LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as equity shareholder(s) of Shivaji Securities Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have sold your equity shares in Shivaji Securities Limited, please hand over this Letter of Offer, and the accompanying Form of Acceptance cum Acknowledgment, Transfer Deed and Form of Withdrawal to the Member of Stock Exchange through whom the said sale was effected.

M/S. IAQUAVIT CONSULTING PVT. LTD. (the "ACQUIRER" or "ICPL")

Registered Office: IndiaCo iCenter, 214, Navi Peth, LB Shastri Marg, Pune – 411 030 Tel No: (020) 24021357, Fax. (020) 24334978

MAKES A CASH OFFER AT A PRICE OF RS. 28/- (RUPEES TWENTY EIGHT ONLY) PER EQUITY SHARE

(Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto) **TO ACQUIRE** from existing shareholders upto 3,00,000 fully paid up equity Shares of Rs.10/- each representing 20% of the total voting capital as well as the existing total outstanding equity share capital of

SHIVAJI SECURITIES LIMITED (the "TARGET COMPANY" or "SSL")

Registered Office: 43-C Mittal Towers, Nariman Point, Mumbai – 400 021, Tel No: (022) 22873636 Fax : (022) 22020065

Note:

- This Offer is being made pursuant to regulations 10 , 12 and other applicable provisions of the SEBI Takeover Code.
- The Offer is subject to receipt of the permission from RBI under FEMA to acquire Equity Shares tendered by Non Resident persons under the offer. Please refer to part 7.12 of the Letter of Offer for details.
- If the aggregate of the valid response exceeds 3,00,000 equity shares, then the Acquirer shall accept shares equal to 3,00,000 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.
- **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto Thursday May 25, 2006, three working days prior to the date of closure of offer.**
- If there is any upward revision / withdrawal of the Offer, the public announcement for the same would be made in the same newspapers where the original public announcement has appeared. The last date for such upward revision, if any, is Friday, May 19, 2006 . The Acquirer shall pay the same price for all the equity shares tendered in the Offer.
- **Equity shareholders may note that if there is a competitive bid:**
  - **The public offers under all the subsisting bids shall close on the same date.**
  - **As the Offer Price cannot be revised during seven working days prior to the date of closing of offer / 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 offer / bid and tender their acceptance accordingly.**
- **There has been no Competitive bid as on date.**
- The procedure for acceptance is set out in Part 8 of this Letter of Offer. A Form of Acceptance cum Acknowledgement, Form of Withdrawal and instrument of transfer are enclosed with this Letter of Offer.
- A Copy of the Public Announcement, Corrigendum to Public Announcement and this Letter of Offer including the Form of Acceptance cum Acknowledgement and Form of Withdrawal would also be available on SEBI's website www.sebi.gov.in

	Manager to the Offer		Registrar to the Offer
Inga	**Inga Advisors Private Limited** A- 404, Neelam Centre Hind Cycle Road, Worli Mumbai 400 030. Tel: (022) 2498 2919 Fax: (022) 2498 2956 Email : venky@ingaadvisors.com SEBI Regn.: MB/INM000010924 Contact Person : Mr. S.Venkatesh	MCPL	**Mondkar Computers Pvt. Ltd.** 21,Shakil Niwas, Mahakali Caves Road, Opp. Satya Saibaba temple, Andheri (E), Mumbai – 400 093. Tel : (022) 2826 2920 Fax : (022) 28369704 Email: mondkar_computers@rediffmail.com SEBI Regn.: INR000000114 Contact Person : Mr. Devanand Dalvi

OFFER OPENS ON: Thursday, May 11, 2006	OFFER CLOSES ON: Tuesday, May 30, 2006

Activity	Original Schedule	Revised Schedule
Public Announcement Date (PA)	Monday, December 19, 2005	Monday, December 19, 2005
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Monday, January 02, 2006	Monday, January 02,2006
Last date for a Competitive Bid	Monday, January 09, 2006	Monday, January 09,2006
Date by which Letter of Offer will be posted to shareholders	Saturday, January 28, 2006	Saturday, May 06, 2006
Date of Opening of the Offer	Saturday, February 11, 2006	Thursday, May 11, 2006
Last date for revising the Offer Price / No. of Equity Shares	Tuesday, February 21, 2006	Friday, May 19, 2006
Last date of withdrawal of tendered application by the shareholders of SSL	Monday, February 27, 2006	Thursday, May 25, 2006
Date of Closing of Offer	Thursday, March 02, 2006	Tuesday, May 30, 2006
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and / or the unaccepted Equity Shares / Share Certificate(s) will be dispatched / credited	Friday, March 17, 2006	Wednesday, June 14, 2006

Risk Factors

Given below are the risks related to the transaction, the proposed offer and the risks involved in getting associated with the Acquirer

1) Transfer of equity shares received from NRI shareholders under the offer is subject to receipt of RBI approval for the same.

2) In the event that either (a) a regulatory approval is 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 of SSL whose equity shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI Takeover Code, SEBI may, if satisfied that the non receipt of approvals was not due to any wilful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. Thursday, May 25, 2006, 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 by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed

3) The Acquirer makes no assurance with respect to the financial performance of Shivaji Securities Limited. The Acquirer makes no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in Shivaji Securities Limited.

4) The Acquirer makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

5) SSL has not complied with requirements of Chapter II of SEBI Takeover Code since 1997 and a penalty of Rs.1,75,000 was imposed by SEBI vide their letter dated September 10, 2004. The Compliance with Regulation 8(3) for the years 2003, 2004 and 2005 has not been made. SEBI may initiate appropriate action under SEBI Act/ Regulations against the Target Company and Promoters for the non compliance in chapter II disclosures. (refer clause 5.8 of this Letter of Offer for further details.)

6) There are some pending litigations against SSL (refer clause 5.16 of this Letter of Offer for further details).

The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of Shivaji Securities Limited or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of Shivaji Securities Limited 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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1. DEFINITIONS

Acquirer/ ICPL	:	Iaquavit Consulting Pvt. Ltd.
BSE	:	Bombay Stock Exchange Limited
CDSL	:	Central Depository Services (India) Limited
DP	:	Depository Participant
Form of Acceptance	:	Form of Acceptance cum Acknowledgement accompanying this Letter of Offer
Form of Withdrawal or "FOW"	:	Form of Withdrawal accompanying this Letter of Offer
Letter of Offer or "LOO"	:	This Letter of Offer dated May 06, 2006
Manager /Manager to the Offer	:	Inga Advisors Private Limited
Non Resident Shareholders	:	NRIs, OCBs and FIIs holding the equity shares of SSL
NRI(s)	:	Non Resident Indians
NSDL	:	National Securities Depository Limited

Offer or Open Offer	:	Open Offer being made by the Acquirer to acquire 3,00,000 fully paid up equity shares of Rs.10/- each of SSL, representing 20% of the total voting capital as well as the existing total outstanding equity share capital of the SSL, at a price of Rs. 28/- per fully paid up Equity Share.
Offer Price	:	Rs. 28/- (Rupees Twenty Eight Only) per fully paid up equity share of Rs.10/- each of SSL
Public Announcement or PA	:	Public Announcement of this Offer made by the Acquirer on Monday, December 19, 2005.
Registrar to the Offer or Registrar or Mondkar	:	Mondkar Computers Private Limited
RBI		Reserve Bank of India
SEBI	:	Securities and Exchange Board of India
SEBI Act		Securities & Exchange Board of India Act, 1992
SEBI Guidelines	:	Securities & Exchange Board of India (Disclosures & Investors Protection), Guidelines 2000 & subsequent amendments thereto.
SEBI (SAST) Regulations, SEBI Takeover Code or Regulations		Securities & Exchange Board of India (Substantial Acquisition of Shares And Takeovers) Regulations, 1997 & subsequent amendments thereto.
Sellers	:	6 persons from the Promoters Group who are selling their shares to ICPL, as referred in clause 3.1.4.1
SPA	:	Share Purchase Agreement dated December 14, 2005
Specified Date	:	Monday, January 02, 2006
Transaction Shares		6,22,200 fully paid up equity shares to be acquired through SPA dated December 14, 2005 from the Sellers (forming part of Promoter Group) of the Target Company
Target Company or SSL	:	Shivaji Securities Limited

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE EQUITY SHAREHOLDERS OF SHIVAJI SECURITIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER,OR THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY.

IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, INGA ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 02, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the offer

3.1.1 This offer is being made for substantial acquisition of shares and change in control pursuant to Regulation 10 and 12, in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

3.1.2 Iaquavit Consulting Pvt. Ltd. (“Acquirer”/ “ICPL”) is a company incorporated under the Companies Act, 1956, having its registered office at IndiaCo iCenter 214, Navi Peth, LB Shastri Marg, Pune – 411 030. ICPL does not hold any equity shares of SSL as on the date of this Letter of Offer.

3.1.3 ICPL has entered into a Share Purchase Agreement (hereinafter referred to as “SPA”) on December 14, 2005 with the Sellers, as described in clause 3.1.4.1 below, for acquisition of 6,22,200 fully paid up equity shares of Rs.10/- each, representing 41.48 % of the equity share capital of the Target Company at a price of Rs. 12/- per equity share, payable in cash.

3.1.4 The Salient features of the SPA are:

3.1.4.1 The Sellers have agreed to sell and the Acquirer has agreed to purchase 6,22,200 fully paid up equity shares (Transaction Shares) at a price of Rs. 12/- per equity share vide the abovementioned SPA in the following manner:

S. No.	Name of the Sellers (forming part of Promoters Group)	Address and contact details	No. of Equity Shares	% of Outstanding Equity Share Capital
1	Ajay Goyal	106, Panchsheel, “C” Road, Churchgate, Mumbai – 400 020 Tel : 022 22814216	1,22,600	8.17%
2	Bilasrai Goyal & Sons	106, Panchsheel, “C” Road, Churchgate, Mumbai – 400 020 Tel : 022 22814216	1,37,500	9.17%

3	Bilasrai Goyal HUF	106, Panchsheel, "C" Road, Churchgate, Mumbai – 400 020 Tel : 022 22814216	1,01,000	6.73%
4	Mehak Securities Pvt. Ltd.	43-C, Mittal Tower, Nariman Point, Mumbai – 400 021 Tel : 022-22873636/ 37 Fax : 022- 22020065	48,100	3.21%
5	Muskan Securities Pvt. Ltd.	106, Panchsheel, "C" Road, Churchgate, Mumbai – 400 020 Tel : 022 22814216	1,51,000	10.07%
6	Pilsbury Brand Investment Pvt. Ltd.	43-44/C, Mittal Tower, Nariman Point, Mumbai – 400 021 Tel : 022-2204 1167	62,000	4.13%
	Total		**6,22,200**	**41.48%**

3.1.4.2 The sale of the Transaction Shares is subject to the Acquirer complying with the SEBI Takeover Code.

3.1.4.3 Upon the completion of the acquisition of Transaction Shares by the Acquirer pursuant to the SPA, there shall be a change in control of the Target Company and the management of the Target Company would rest with the Acquirer. Upon such change in control, the Acquirer shall have the right to appoint its nominees as well as independent directors on the Board of Directors of the Target Company.

3.1.4.4 Subject to the Acquirer complying with the second proviso to the regulation 22 (7) of the Regulations, the Acquirer shall, at any time after the period of 21 days from the date of the public announcement be entitled to (i) require all or any of the directors of SSL to resign and/or (ii) appoint one or more persons nominated by the Acquirer as directors on the Board of SSL in place of the directors who have resigned or in addition to the directors then on the Board. ICPL will finalise the Board of Directors in due course.

3.1.4.5 The Acquirer shall make the payment of the purchase price of the Transaction Shares to the Sellers aggregating to Rs. 74,66,400 /- at the closing of the offer and completion of the following (i) receipt of original share certificates/ demat slips representing the Transaction Shares and providing for the transfer to the Acquirer; (ii) resignation of the nominees of the sellers on the Board of Directors of SSL (iii) a receipt evidencing receipt of purchase price by the Sellers.

For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of SSL may refer to the SPA which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the Registered office of the Acquirer located at IndiaCo iCenter, 214, Navi Peth, LB Shastri Marg, Pune – 411 030.

3.1.5 Pursuant to the above SPA, the Acquirer is making an Open Offer to the remaining shareholders (other than the Acquirer and Sellers) of SSL to acquire 3,00,000 fully paid up equity shares of Rs.10/- each representing 20% of the existing outstanding equity share capital of the Target Company, at a price of Rs. 28/- per fully paid-up Equity Share (the "Offer price") payable in cash. This offer to the shareholders of SSL is hereby made in accordance with regulations 10 and 12 of the Regulations, on account of substantial acquisition of Equity Shares and change in control of the Target Company as a consequence of the SPA referred to in paragraph 3.1.4 above.

3.1.6 No separate consideration has been paid or would be paid by the Acquirer, other than as mentioned in Clause 3.1.4.5, to the sellers for any of the above covenants or any other covenants mentioned in the SPA.

3.1.7 The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only.

3.1.8 Neither the Acquirer nor the Target Company nor the Sellers have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

3.2 Details of the proposed Offer

3.2.1 The Public Announcement dated December 19, 2005 as per Regulation 15(1) of the Regulations, was made in the following newspapers on December 19, 2005 :

Newspaper	Language	Edition
Financial Express	English	Bangalore, Mumbai,Kolkata, Chandigarh, Kochi, New Delhi, Hyderabad & Chennai
Jansatta	Hindi	Kolkata & New Delhi
Navshakti (Regional)	Marathi	Mumbai

An announcement dated May 05, 2006 was made in the above mentioned newspapers giving details of the revised offer price, changes made in the escrow account and the activity schedule. Copies of the aforesaid Public Announcements are also available at SEBI's website www.sebi.gov.in

3.2.2 The offer is made by the Acquirer to the shareholders of SSL to acquire 3,00,000 fully paid up equity shares of Rs.10/- each of SSL, representing 20% of the total voting capital of SSL, at a price of Rs. 28/- per fully paid up equity share, payable in cash. This Offer is being made to the equity shareholders of SSL other than the Acquirer and Sellers. However, promoters other than the Sellers would be eligible to tender their shares in the open offer.

3.2.3 The Acquirer has not acquired or sold any equity shares of SSL from the date of the Public Announcement upto the date of Letter of Offer.

3.2.4 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. SSL will acquire all the shares that are validly tendered in terms of the Offer, upto a maximum of 3,00,000 shares at the Offer Price.

3.2.5 The Offer is not a competitive bid.

3.2.6 The Manager to the Offer does not hold any equity shares in the Target Company, as on the date of the Public Announcement and has not acquired any equity shares of the Target Company since the date of PA upto the date of this Letter of Offer.

3.2.7 The Acquirer, as a result of the above mentioned acquisition would acquire 41.48 % of the voting capital of the Target Company and assuming full acceptance of the Offer will hold 9,22,200 equity shares representing 61.48 % of the voting rights of the Target Company.

3.3 Object of the acquisition / offer

3.3.1 The Offer to the shareholders of SSL, as explained in paragraph 3.1 above, is made pursuant to regulations 10 and 12 of the Regulations for substantial acquisition of Equity Shares of SSL accompanied by change in control and management of the Target Company.

The Acquirer through SSL intends to invest, incubate in corporate opportunities and also provide extensive insight and support on the development of said businesses. The Acquirer will suitably strengthen the Company with set human resource capital as well as financial capital.

The reconstituted Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of the business and in line with opportunities or changes in the economic scenario, from time to time.

3.3.2 The Acquirer and Target Company are not in the same line of business.

4. BACKGROUND OF THE ACQUIRER (IAQUAVIT CONSULTING PVT. LTD.)

4.1 Details of the Acquirer

4.1.1 Iaquavit Consulting Pvt. Ltd. was incorporated on May 5, 2005 under the Companies Act, 1956 having its registered office at IndiaCo iCenter, 214, Navi Peth, LB Shastri Marg, Pune – 411 030, Tel No. 020-24021357, Fax: 020-24334978. The main object of ICPL is to carry on the business of rendering consultancy services in organizational development and corporate strategy. ICPL is yet to commence its business operations.

4.1.2 ICPL has been promoted by Mr. Rahul Patwardhan and IndiaCo Ventures Private Limited and is part of the IndiaCo Group. The Group is basically engaged in activities of incubation and investment advisory services to private equity and venture funds through its wholly owned subsidiaries, IndiaCo Capital Pvt. Ltd and IndiaCo Incubation Clusters Private Ltd.

4.1.3 The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only. There is no person acting in concert with the Acquirer.

4.1.4 The applicable provisions of Chapter II of the SEBI Takeover Code, vis-à-vis the Target Company are not applicable as the Acquirer has not acquired any shares of the Target Company.

4.1.5 The entire shares of ICPL are held by its promoters and the shareholding pattern as on 31/03/2006 is as follows:

S.No	Shareholder's Category	No. of shares	%
1	Mr. Rahul Patwardhan	5,000	0.45%
2	IndiaCo Ventures Private Limited	1,105,000	99.55%
	Total	1,110,000	100.00%

4.1.6 The Board of Directors of ICPL as on the date of the Public Announcement was as follows:

Name and Designation	Date of Appointment	Residential Address
Mr. Rahul Patwardhan Director	May 05, 2005	Miraj House, FC Road, Pune – 411 005
Mr. Girish Narsimhan Director	July 01, 2005	No. 35, National Society, Baner Road, Pune – 411 007

None of the directors of ICPL are on the Board of the Target Company.

Mr. Rahul Patwardhan, BE (Mechanical engineering) and an MBA, has over 10 years of experience in the areas of venture capital, general management and product management. He has significant experience with start up companies in business planning and strategy, and has held positions in operations management, finance & investment analysis as well as business development in small , mid-sized and large corporations in the real-estate, engineering, and software industries.

Mr. Girish Narsimhan is a Bachelor of Commerce having a total work experience of over 6 years in managing enterprises. His work skills and experience are in the areas of technology transfer, product marketing, channel development and business planning.

4.1.7 The shares of ICPL are not listed on any Stock Exchange.

4.1.8 Financials details of ICPL are as below:

The paid up equity share capital of ICPL is Rs. 111.00 Lakhs comprising of 11,10,000 equity shares of Rs.10/- each. As per the unaudited results for the period ended September 30, 2005, ICPL had nil income and expenses. The networth of ICPL as on March 31, 2006 was Rs. 94.82 Lakhs and the Book Value per share was Rs. 8.54 per share.

M/s. Mangesh M. Shende and Company, Chartered Accountants (membership number 118250), having its address 172/6, Rupi-Colony (Bhekrainagar), Phursungi, Pune – 412308, Tel: 020-26981014, Fax : 020-24494146; vide their letter dated April 24, 2006 certified that the networth of ICPL is Rs. 94.82 Lakhs.

4.1.9 ICPL is yet to commence its business operations and there are no contingent liabilities as per the financial statements for the year ended September 30, 2005.

4.1.10 There are no companies that have been promoted by ICPL and no companies are controlled by ICPL.

4.2 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code

Please refer to paragraph 3.3.1 of this Letter of Offer relating to the object of the acquisition / offer.

The Acquirer does not currently intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and/or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

4.3 Acquirers' future plans for SSL

The Acquirer through SSL intends to invest, incubate in corporate opportunities and also provide extensive insight and support on the development of said businesses. The Acquirer will suitably strengthen the Company with set human resource capital as well as financial capital.
The reconstituted Board of Directors of the Target Company will take appropriate decisions in these matters, as per the requirements of the business and in line with opportunities or changes in the economic scenario, from time to time.

5 INFORMATION ON THE TARGET COMPANY (SHIVAJI SECURITIES LIMITED)

5.1 SSL was incorporated on April 27, 1983 as a Public Limited Company as Sainath Commercial Limited and subsequently the name of the Company was changed to Shivaji Securities Limited vide fresh certificate of incorporation dated February 12,1996. SSL has its registered office at 43-C Mittal Towers, Nariman Point, Mumbai-400 021, Tel: 022-22873636, Fax: 022- 22020065 .

5.2 SSL was a trading member registered with National Stock Exchange of India Limited (NSE). It carried out this business till 1996 after which the NSE membership was surrendered. Currently SSL earns its revenues through interest /commission / dividend etc.

5.3 The Share capital structure of SSL as on December 14, 2005 (date of PA) is as follows:

Paid up Equity Shares of Target Company	**No. of Equity Shares / Voting Rights**	**% of Equity Shares / Voting Rights**
Authorised Share Capital	20,00,000	-
Fully paid up equity capital (a)	15,00,000	100%
Partly paid up equity capital (b)	Nil	-
Total Issued and paid up equity capital	15,00,000	100%
Total voting rights	15,00,000	100%

(Source: Information provided by the Target Company)

5.4 Build up of the Capital Structure of SSL (as certified by SSL) is as follows:

Date of allotment	No of shares issued	% of total share capital	Cumulative paid up capital (Rs.)	Mode of allotment	Identity of allottees (Promoters / ex promoters / others)	Status of compliance
16/05/1983	70	0.01	700	Cash	Subscribers to Memorandum	Complied
30/11/1983	1,99,930	13.33	20,00,000	Cash	Promoters/ Others (IPO)	Complied
05/10/1989	50,000	3.33	25,00,000	Cash	Rights Issue	Complied
31/10/1989	2,50,000	16.67	50,00,000	Cash	Rights Issue	Complied
02/05/1992	5,00,000	33.33	100,00,000	Cash	Rights Issue	Complied
31/12/1995	5,00,000	33.33	150,00,000	Cash	Rights Issue	Complied
	15,00,000	**100.00**				

5.5 There has been no suspension of trading of the equity shares of SSL on the BSE.

5.6 All the outstanding equity shares of SSL are listed on the BSE.

5.7 There are no partly paid-up equity shares of the Target Company as at the date of the Public Announcement. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in .

5.8 Compliance with Chapter II of SEBI (SAST), Regulations 1997
As regards compliance with Chapter II of the SEBI (SAST) Regulations by the Target company, SEBI had charged a penalty for violation of regulations 6 (2) and 6 (4) for 1997 and 8(3) for 1998, 1999, 2000, 2001 and 2002 vide its letter dated September 10, 2004. The penalty levied is Rs. 1.75 lacs under Sec. 15A of the SEBI Act. The company has vide its letter dated June 21 2005, paid the penalty of Rs. 1.75 lakhs to SEBI and is awaiting their directions in this regard. The Compliance with Regulation 8(3) for the years 2003, 2004 and 2005 has not been made. Further as regards compliance with Chapter II of SEBI (SAST) Regulations by the Promoter and the Sellers, the same have been complied with on time for the above mentioned periods.
SEBI may initiate appropriate action under SEBI Act/ Regulations against the Target Company and Promoters for the non compliance in chapter II disclosures.

5.9 SSL has been regular in complying with the provisions of the listing agreements entered into with the Stock Exchange and no penal action has been initiated by the Stock Exchange against SSL. No investigations, proceedings, or inquiries are pending against SSL by the Securities and Exchange Board of India, BSE , or any other regulatory authority, in relation to the securities of SSL or trading therein or otherwise except as stated in clause 5.16 of this Letter of Offer.
No punitive action has been taken by the Stock Exchange till date. The shares are presently listed and infrequently traded on the Bombay Stock Exchange Ltd.

5.10 The Board of Directors of the Target Company as on the date of Public Announcement was as under:
(a) Mr. Ajay Goyal, co-founded SSL in 1983. He is a commerce graduate and is an entrepreneur with over 20 years experience in the Commodity Market. He was appointed on the Board of Directors on 18.07.1987.
(b) Ms. Sumitradevi Goyal is an undergraduate and has over 18 years experience in overall management and administration. She was appointed on the Board of Directors on 01.04.1994.
(c) Ms. Sonia Goyal, is an arts graduate. She has around 15 years of experience in overall management and administration. She was appointed on the Board of Directors on 18.01.1995
None of the above directors who are on the Board of Directors of the Target Company represent the Acquirer.
(Source: Information as provided by SSL)

5.11 There were no merger / demerger, spin off during last three years involving the Target Company. The name of the Target Company was changed to Shivaji Securities Limited vide fresh certificate of incorporation dated February 12,1996.

5.12 The financial highlights of SSL for the last three years and for 6 month period ending September 30, 2005 is as follows:

				(Rs in lakhs)
Particulars (year ended March 31)	**2003 (12 Months)**	**2004 (12 Months)**	**2005 (12 Months)**	**September 30, 2005 (6 Months)**
Income Statement				
Income from operations	6.81	7.54	43.49	(19.18)
Interest	12.74	8.79	5.02	3.22
Dividend	0.04	1.02	0.72	0.25
Other Income	3.24	4.52	3.26	2.08
Total Income	22.83	21.87	52.49	(13.63)
Total Expenditure	(8.99)	(8.98)	26.31	(11.24)
PBDIT	13.84	12.89	26.18	(24.87)
Depreciation	(1.48)	(1.98)	(1.81)	(0.84)
Interest	---	(0.28)	(4.57)	(0.22)

(Rs. In lakhs)				
Particulars (year ended March 31)	**2003 (12 Months)**	**2004 (12 Months)**	**2005 (12 Months)**	**September 30, 2005 (6 Months)**
Profit Before Tax	12.36	10.63	19.80	(25.93)
Extra Ordinary Items	(0.10)	(0.41)	---	27.24
Provision for Tax	(4.30)	(4.00)	(7.00)	---
Profit / (Loss) After Tax	7.96	6.22	12.80	1.31
Balance Sheet				
Sources of funds				
Paid up Equity Share Capital	150.00	150.00	150.00	150.00
Reserves & Surplus (excl. revaluation res)	42.23	48.46	61.26	62.57
Revaluation Reserve	---	---	---	---
Networth	192.23	198.46	211.26	212.57
Secured Loans	---	---	---	---
Unsecured Loans	---	---	---	---
Total Debt	---	---	---	---
Total	192.23	198.46	211.26	212.57
Uses of funds				
Net fixed assets	6.95	9.61	9.13	5.88
Investments	42.58	81.04	83.87	30.09
Net current assets	142.70	107.81	118.26	176.60
Deferred Tax (Net)	---	---	---	---
Total Misc. Expenditure not written off	---	---	---	---
Profit and Loss Account Debit Balance	---	---	---	---
Total	192.23	198.46	211.26	212.57
Other Financial Data				
Dividend (%)	NIL	NIL	NIL	NIL
Earning Per Share (Rs.) (Annualised)	0.53	0.41	0.85	0.18
Return on Networth (%) (Annualised)	4.14	3.14	6.06	1.23
Book Value Per Share (Rs.)	12.82	13.23	14.08	14.17

(Source: Annual reports and Audited Statements)

- EPS = Profit after Tax / Total no. of shares outstanding
- Return on Net Worth = Profit after Tax / Net Worth (net of revaluation reserves and miscellaneous expenditure to the extent of not written off and profit and loss account debit balance)
- Book Value Per Share = Net Worth (net of revaluation reserves and miscellaneous expenditure to the extent of not written off and profit and loss account debit balance) / Total no. of shares outstanding

5.13 Reasons for the rise in total income and PAT for the period ended March 31, 2005, as compared to previous year 2004 & significant event as on 30th September 2005 is as follows:

(i) The rise in total income is approximately 139.98 % in the financial year (FY) 2005 as compared to previous FY 2004 which is mainly due to increase in income from operations.

(ii) The Profit after tax has increased by 105.75% in the FY 2005 as compared to previous FY 2004, mainly due to rise in income from operation, which is partially off set by a rise in administrative and other expenses to the tune of 233.42 % over previous year.

(iii) The significant event for the period ended September 30, 2005 is a profit on sale of fixed asset to the tune of Rs. 27.76 lakhs.

5.14 Shareholding pattern of SSL as on the date of Public Announcement and the expected post offer shareholding pattern assuming full acceptance in the open offer is detailed below:

Shareholders' category	Shareholding & voting rights prior to the agreement/ acquisition and offer.		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.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a) Parties to agreement, if any	6,79,840	45.32	(622,200)	(41.48)	-	-	NIL	Refer Note 1
b) Promoters other than (a) above	6,04,990	40.33	-	-	Refer Note2	-	NIL	Refer Note 1
Total 1 (a+b)	12,84,830	85.65	(622,200)	(41.48)				
2) Acquirer								
a) Main Acquirer (ICPL)	-	-	622,200	41.48	300,000	20.00	922,200	61.48
b) PACs	-	-	-	-	-	-	-	-
Total 2 (a+b)	-	-	622,200	41.48	300,000	20.00	922,200	61.48
(3) Parties to agreement other than (1) (a) & (2)	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement, Acquirer & PACs)								
a) FI /MF /FII / Bank, SFI (indicate names)	-	-	-	-	-	-	-	-
b) Others	2,15,170	14.35	-	-	(3,00,000) Refer Note 2	(20.00)	577,800 Refer Note 1	38.52
Total (4) (a+b)	2,15,170	14.35	-	-	-	-	-	-
Grand Total (1+2+3+4)	15,00,000	100.00	-	-	-	-	15,00,000	100.00

Notes :

1. The residual holding of original promoters is considered in public holding as there is a change in control. Pursuant to the change in control, the holding of the new Promoter Group (ICPL) would be 9,22,200 equity shares aggregating to 61.48 %.

2. Promoters other than parties to agreement (SPA) as shown under 1 (b) are eligible to tender their shares in the Open Offer. The open offer comprising of 3,00,000 equity shares that is proposed to be acquired by the Acquirer in the proposed offer is assumed to be from the aggregate holding of shareholders as stated in 1(b) and 4 (b) totalling to 820160.

3. No shares of SSL have been purchased by the Acquirer after the Public announcement till the date of this Letter of Offer.

4. As on the Specified Date (Monday, January 02, 2006) the total number of shareholders of SSL is 96.

5.15 Details of changes in the Shareholding of the Promoter Group of SSL, as per their acquisitions since 1997 to March 1999 is as follows:

Particulars	20.02.1997	%	31.03.1997	%	31.03.1998	%	31.03.1999	%
Seema Maheshwari	500	0.0%	500	0.0%	500	0.0%	500	0.0%
Bilasrai Goyal & Sons	97500	6.5%	137500	9.2%	137500	9.2%	137500	9.2%
Anju Poddar	1200	0.1%	1200	0.1%	1200	0.1%	1200	0.1%
Sujata Khemka	8200	0.5%	8200	0.5%	8200	0.5%	8200	0.5%
Ajay Goyal	180240	12.0%	180240	12.0%	180240	12.0%	180240	12.0%
Sonia Goyal	74000	4.9%	74000	4.9%	74000	4.9%	74000	4.9%
Sumitradevi Goyal	85500	5.7%	85500	5.7%	85500	5.7%	110500	7.4%
Mehak Securities P. Ltd	48400	3.2%	48400	3.2%	48400	3.2%	48400	3.2%
Muskan Securities P. Ltd	111000	7.4%	151000	10.1%	151000	10.1%	151000	10.1%
Ajay Goyal (HUF)	222300	14.8%	222300	14.8%	222300	14.8%	222300	14.8%
Bilasrai Goyal	97990	6.5%	147990	9.9%	147990	9.9%	147990	9.9%
Bilasrai Goyal (HUF)	71000	4.7%	71000	4.7%	101000	6.7%	101000	6.7%
Pillsbury Brand Investments Pvt Ltd.	-	-	62000	4.13%	62000	4.1%	62000	4.1%
Muskan Goyal	-	-	-	-	20000	1.33%	20000	1.3%
Mehak Goyal	-	-	-	-	20000	1.33%	20000	1.3%
Total	**997830**	**66.52%**	**1189830**	**79.32%**	**1259830**	**83.99%**	**1284830**	**85.66%**
Total paid up Capital	**1500000**		**1500000**		**1500000**		**1500000**	
% Increase as compared to Previous Year				**12.80%**		**4.67%**		**1.67%**

No further acquisitions were made by group subsequently and their current shareholding as on December 14, 2005 continues to be 12,84,830 shares.

The Promoter Group has not complied with any of the provisions of the SEBI Takeover Code in respect of the acquisitions made beyond the creeping acquisition limits.

The details of acquisition made by the promoters during the FY 1997-98 and FY 1998-99, which triggered the open offer, are listed below:

Promoter	Date of acquisition	No. of shares	% acquired
Muskan Securities P. Ltd	26.02.1997	40000	2.67
Bilasrai Goyal	27.02.1997	50000	3.33
Pillsbury Brand Investments Pvt Ltd.	15.03.1997	62000	4.13
Bilasrai Goyal & Sons	31.03.1997	40000	2.67
Bilasrai Goyal (HUF)	01.09.1997	30000	2.00

SEBI may initiate appropriate action under SEBI Act/ Regulations against the Promoter Group for the above mentioned non compliance.

Course of action by the Acquirer

In terms of the Regulations, the promoters were required to make an open offer at the book value, which at the time of acquisition, was Rs.11.52 /- per share, which was not complied with. If as on date, the current promoters are required to make an open offer for the aforesaid trigger, the offer price to the shareholders together with interest of 15 % p.a. for the delayed period would work out to Rs. 27.31/- per share.

In view of the above, the Acquirer has agreed to revise their offer price to Rs. 28/- under the present offer to the public shareholders. Accordingly, the offer price has been revised from Rs. 15/- per share to Rs. 28/- per share.

5.16 Corporate Governance is not mandatory for SSL as the Equity Capital of the Company is less than Rs. 3,00,00,000/- There are no pending litigations except the following :

(a) SEBI Chapter II Disclosure:
SSL has not been filing the required disclosures under Clause 6 and Clause 8 of SEBI (SAST) 1997. SSL had received a notice from SEBI on September 10, 2004, wherein SEBI has imposed a penalty of Rs. 1,75,000/-. The said amount was paid by SSL on 21.06.2005 vide cheque no. 276930 drawn on Oriental Bank of Commerce, Mandavi.

(b) SEBI Fee Liability:
SSL was a member with NSE and had surrendered its membership in the year 1996. However SEBI had imposed a commission on the brokerage income earned by the brokers. As per the letter dated March 15, 2005 received from NSE, the total liability computed on this account is Rs. 6,41,157/- along with interest. The said amount was paid by SSL on 24th June 2005, vide cheque no. 276931 drawn on Oriental Bank of Commerce, Mandavi.

(c) List of action, suit, proceeding, claim, audit or investigation pending, or any action, suit, claim, audit or investigation threatened against or with respect to SSL in respect of any tax :

For the assessment year 1996-97, as per the returns furnished the Company has claimed a refund of Rs. 2,29,794/-. However an order under section 143(3) was passed wherein a sum of Rs. 6,00,000/- which was paid as admission fee to OTCEI, for obtaining dealership was disallowed and added to the income. An appeal against the same was filed on August 3, 1998. The final demand raised is for Rs. 5,04,174/- including interest, via order dated March 12, 2004. This matter is still pending at the Tribunal level.

Apart from the above mentioned cases/litigation there are no other cases/litigations/ tax disputes pending against or in relation to SSL.

5.17 Name and address of the compliance officer are as under:
Mr. S.G. Bang,
Shivaji securities Limited,
44-C Mittal Towers,
Nariman Point,
Mumbai-400 021
Tel : 022-2287 3636 ; Fax : 022- 22020065

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The equity shares of SSL are listed on the Bombay Stock Exchange Ltd. ("BSE").

6.1.2 The annualized trading turnover during the preceding six calendar months viz. June 2005 to November 2005 on BSE is detailed below :

Name of the Stock Exchange	Total no. of equity shares traded during the preceding six calendar months ending November 2005 (prior to the month in which public announcement was made)	Total no. of issued equity shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	17,724	15,00,000	2.36%

(Source: BSE Website)

The annualized trading turnover of the equity shares on the BSE during the six months immediately preceding the month of the public announcement is less than 5% of the listed equity shares. Consequently as per explanation to Regulation 20(5)(i) of the Regulations, the equity shares of the SSL are infrequently traded on BSE.

6.1.3 The parameters as stipulated under regulation 20 (5) of the Regulations, for computation of the offer price is as under :

6.1.3.1 The Negotiated price by the Acquirer under the SPA – Rs. 12/- per Equity Share

6.1.3.2 Highest price paid by the Acquirer during the twenty-six week prior to the date of the Public Announcement – Not Applicable

6.1.3.3 Highest price paid by the Acquirer for the acquisitions after the date of Public Announcement – Not Applicable

6.1.3.4 The financial parameters of SSL are :

Based on the audited financials for the 6 month period ended September 30, 2005 of SSL : Annualised Return on networth is 1.23%, Book value per share is Rs. 14.17, Annualised EPS is Rs. 0.18 and P/E ratio based on the offer price is 155.56. Based on the audited financials for the year ended March 31, 2005 of SSL: return on networth 6.06%, book value per share of Rs.14.08, Earnings per share of Rs.0.85. P/E multiple of 32.94 (based on the offer price), and Industry average P/E multiple of 19.3 (source Capital Market VolXX/20, Dec 5-18,2005; Industry: Finance and Investments).

<u>Revision in offer price</u>
The promoters had acquired shares beyond the creeping acquisition limit during the FY 1997 to FY 1999. In terms of the Regulations, the promoters were required to make an open offer at the book value, which at the time of acquisition, was Rs.11.52 /- per share, which was not complied with. If as on date, the current promoters are required to make an open offer for the aforesaid trigger, the offer price to the shareholders together with interest of 15 % p.a. for the delayed period would work out to Rs. 27.31/- per share.

In view of the above, the Acquirer has agreed to revise their offer price to Rs. 28/- under the present offer to the public shareholders. Accordingly, the offer price has been revised from Rs. 15/- per share to Rs. 28/- per share.

6.1.4 M/s. Agarwal Vijay and Associates, 503, Jolly Bhavan-1, New Marine Lines, Mumbai-400020 (Membership no. 32174, Tel: +91-22-22003959, have vide their report dated December 14, 2005 stated that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995, (83 Com case 30) the Fair Value per share of SSL would be Rs.6.79/-considering the Market Based Value of Rs 3.11 per share with weightage of 2, Earnings Based Value of Rs 6.79 per share with weightage of 2 and Net Asset Value of Rs. 14.17 per share with weightage of 1.

6.1.5 The offer price of Rs. 28/- per share offered by ICPL to the shareholders of SSL under the proposed open offer is higher than the pricing parameters stipulated under regulation 20 (5) of the Regulations. In the opinion of the Manager to the Offer and the Acquirer, the offer price is justified as explained above in para 6.1.3.4 under the head "Revision in offer price".

6.1.6 There is no non-compete agreement between the Acquirer and the Sellers and any other entity as envisaged under regulation 20(8) of the regulations. No additional payments are being made by the Acquirer as non-compete fees.

6.1.7 The Acquirer is permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, the offer price shall not be less than the highest price paid by the Acquirer for any acquisition of shares of the Target Company from the date of PA upto 7 working days prior to the closure of the offer.

6.1.8 As on the date of this Letter of Offer, the Acquirer does not hold any shares in the Target Company.

6.1.9 To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer. The Equity Shares will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

6.2 Financial Arrangement for the Offer

6.2.1 The total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be Rs. 84,00,000/- (Rupees Eighty four lakhs) i.e. consideration payable for acquisition of 3,00,000 fully paid up Equity Shares of Rs. 10/- each at the rate of Rs.28/- per Equity Share.

6.2.2 In accordance with regulation 28 of the Regulations, ICPL has made a cash deposit of Rs. 84,50,000/- in a bank account with ICICI Bank Limited, Capital Market Division, 30 Mumbai Samachar Marg, Fort, Mumbai 400 001 (Escrow Account No. 000405031952). The amount placed in the Escrow Account is more than 100% of the total Offer consideration, assuming full acceptance which is higher than the amount required under regulation 28 of the Regulation. The Manager to the Offer is authorised to operate and realise the value of the Escrow Account in terms of the Regulations.

6.2.3 The Acquirer has made firm financial arrangements to meet its obligations in full under the Offer. For this purpose, the Acquirer intends to utilize internal resources.

6.2.4 M/s. Mangesh M. Shende and Company, Chartered Accountants (membership number 118250), having its address 172/6, Rupi-Colony (Bhekrainagar), Phursungi, Pune – 412 308, Tel : 020-26981014, Fax: 020-24494146 vide their certificate dated April 24, 2006 have confirmed that the networth of ICPL as on March 31, 2006 is sufficient to discharge the open offer consideration.

6.2.5 The Manager to the Offer on the basis of the above has satisfied itself that the Acquirer has the ability to implement the Offer in accordance with the Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

7 TERMS AND CONDITION OF THE OFFER

7.2 The Acquirer has made a Public Announcement on Monday, December 19, 2005 for the Offer. This Offer is being made to all the equity shareholders of SSL (other than the Acquirer and the sellers) whose names appear on the Register of Members of SSL or on the beneficial record of the respective depositories, at the close of business hours on Monday, January 02, 2006 (the "Specified date") and to also those persons, who own the equity shares at any time prior to closure of the Offer, but are not registered shareholders.

7.3 The Letter of Offer together with the Form of Acceptance cum Acknowledgement ("Form of Acceptance"), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form only) is being mailed to those shareholders of SSL whose names appear on the Register of Members of SSL and to the Beneficial Owners of the Equity Shares of SSL whose names appear as beneficiaries on the beneficial record of the respective Depositories, at the close of business hours on Monday, January 02,2006 (the "Specified Date"). Owners of equity shares at any time prior to the closure of the offer but not registered as shareholder(s) are also eligible to participate in the Offer. No Letter of Offer together with a Form of Acceptance cum Acknowledgement will be mailed to the Acquirer and the PAC.

7.4 Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. A copy of the letter of offer (including Form of Acceptance) is expected to be available on SEBI's Website (http://www.sebi.gov.in) during the period the offer is open and may also be downloaded from the site.

7.5 The Offer is not subject to any minimum level of acceptance.

7.6 The acceptance of the Offer is entirely at the discretion of the equity shareholders of SSL. Each shareholder of SSL to whom the Offer is being made, is free to offer his shareholding in SSL, in whole or in part while accepting the offer.

7.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.8 Equity Shares tendered in the Offer by the shareholders of SSL shall be free from lien, charges and encumbrances of any kind whatsoever.

7.9 Any Shares of SSL that are the subject matter of litigation or are held in abeyance due to the restriction from Court/ Forum/ ITO attachment etc., wherein the shareholder(s) may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case directions/orders of the court/ forum/ITO etc permitting transfer of these Shares are not received together with the equity shares tendered under the Offer.

7.10 Incomplete applications, including non-submissions of necessary enclosures, if any, are liable to be rejected.

7.11 The Acquirer will not be responsible in any manner for any loss of Equity Share Certificate(s) and other documents during transit. The Equity Shareholders of SSL are therefore advised to adequately safeguard their interest in this regard.

7.11 The instructions and provisions contained in the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal constitute an integral part of the terms of this Offer.

7.12 Statutory Approvals

7.12.1 The Offer is subject to the receipt of approval from Reserve Bank if India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from non-resident persons under the Offer.

7.12.2 As of the date of this Letter of Offer, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approval becomes applicable prior to the completion of the Offer, the Offer would be subject to such statutory approvals. The Acquirer will not proceed with the Offer in the event that such statutory approvals are not obtained.

7.12.3 The Offer will stand withdrawn in terms of Regulation 27 of the SEBI (SAST) Regulations in the event the statutory approvals indicated above are refused. Any such withdrawal will be notified in the form of public announcement in the same newspapers in which the public announcement has appeared.

7.12.4 The Acquirer shall complete all procedures relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date to those shareholders whose share certificates and / or other documents are found valid and in order. In case of delay in receipt of any approval, SEBI has the power to grant an extension of the time required for payment under the Offer provided that the Acquirer agree to pay interest in accordance with Regulation 22(12) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 Shareholders who hold equity shares of SSL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and transfer deed(s) duly signed to the Registrars to the Offer, Mondkar Computers Private Limited at their office mentioned below, so as to reach on or before the closure of the Offer, i.e. Tuesday, May 30, 2006, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

Name & Address of Collection Centers	Contact Person	Mode of Delivery	Telephone No. Fax No.
Mondkar Computers Private Limited. 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai-400 093 Email: mondkar_computers @rediffmail.com	Mr. Devanand Dalvi	Hand Delivery/ Registered Post/ Speed Post	Tel : 022-2826 2920 Fax : 022-2836 9704

The documents can be tendered at the above centre between Monday to Friday from 10.30 am to 12.30 pm and 1.30 pm to 4.30 pm and on Saturdays from 10.00 am to 1.00 pm. The centre will be closed on Sundays and any other Public Holidays.

The equity shareholders who cannot hand deliver their documents at the collection centre referred to above may send the same by registered post/ speed post, at their own risk, to the Registrar to the Offer at their office at Mumbai, so as to reach their office on or before the closure of the Offer i.e., Tuesday, May 30 , 2006.

8.2 Shareholders who wish to tender their shares under this offer should enclose the following documents duly completed:

8.2.1 Procedure for Equity Shares held in Physical Form

Registered Shareholders should enclose:

• Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificate(s).

• Original share certificate(s).

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

Unregistered owners should enclose:

• Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.

• Original share certificate(s).

• Original broker contract note.

• Valid share transfer deed(s) as received from market. The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

8.2.2 Procedure for Equity Shares held in Demat Form:

Beneficial owners should enclose:

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

• Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Offmarket” mode, duly acknowledged by DP in favour of the special depository account.

In case of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

The Registrars to the Offer, Mondkar Computers Private Limited has opened a special depository account with HDFC Bank Limited in National Securities Depository Limited (“NSDL”). Beneficial Owners and shareholders holding equity shares of SSL in the dematerialised form, will be required to send their Form of Acceptance to the Registrars to the Offer, at the collection centre mentioned above on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”), in favour of “ICPL Escrow Account – SSL Open Offer” and filled in with the details given below:

DP Name	HDFC Bank Limited
DP ID Number	IN 301151
Client ID Number	20815320
ISIN	INE 064E01010
Market	Off Market
Depository	National Securities Depository Ltd.

Form of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in Central Depository Services Ltd (“CDSL”) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL.

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

8.2.3 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent, failing which, the tender would be considered invalid and would be liable to be rejected. 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 authorizations (including board and/or general meeting resolutions).

8.3 The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the collection centre mentioned above. **They should not be sent to the Manager to the Offer or the Acquirer or the Target Company.** The above mentioned documents can be sent to the collection centre on all days except Sundays and public holidays.

8.4 The minimum marketable lot for the purposes of acceptance, for both physical and demat shares, would be one share.

8.5 In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “off-market” mode or counterfoil of the delivery instruction in the “off-market” mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

The application should be signed by all the shareholders as per the registration details available with SSL and should be sent to the Registrar to the Offer in an envelope clearly marked “SSL – Open Offer”.

Shareholders of SSL who have sent their equity shares for transfer should submit, Form of Acceptance duly completed and signed, copy of the letter sent to SSL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

In case of non-receipt of the Letter of Offer / Form of Acceptance-cum-Acknowledgement / Form of Withdrawal, the eligible shareholders may obtain a copy of the same from the collection centre mentioned above on providing suitable documentary evidence of acquisition of shares of SSL . The Letter of Offer and Form of Acceptance-cum-Acknowledgment will also be made available on SEBI’s website: http://www.sebi.gov.in, from the Offer opening date. The eligible shareholders, desirous of participating in the Offer, can download these documents from SEBI’s website and apply on the same.

8.6 Non Resident shareholders should submit copy of the permission received from Reserve Bank of India for acquisition of the shares of SSL. In case of its non-submission, Acquirer reserves their right to reject the shares tendered in the Offer.

8.7 In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to shareholders, subject to the Acquirer agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 22(12) of the SEBI Takeover Code. In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the address mentioned above as per the mode of delivery indicated therein on or before Thursday, May 25, 2006.

8.8 In case of non receipt of the form of withdrawal, the above application can be made on a plain paper. Kindly follow the detailed instruction given below with respect to withdrawal:

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with SSL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings so as to reach the Registrar to the Offer at the Registrars address mentioned above on or before Thursday, May 25, 2006. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.

b) The withdrawal option can be exercised by submitting the Form of Withdrawal attached to this Letter of Offer, duly completed together with acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

c) 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:
    i. In case of physical shares: Name, address, distinctive numbers, folio number and number of shares tendered / withdrawn.
    ii. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "Off market" mode or counterfoil of the delivery instruction in "Off market" mode, duly acknowledged by the DP in favour of the special depository account.

d) Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SSL and duly witnessed at the appropriate place.

e) The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ Special Depository Account.

f) The intimation of returned shares to the shareholders will be at the address as per the records of SSL or the Depositories as the case may be.

g) In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from SSL.

h) Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum-Acknowledgement will stand revised to that effect.

i) Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

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

Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.
It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the offer formalities are completed.

8.10 The consideration to those shareholders whose shares or share certificates and /or other documents are found complete, valid and in order, will be paid by crossed account payee cheques/demand drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. The Acquirer is required to deduct tax on source, as may be applicable. All despatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment, so that the same can be incorporated in the cheque/demand draft/pay order.

8.11 The Registrar to the Offer will hold in trust the equity shares and Share Certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of SSL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are despatched/ returned.

8.12 If the number of equity shares offered by the shareholders are more than the Offer Size of 3,00,000 shares, then the acquisition from each shareholder will be, in consultation with the Manager to the Offer, as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The equity shares of SSL are compulsorily traded in dematerialised form and the minimum marketable lot for the purposes of acceptance, for both physical and demat will be one equity Share.

8.13 The Acquirer is permitted to revise the Offer price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than, Friday, May 19, 2006 which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where the Public Announcement has appeared.

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

9 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of SSL at the office of the Manager to the Offer, A- 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai 400 030, from 10.00 a.m. to 4.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer closes:

1. Certification of Incorporation and Memorandum and Articles of Association of ICPL.

2. Certification of Incorporation and Memorandum and Articles of Association of SSL.

3. Annual Reports / Financial Statements of SSL for the accounting year ended March 31, 2003 2004 and 2005 and Six months ended September 30, 2005.

4. Financial statements of ICPL for the period ended September 30, 2005.

5. Share Purchase Agreement dated December 14, 2005.

6. Certificate dated December 14, 2005 from M/s. Agarwal Vijay and Associates, 503, Jolly Bhavan-1, New Marine Lines, Mumbai-400020 regarding computation of Fair Value per share of SSL.

7. Certificate dated April 24, 2006 from M/s .Mangesh.M. Shende and Company, Chartered Accountants, (Membership no. 118250), certifying the networth and sufficiency of the financial resources of ICPL.

8. Letter from ICICI Bank Ltd. confirming the amount kept in an escrow account and empowering the Manager to the Offer in accordance with the SEBI Takeover Code.

9. Copy of Code of Conduct dated December 14, 2005 between Inga Advisors Private Limited and the Acquirer.

10. Copy of confirmation regarding opening of Special Depository Account in the name and Style of “ICPL ESCROW A/C – SSL OPEN OFFER”.

11. Copy of Public Announcement as published in the newspapers on December 19,2005.

12. Copy of the Corrigendum to Public Announcement dated May 05, 2006 as published in the newspapers.

13. SEBI letter No. CFD/DCRT/TO/HB/65080/06 dated April 19, 2006.

10 DECLARATION BY THE ACQUIRER

The Acquirer (represented by its Board of Directors) accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance, Form of Withdrawal and also for their obligations under the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. Mr. Rahul Patwardhan and Mr. Girish Narsimhan have been severally authorised by the Board of Directors of ICPL, to be the authorised signatory to the Letter of Offer.

By the Order of the Board
For Iaquavit Consulting Pvt. Ltd.

Sd/-	Sd/-
Rahul Patwardhan	Girish Narsimhan

Place: Pune
Date: May 06, 2006

Encl:
1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance cum acknowledgement with enclosures to Mondkar Computers Private Limited at the address as mentioned in the Letter of Offer)

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

OFFER OPENS ON	**:**	**May 11, 2006**	**(Thursday)**
OFFER CLOSES ON	**:**	**May 30, 2006**	**(Tuesday)**

To
The Acquirer: Iaquavit Consulting Private Limited
C/ o Mondkar Computers Private Limited
"21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai-400 093

Dear Sir,

Sub : **Open Offer to acquire up to 3,00,000 fully paid up equity shares of Rs.10/- each, representing 20 % of the existing outstanding equity share capital (as defined in the Letter of Offer), of Shivaji Securities Limited ("SSL"/"Target company") by Iaquavit Consulting Private Limited ("ICPL"/"Acquirer") at a price of Rs. 28/- (Rupees Twenty Eight only) per fully paid up equity share (Offer Price) payable in cash.**

I/We refer to the Letter of Offer dated May 06, 2006 for acquiring the equity shares held by me/us in Shivaji Securities Limited . I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as 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/ our shares as detailed below:

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

I/We have executed an off-market transaction for crediting the shares to the special depository account via

☐ A delivery instruction from my account with NSDL ☐ An inter-depository delivery instruction from my account with CDSL

DP Name	HDFC Bank Limited
DP ID Number	IN 301151
Client ID Number	20815320
Beneficiary Account Name	"ICPL Escrow Account-SSL Open Offer"
ISIN	INE 064E01010
Market	"Off-market"
Depository	National Securities Depository Limited

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, 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/ 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 Shares**	

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ACKNOWLEDGEMENT SLIP

Received from Mr./Ms._ ____________________ residing at ____

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:	

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:

I/We have enclosed the following documents:

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

☐ RBI approvals for acquiring shares of Shivaji Securities Limited hereby tendered in the Offer.

I/We confirm that the equity shares of, Shivaji Securities 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/UPC (as may be applicable) at my/our risk, the draft/cheque, 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

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE SHAREHOLDERS	**SIGNATURE(S)**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder____

____

Place : Date :

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 draft/cheque will be issued with the said Bank particulars, and not any details provided herein.

Name of the Bank		Branch	
Account No.		Savings/Current/(others : please specify)	

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

GENERAL INSTRUCTIONS

(1) 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 Shivaji Securities Limited , 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.

(2) 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.

(3) Non-resident shareholders should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in Shivaji Securities Limited .

(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 acceptance 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 acceptance form or transfer deed(s).

  (c) No Objection Certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 8 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 16 OF THIS LETTER OF OFFER.

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All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Mondkar Computers Private Limited
(Unit: Shivaji Securities Limited)
21, Shakil Niwas, Mahakali Caves Road
Andheri (East), Mumbai-400 093
Tel: (022) 2826 2920 Fax: (022) 2836 9704
Email: mondkar_computers@rediffmail.com
Contact Person: Mr. Devanand Dalvi

FORM OF WITHDRAWAL

From

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

OFFER OPENS ON	**:**	**May 11, 2006**	**(Thursday)**
LAST DATE OF WITHDRAWAL	**:**	**May 25, 2006**	**(Thursday)**
OFFER CLOSES ON	**:**	**May 30, 2006**	**(Tuesday)**

To

The Acquirer: Iaquavit Consulting Private Limited
C/ o Mondkar Computers Private Limited
"21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai-400 093

Dear Sir,

Sub : Open Offer to acquire up to 3,00,000 fully paid up equity shares of Rs.10/- each, representing 20 % of the existing outstanding equity share capital (as defined in the Letter of Offer), of Shivaji Securities Limited ("SSL"/"Target company") by Iaquavit Consulting Private Limited ("ICPL"/"Acquirer") at a price of Rs. 28/-(Rupees Twenty Eight only) per fully paid up equity share (Offer Price) payable in cash.

I/We refer to the Letter of Offer dated May 06, 2006 for acquiring the equity shares held by me/us in Shivaji Securities Limited . I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept 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. May 25, 2006 (Thursday).

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:

Sr.No.	Ledger Folio No (s)	Certificate No (s)	Distinctive Nos.		No. of shares
			From	To	
1					
2					
3					
4					
5					
				Total number of shares	

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

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the "ICPL Escrow Account-SSL 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	Name of Beneficiary	No. of shares

TEAR HERE

ACKNOWLEDGEMENT SLIP

Received from Mr./Ms._ ____________________ residing at ____

a Form of Withdrawal for ________________ shares along with a copy of:

☐ Depository instruction slip from DP ID ________________________ Client ID ___________________________

☐ Acknowledgement slip issued when depositing dematerialized shares ☐ 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 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(S)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder____

____

Place:

Date:

PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

GENERAL INSTRUCTIONS

(1) 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 Shivaji Securities Limited, 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.

(2) 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.

(3) 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.

(4) 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).

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 8 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 16 OF THIS LETTER OF OFFER.

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All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Mondkar Computers Private Limited
(Unit: Shivaji Securities Limited)
21, Shakil Niwas, Mahakali Caves Road
Andheri (East), Mumbai-400 093
Tel: (022) 2826 2920 Fax: (022) 2836 9704
Email: mondkar_computers@rediffmail.com
Contact Person: Mr. Devanand Dalvi

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