 4:30 p.m. from Monday to Friday and 10:30 a.m. to 1:30 p.m. on Saturday, Holidays: Sunday & Bank holidays

— — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

ACKNOWLEDGEMENT RECEIPT
Sah Petroleums Limited Open Offer

Received from Mr./Ms. ______________________________________ a Form of Acceptance cum Acknowledgement for ________ Shares along with:

☐ copy of depository instruction slip from DP ID ___________ Client ID _____________

☐ ___________ Share certificate(s) ______________ transfer deed(s) under folio number(s) ____________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre:	Signature of Official:	Date of Receipt:

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

(1) **All queries** pertaining to this Offer may be directed to the Registrar to the Offer.

(2) **Shareholders holding registered physical Shares** should submit the Form duly completed and signed in accordance, by the holders of the Shares, along with the original equity share certificate(s) and valid equity share transfer form(s) duly signed as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. Please do not fill in any other details in the transfer deed.

(3) **Shareholders holding Shares in dematerialised form** should submit the Form duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Shares, as per the records of the Depository Participant ("DP").

(4) **In case of shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold Shares in the Target Company, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(5) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(6) **Persons who own physical Shares (as on the Specified Date or otherwise) but are not the registered holders** of such Shares and who desire to accept the Offer, will have to communicate their acceptance in writing to the Registrar to the Offer together with the original contract note issued by the broker, the share certificate(s), the transfer deed(s) with the buyers details not filled in and other relevant documents. In case the share certificate(s) and transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the Form shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/its transfer agents, of the share certificate(s) and transfer deed(s). Persons under this clause should submit their acceptance and necessary documents by registered post or in person to the Registrar at their offices as mentioned above.

The sole/first holder may also mention particulars relating to savings/current account number and the name of the bank and branch with whom such account is held in the respective spaces allotted in the Form, to enable the Registrar to print the said details in the cheques after the name of the payee.

In order to avail Electronic Clearing Service ("ECS") for receipt of consideration, the attached ECS mandate form needs to be duly filled in and signed by the Sole/First Shareholder and submitted with the Form before the closure of the Offer.

(7) **Non-resident Shareholders** should enclose copy(ies) of permission received from Reserve Bank of India to acquire Shares held by them in the Target Company.

(8) **Non-resident Shareholders** are advised to refer to the clause on taxation in Section VIII of the Letter of Offer regarding important disclosures regarding the taxation of the consideration to be received by them.

(9) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of Shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(10) **All the Shareholders** should provide all relevant documents which are necessary to ensure transferability of the Shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

(b) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

(c) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).

(d) No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

— — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — —

Note: All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address:

The Acquirer:
NAF India Holdings Ltd -
Sah Petroleums Limited Open Offer
C/o. Sharepro Services (India) Private Limited
Satam Estate, 3rd Floor,
Cardinal Gracious Road,
Chakala, Andheri (E),
Mumbai - 400 099;
Ph. No. +91-22- 67720300, 67720400;
Fax No. +91-22- 28591568

TEAR HERE

MANDATE FORM

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

NAF India Holdings Ltd
608 St. James Court,
St Denis Street, Port Louis,
Mauritius.

Dear Sirs:

I am pleased to participate in the Electronic Clearing Services (ECS) introduced by Reserve Bank of India (RBI). The particulars of my Bank Account to which the payment of Offer consideration may be electronically credited are as follows:

1. Name of Sole/First Holder of shares ______________________________
2. Folio No. ______________________________
3. Name of the Bank ______________________________
4. Branch address of Bank to which consideration Amount to be credited ______________________________
   ____
   ____
5. 9-digit Code Number of the Bank and Branch appearing on the MICR cheque issued by your Bank. This is mentioned on the MICR band next to the cheque number.

   (Please attach blank "cancelled" cheque or a Xerox copy thereof).
6. Account Type (tick one) ☐ Savings ☐ Current ☐ Cash Credit
7. Ledger Folio of your Bank Account (If any, appearing on your cheque book) ______________________________
8. Account No. (as appearing on your cheque book) ______________________________

I hereby declare that the particulars given above are correct and complete. If the payment of Offer consideration is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Acquirer responsible.

Date:

____
Signature of Sole/First Holder

In case the shareholder is not in a position to give blank "cancelled" cheque or a Xerox copy thereof, a certificate of the shareholder's Bank may be furnished as under:

Certificate of the Shareholder's Bank

(To be submitted only if blank "cancelled" cheque or a Xerox copy thereof is not enclosed)

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp:

Date:

____
Signature of the Authorised Official of the Bank