LETTER OF OFFER

This Document is important and requires your immediate attention

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

OPEN OFFER
By
XANDER INVESTMENT HOLDING X, LIMITED ("Acquirer")
having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius.
Tel. No.: + (230) 212 9800 Fax. No.: + (230) 212 9833, E-mail: - xanderfunds.admin@imm.mu
to the shareholders of
SINCLAIRS HOTELS LIMITED ("Target Company")
having its registered office at 56A Mirza Ghalib Street, Kolkata-700016
and
corporate office at 10A, Lee Road, Kolkata-700020
Tel. No.: +91-33-2280-1317/18/19/20. Fax No.: +91-33-2280-0813, E-mail: - sinclairs@vsnl.com

for the acquisition of 12,13,045 fully paid-up equity shares of Rs.10/- each, representing 20% of the emerging voting capital at a price of Rs. 172.50 per share (**"Offer Price"**) payable in cash, in accordance with Regulation 20(2)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (herein referred to as the **"Regulations"**), from the equity shareholders of the Target Company.

Please Note:

1. The Offer is being made in compliance with Regulations 10, 12 and other applicable provisions of the Regulations.
2. RBI vide its letter dated 21.04.2009 has given its approval to the Acquirer for acquiring Shares validly tendered under this Offer (including Shares tendered by Non-Resident Indians). To the best of the Acquirer's knowledge, there were no other statutory approvals required to implement the Offer other than the one specified above, however, the Offer would be subject to all statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price/size at any time up to 7 (seven) working days prior to the date of closure of the Offer viz. 24.09.2009 or withdrawal of the Offer in terms of the Regulations, the same would also be informed by way of a Public Announcement in the same newspapers where the original Public Announcement dated 28.03.2009 had appeared. Such revised Offer Price would be payable for all the equity shares tendered any time during the Offer & accepted under the Offer.
4. 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 01.10.2009 i.e. 3 (three) working days prior to the closure of the Offer.
5. The offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.
6. **No Competitive bid has been announced as on the date of this Letter of Offer.**
7. The procedure for acceptance is set out in Para 10 of this Letter of Offer. A Form of Acceptance– cum- Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
8. A copy of the Public Announcement, First and Second Corrigendum to Public Announcement and Letter of Offer (including Form of Acceptance- cum- Acknowledgement and Form of Withdrawal) would also be available at SEBI website (www.sebi.gov.in.) from the date of opening of the Offer (i.e. 18.09.2009). A copy of the Form of Acceptance-cum- Acknowledgement and the Form of Withdrawal may also be obtained from the Registrar to the Offer.

MANAGER TO THE OFFER :	REGISTRAR TO THE OFFER:
VC CORPORATE ADVISORS PRIVATE LIMITED SEBI REGN NO: INM000011096 (Contact Person: Mr. Anup Kumar Sharma) 31, Ganesh Chandra Avenue, 2nd Floor, Suite No. 2C, Kolkata – 700 013 Tel: - (033) 2225 3940 / 3941/4116 Fax: (033) 2225 3941 Email: mail@vccorporate.com	**NICHE TECHNOLIGIES PRIVATE LIMITED** SEBI REGN NO: INR000003290 (Contact person: Mr. S. Abbas) 71, B.R.B Basu Road, D-511, Bagree Market, Kolkata-700 001 Tel: (033) 2235-7271/7270/3070 Fax: (033) 2215-6823 E- mail: nichetechpl@nichetechpl.com
OFFER OPENS ON : 18.09.2009	**OFFER CLOSES ON : 07.10.2009**

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW :

Activities	Original Date & Day		Revised Date & Day	
	Date	**Day**	**Date**	**Day**
Date of Public Announcement	28.03.2009	Saturday	28.03.2009	Saturday
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	17.04.2009	Friday	17.04.2009	Friday
Last Date for a Competitive Bid, if any	18.04.2009	Saturday	18.04.2009	Saturday
Date by which the Letter of Offer to be Dispatched to the shareholders	08.05.2009	Friday	03.09.2009	Thursday
Date of Opening of the Offer	20.05.2009	Wednesday	18.09.2009	Friday
Last date for revising the Offer Price/Number of Shares	28.05.2009	Thursday	24.09.2009	Thursday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	03.06.2009	Wednesday	01.10.2009	Thursday
Date of Closing of the Offer	08.06.2009	Monday	07.10.2009	Wednesday
Date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the unaccepted equity shares certificates will be dispatched/credited.	22.06.2009	Monday	22.10.2009	Thursday

Risk Factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirer: -

1. The Offer involves an offer to acquire 20% of the emerging voting capital of the Target Company from the shareholders of the Target Company. In the case of oversubscription in the Offer, as per the Regulations, acceptance would be determined on a proportionate basis in accordance with Regulation 21(6) of the Regulations and hence there is no certainty that all the equity shares validly tendered by the shareholders in the Offer will be accepted.

2. In the event that either (a) a regulatory approval is not received in a timely manner, or (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs 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 public shareholders of the Target Company whose equity shares have been accepted in the Offer as well as the return of equity shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI, may, if satisfied that the non-receipt of approval was not due to the willful default or negligence or failure to diligently pursue, 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 the SEBI. Further, shareholders should note that after the last date of withdrawal i.e., 01.10.2009, the shareholders who have lodged the equity shares would not be able to withdraw them even if the acceptance of the equity shares under the Offer and dispatch of consideration gets delayed. The tendered equity 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 will have the right not to proceed with the Offer in terms of Regulation 27 of the Regulations in the event any of the statutory approvals, if any that are required are refused

4. The Acquirer intends to acquire 12,13,045 fully paid-up equity shares of Rs.10/- each, representing 20% of the emerging paid-up equity and voting share capital at a price of Rs. 172.50 per share under the Regulations. The equity shares and documents tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. The Acquirer makes no assurance with respect to the market price of the equity 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. The Acquirer makes no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.

The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manger of the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer or otherwise, but are merely indicative. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

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1. DEFINITIONS/ABBREVIATIONS

Acquirer	Xander Investment Holding X, Limited
Acquirer Shares	2,02,456 equity shares allotted to Acquirer on 18.12.2007
Acquirer Warrants	13,75,044 warrants of the Target Company allotted to Acquirer on 18.12.2007
Agreement	Investment Agreement dt.18.12.2007 entered into amongst the Target Company, the Acquirer and the Promoters of the Target Company
Board	The Board of Directors of the Target Company
BSE	Bombay Stock Exchange Limited
CSE	Calcutta Stock Exchange Association Limited
Conversion price	Rs. 172.50, the price at which each Acquirer Warrant is converted into one equity share of the Target Company
First Corrigendum to PA	Corrigendum to Public Announcement dt.19.05.2009.
CDSL	Central Depositories Services Limited
ECS	Electronic Clearing Service
EGM	Extra-ordinary general meeting of the shareholders of the Target Company
Escrow Agent	Axis Bank Limited, Kolkata Main Branch, Kolkata
Escrow Account	A non-interest bearing bank account in India (under the name and title of "SINCLAIRS HOTELS LIMITED – OPEN OFFER ESCROW ACCOUNT") opened with the Escrow Agent
FOA or Form of Acceptance – cum – Acknowledgment	Form of Acceptance – cum – Acknowledgment accompanying this Letter of Offer
FOW or Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
LO	Letter of Offer
Emerging Voting Capital	60,65,222 equity shares, being the total share capital of the Target Company on 22.10.2009 (being the date which is 15 days from the date of closure of the Offer) on a fully diluted basis assuming conversion of all outstanding instruments convertible into equity shares of the Target Company i.e. Remaining Warrants and the Other Remaining Warrants
Manager to the Offer	VC Corporate Advisors Private Limited
MOU	An in-principle Memorandum of Understanding dated 11.10.2007 entered into amongst the Acquirer, the Target Company and the Promoters of the Target Company
NRI(s)	Non- Resident Indians
NSDL	National Securities Depositories Limited
Other Investors Warrant	Allotment of 10,25,072 warrants convertible into 10,25,072 equity shares at a conversion price of Rs.172.50 per equity share to other investors in the Target Company namely MRCS Investment Holding Limited (5,12,536 warrants) and MCCS Investment Holding Limited (5,12,536 warrants).
Other Remaining Warrants	3,31,301 warrants pending conversion as of the date of the PA, held by MCCS Investment Holding Limited and the promoter group companies namely M/s. Pressman Realty Limited (formerly M/s. Pressman Estates & Investments Limited) and Pressman Properties Limited
Offer Price	Rs172.50/- payable in cash

Offer/Open Offer	Cash Offer being made by the Acquirer to acquire 12,13,045 fully paid-up equity shares of Rs.10/- each, representing 20% of the fully paid-up equity and voting share capital at a price of Rs. 172.50/ per share
PA	Public Announcement to the shareholders of Target Company dt. 28.03.2009
Persons eligible to participate in the Offer	All owners (registered and unregistered) of equity shares of the Target Company except the parties to the Agreement
Promoters	Promoters of the Target Company i.e., Dr. Niren Suchanti, Mr. Navin Chand Suchanti, Mrs. Sujata Suchanti, Mrs. Pramina Suchanti, Mr. Rohan Suchanti, M/s. Pressman Realty Limited (formerly M/s. Pressman Estates & Investments Limited), M/s. Pressman Properties Limited and M/s. Prima Communications Limited
Promoters Warrants	Allotment of 1,35,150 warrants convertible into 1,35,150 equity shares at a price of Rs.172.50 per equity share to the promoter group companies namely M/s. Pressman Realty Limited (formerly M/s. Pressman Estates & Investments Limited) and Pressman Properties Limited
RBI	Reserve Bank of India
Registrar to the Offer	Niche Technologies Private Limited
Remaining Warrants	The number of the warrants held by the Acquirer pending conversion on the date of PA i.e., 10,75,328 warrants
Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
ROC	Registrar of Companies, Kolkata
Second Corrigendum to PA	Corrigendum to Public Announcement dt. 02.09.2009
SEBI	Securities & Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and any subsequent amendment thereto from time to time
SEBI DIP Guidelines	Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000
Specified date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of the Target Company, to whom this LO should be sent, i.e 17.04.2009
Target Company	Sinclairs Hotels Limited
USD	United States Dollar

Rupee Translation: Certain financial details contained in this LO are denominated in USD. The Rupee equivalent is calculated at the quoted USD/INR exchange rate as on 25.03.2009, namely 1USD = Rs. 50.7650 (Source: Bloomberg).

In this LO, any discrepancies in any table between the total and sum of amounts listed are due to rounding off.

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 DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SINCLAIRS HOTELS 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 WHO'S 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 MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 08.04.2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILLING OF THIS 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 PROPOSED OFFER.

3. DETAILS OF THE OFFER:

3.1 Background of the Offer:

3.1.1 This open offer ("Offer") is being made by the Acquirer to the public shareholders of the Target Company pursuant to and in compliance with Regulations 10, 12 and other applicable provisions of the Regulations, consequent to conversion of the Remaining Warrants held by the Acquirer into equity shares.

3.1.2 The equity shares of the Target Company are listed on the BSE and the CSE. The Promoters hold 29,04,128 equity shares in the Target Company constituting 62.34% of the paid up and voting share capital of the Target Company on the date of the PA. Pursuant to conversion of the Remaining Warrants and the Other Remaining Warrants, the Promoter's holding as on the date of this LO is 30,39,278 equity shares constituting 50.11% of the paid up share capital of the Target Company.

3.1.3 Pursuant to an in-principle Memorandum of Understanding ("MOU") dated 11.10.2007 entered into amongst the Acquirer, the Target Company and the Promoters of the Target Company, the Board of Directors of the Target Company ("Board") at their meeting held on 11.10.2007 approved, amongst others, the issue of 2,02,456 equity shares ("Acquirer Shares") and 13,75,044 warrants ("Acquirer Warrants") to the Acquirer, subject to the approval of the shareholders of the Target Company ("Shareholders") in the general meeting. At an Extra-Ordinary General Meeting of the Shareholders ("EGM") held on 08.11.2007, the Shareholders approved ("Shareholders Approval"), amongst others, the issue and allotment of the Acquirer Shares and the Acquirer Warrants to the Acquirer, pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, ("SEBI DIP Guidelines") the provisions of the Memorandum and Articles of Association of the Target Company, the Listing Agreement entered into by the Target Company with the BSE and the CSE, and subject to other approval(s), consent(s), permission(s) and/or sanctions of any authorities as may be necessary. Pursuant to the said Shareholders Approval and in-principle approval received from the BSE dated 06.12.2007, the Target Company in its Board meeting held on 18.12.2007 allotted the Acquirer Shares and the Acquirer Warrants to the Acquirer at a price of Rs.172.50 per equity share / warrant and also entered into an Investment Agreement ("Agreement") with the Acquirer and the Promoters of the Target Company. The salient features of the Agreement are as follows:

- The Acquirer has agreed to subscribe to and the Target Company has agreed to issue and allot to the Acquirer 2,02,456 equity shares and 13,75,044 warrants of the Target Company at a price of Rs.172.50 per equity share /warrant, aggregating to a total sum of Rs. 27,21,18,750 (Rupees Twenty Seven Crores Twenty One Lacs Eighteen Thousand Seven Hundred Fifty only).

- The Target Company shall utilize the proceeds received from the Acquirer for the purpose of the business of the Target Company i.e., inter alia, of owning, operating, managing hotels, resorts and serviced apartments and other incidental or ancillary business subject to the approval of the Board.

- The overall management and control of the Target Company will remain with the Promoters of the Target Company while the Acquirer will only be a financial investor with certain minority protection rights.

- In case if either of the parties i.e., the Acquirer or the Promoters of the Target Company desires to transfer any or all shares or voting interests owned by it then it has to first offer its shares to the other party by way of a notice. Further if the other party does not wish to accept the offer then it shall have a tag along right to sell and transfer such proportionate number of shares to the intending transferee at the same price and on terms and conditions on which the intending transferee agreed to purchase the shares from the transferor.

- The Acquirer or the Promoters of the Target Company shall not transfer any of the shares or voting rights therein owned by it to any person or create any encumbrance over the shares owned by it, except as expressly required or permitted under the Agreement.

- The Acquirer has the right to induct its nominee directors on the Board of the Target Company in proportion to its shareholding and also some rights on certain reserved matters which may affect the value of Acquirer's investment in the Target Company.

- As long as the Acquirer holds at least 20% of the share capital of the Target Company, the following reserved matters shall not be acted upon by the Target Company unless the matter is approved by a majority of the board of directors which includes affirmative vote of the Acquirer Director:

(i) Approval of, or amendment to any business plans, project plans, budgets or other periodic plans;

(ii) Approval of, or amendment to, architectural details, including but not limited to (a) the site layout; (b) floor plans; (c) typical room plans; (d) services layout along with detailed drawings and specifications for any project;

(iii) Approval of the annual operating plan and operating budgets provided by any hotel operator and approval of any variation in such plans and budgets;

(iv) Approval for business restructuring plans;

(v) Divestment or sale (including but not limited to lease or exchange) of assets of the Target Company, calculated on the higher of the book value or the proposed sale price of such asset, in any financial year

(vi) Acquisition of other properties or businesses (by way of share sale, business transfer, slump sale, asset sale or any other mode of acquiring a business or asset), creation of joint ventures/partnerships, creation or investment in subsidiaries or any other investments (other than short term liquid investments in bank deposits offered by scheduled commercial banks or financial institutions);

(vii) Capital expenditures or acquisitions of assets, unless already in the annual operating plan/ project plan approved by the Acquirer;

(viii) Any issue of further shares, debentures, warrants, bonds or any other securities/ instruments of the Target Company whether convertible into equity shares or not; or any increase, decrease or other alteration or modification in authorized or issued share capital, or creation or issue of other securities (including equity shares, preference shares, non-voting shares, warrants, options, convertible instruments, etc) and the terms thereof and /or approve or disapprove any transfer of shares;

(ix) All affiliated party transactions including the terms and conditions of such transactions;

(x) Appointment of third party contractors, marketing / sales agencies, architects, and other service providers, expect in ordinary course;

(xi) Obtaining secured and unsecured mortgage financing (construction, permanent, working capital, bridge and mezzanine);

(xii) Acquisition of land, cessation of any existing construction projects, undertaking any new construction projects, entering into any joint development projects, or giving any advances to any entity or person for the purposes of acquiring land or entering into a joint development agreement;

(xiii) Approval to the master plan, detailed drawings and, or, specifications for any project;

(xiv) Instigation, defense, settlement or withdrawal of any litigation or other proceedings;

(xv) Changes to material accounting or tax policies or practices;

(xvi) The giving of security for, or the guaranteeing or debts or obligations of any person;

(xvii) Any change in the financial year for preparation of audited accounts;

(xviii) Creating any lien to secure obligations by proposing the acquisition, sale, lease, transfer, license or in any other way proposing to dispose off or encumber any assets or undertaking of the Target Company or substantially all of the assets or undertaking of the Target Company;

(xix) Recommend, giving or renewing any guarantee, indemnity or security in respect of obligations of the Target Company;

(xx) Any arrangements for the use, encumbrance or sale of the Target Company's brand and any other material intellectual property rights;

(xxi) Any advances or loans by the Target Company which are not in the ordinary course;

(xxii) Evaluation of the performance of a hotel operator and, or, termination of the agreement with the hotel operator;

(xxiii) Any commitment or agreement or arrangement (oral or written) to do any of the foregoing.

3.1.4 In addition to the Acquirer Warrants, the Target Company has, on 18.12.2007, issued and allotted 10,25,072 warrants ("Other Investor Warrants") convertible into 10,25,072 equity shares at a Conversion Price of Rs.172.50 per equity share to other investors in the Target Company namely MRCS Investment Holding Limited (5,12,536 warrants) and MCCS Investment Holding Limited (5,12,536 warrants). It also has issued and allotted 1,35,150 warrants ("Promoter Warrants") convertible into 1,35,150 equity shares at a price of Rs.172.50 per equity share to the promoter group companies, the details of the same are provided in Para 6.1.7 herein below. All the warrants were allotted after receiving an upfront payment of 10% of the Conversion Price (as defined in Para 3.1.5 below).

3.1.5 The Acquirer Shares and the Acquirer Warrants issued to the Acquirer were locked-in for a period of one year from the date of their allotment. The Acquirer Warrants are convertible into 13,75,044 equity shares of Rs.10/- each, at the option of the Acquirer, at a price of Rs.172.50 per equity share ("Conversion Price") within 18 months from the date of allotment of the Acquirer Warrants. The aggregate consideration payable on the conversion of all of the Acquirer Warrants into equity shares at the Conversion Price is Rs.23,71,95,090 (Rupees Twenty Three Crores Seventy One Lacs Ninety Five Thousand Ninety Only), of which 10% i.e., Rs.2,37,19,509 (Rupees Two Crores Thirty Seven Lacs Nineteen Thousand Five Hundred Nine only) has been paid by the Acquirer in accordance with the provisions of the SEBI DIP Guidelines prior to the allotment of the Acquirer Warrants on 18.12.2007. Further, the Acquirer has paid an amount of Rs.5,23,43,003.25 (Rupees Five Crores Twenty Three Lacs Forty Three Thousand Three and Twenty Five Paise Only) being the remaining 90% consideration for exercising its option for conversion of 3,37,153 warrants (out of the Acquirer Warrants) into equity shares which were allotted to it by the Target Company in its Board Meeting held on 11.04.2008. The Acquirer has also paid an amount of Rs.2,46,40,348.50 (Rupees Two Crores Forty Six Lacs Forty Thousand Three Hundred Forty Eight and Fifty Paise only) being the remaining 90% consideration for exercising its option for conversion of 1,58,714 warrants (out of the Acquirer Warrants) into equity shares, which were allotted to it by the Target Company in its Board Meeting held on 12.02.2009.

3.1.6 The Acquirer pursuant to an agreement-dated 25.03.2009 has also acquired 1,96,151 warrants of the Target Company from MRCS Investment Holding Limited at a price of Rs. 17.25 per warrant which is equal to the upfront payment of 10% of the Conversion Price.

3.1.7 The Acquirer, as on the date of PA holds 8,79,177 warrants pending conversion out of the Acquirer Warrants allotted on 18.12.2007 and 1,96,151 Warrants acquired by the Acquirer on 25.03.2009 aggregating to 10,75,328 Warrants ("Remaining Warrants") convertible into 10,75,328 equity shares of the Target Company. On 03.04.2009, the Acquirer has exercised its option of converting the Remaining Warrants into the equity shares by sending a formal intimation to the Target Company. The Acquirer has paid the remaining 90% of the warrant consideration amounting to Rs. 16,69,44,672/- (Rupees Sixteen Crores Sixty Nine Lacs Forty Four Thousand Six Hundred Seventy Two only) to the Target Company on 08.04.2009. The Remaining Warrants were converted into 10,75,328 equity shares and allotted to the Acquirer by the Target Company in its meeting held on 08.04.2009. Since the total shareholding of the Acquirer post conversion of the Remaining Warrants would constitute 29.24% of the Emerging Voting Capital, which is more than the threshold limit of 15% as stipulated in Regulation 10 of the Regulations and the Acquirer had proposed to convert the Remaining Warrants on 03.04.2009, this Offer is being made under and in compliance with Regulation 10 and 12 read with Regulation 14(2) of the Regulations.

3.1.8 The Acquirer, its directors and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of the direction issued u/s 11B of the SEBI Act or under any other regulations made under the SEBI Act.

3.1.9 As on the date of PA, Mr. Siddhartha Yog, director of the Acquirer is on the Board of Target Company. He had not /will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

3.1.10 As on the date of PA, the Manager to the Offer does not hold any equity shares in the Target Company. They declare and undertake not to deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

3.2 Details of the proposed Offer:

3.2.1. The PA dated 28.03.2009 was made in Business Standard (English Daily) all editions (except Bangalore and Hyderabad), Prathakal (Hindi Daily) all editions, Kalantar (Bengali Daily) and Navasakti (Marathi Daily) on 28.03.2009 in compliance with the Regulations. Business Standard Bangalore & Hyderabad edition had carried the PA on 30.03.2009 as there was no issue on 28.03.2009 and 29.03.2009 on account of local holiday at those places.
The First Corrigendum and the Second Corrigendum to the Public Announcement were also published in the same newspapers as mentioned above on Friday, May 19, 2009 and September 02, 2009, respectively in accordance with the Regulation 15 of the Regulations. A copy of the Public Announcement as well as the First Corrigendum and the Second Corrigendum to the Public Announcement is available on the SEBI's website at www.sebi.gov.in.

3.2.2 As of the date of the PA, the paid up capital of the Target Company was Rs. 4,65,85,930 divided into 46,58,593 equity shares. As of the date of this LO, the paid up capital of the Target Company has increased to Rs. 6,06,52,220 divided into 60,65,222 equity shares pursuant to the conversion of all the warrants into equity shares.

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

3.2.4 The Offer is being made by the Acquirer to all of the shareholders of the Target Company (except to the Promoters) to acquire from them 12,13,045 equity shares ("Offer Shares") constituting 20% of the Emerging Voting Capital of the Target Company at a price of Rs.172.50 per equity share (the "Offer Price"), payable in cash, in accordance with the Regulations and subject to the terms and conditions mentioned herein. If the equity shares validly tendered in the Offer exceed more than 20%, then the Acquirer shall accept the same in accordance with Regulation 21(6) of the Regulations.

3.2.5 There are no "persons acting in concert" with the Acquirer for the purpose of the Offer. Due to applicability of Regulation 2(1)(e)(2) of the Regulations, there could be certain persons/ entities deemed to be acting in concert with the Acquirer. However, such persons are not "persons acting in concert" for the purposes of this Offer.

3.2.6 The equity shares will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all the rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

3.2.7 The Offer is not subject to any minimum level of acceptances by the shareholders.

3.2.8 Save as disclosed in this LO, the Acquirer has not made any further acquisition in the Target Company.

3.2.9 No competitive bid has been received as on date of this LO.

3.2.10 Save as disclosed in this Letter of Offer the Acquirer has not made any further acquisition of shares of the Target Company.

3.3 Object of the Offer and future plans:

3.3.1 Regulation 14(2) of the Regulations requires any acquirer acquiring securities which when taken together with the voting rights if any, already held by such acquirer, would entitle such acquirer to voting rights exceeding the percentage specified in Regulation 10 or Regulation 11 of the Regulations, to make a PA to acquire equity shares no later than 4 (four) working days before such acquirer acquires voting rights on such securities upon conversion of such securities or exercise of option, as the case may be. Since the total shareholding of the Acquirer post conversion of the Remaining Warrants would constitute 29.24% of the Emerging Voting Capital, which is more than the threshold limit of 15% as stipulated in Regulation 10 of the Regulations and the Acquirer had proposed to convert the Remaining Warrants on 03.04.2009, this Offer is being made under and in compliance with Regulation 10 and 12 read with Regulation 14(2) of the Regulations.

3.3.2 Presently the Acquirer is engaged in the activity of investment in the shares / securities of Indian companies engaged in hotels, hospitality, and related activities and do all such other things as are necessary, ancillary or incidental to, or as the Acquirer may think conducive for, the conduct, promotion or attainment of its business.

3.3.3 Disclosure in terms of Regulations 16(ix) of the Regulations: The Acquirer does not have any plans to make any major change to the existing lines of business of the Target Company nor to dispose of or otherwise encumber any assets of the Target Company in the next 24 (twenty four) months, except in the ordinary course of business of the Target Company or to the extent required for the purpose of restructuring and/or rationalization of assets, investments or liabilities of the Target Company for commercial reasons and operational efficiencies. It will be the discretion of the Board to take appropriate decisions in these matters as per the requirements of the business. Such steps shall be in compliance with applicable provisions of the Regulations, Companies Act, 1956, and/or other applicable laws at the relevant time and will be subject to prior approval of shareholders of the Target Company, wherever required.

3.3.4 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, to the extent required by applicable laws.

4. BACKGROUND OF THE ACQUIRER:

4.1. Acquirer – XANDER INVESTMENT HOLDING X, LIMITED

4.1.1 The Acquirer i.e., Xander Investment Holding X, Limited is a limited liability company having its registered office at 4th Floor, Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius. The Acquirer was incorporated on 13th April 2007 under Act No. 15 of the Companies Act, 2001 of the laws of Republic of Mauritius. The contact details of the Acquirer are as follows: Tel. No.: + (230) 212 9800 Fax. No.: +(230) 212 9833. Email: xanderfunds.admin@imm.mu. The Acquirer is not a listed company.

4.1.2 Xander Investment Holding X, Limited is part of The Xander Group Inc. The Xander Group Inc. is a global private equity firm with offices in Boston, London, Mauritius, New Delhi and Singapore. In the real estate and infrastructure sectors, The Xander Group Inc has invested in projects across 21 Indian cities comprising multiple asset classes including residential townships, mass housing, city center mixed-use developments, commercial office towers, industrial, logistics warehousing and special economic zones. The firm has a large investment portfolio of operating & under development hotels / hotel companies in India across various segments including luxury resorts, heritage hotels, city-center business hotels and budget hotels.

4.1.3 The share capital of the Acquirer as on the date of this LO is USD 33,79,700 (INR 17,15,70,470.50) comprising of the 33,79,700 common/ordinary shares of face value USD 1 each (INR 50.7650 each). The entire shareholding of the Acquirer is held by Xander Master Fund, LLC and Xander Master Fund II, LLC (the "Funds"), holding 11,08,500 common/ordinary shares representing 32.80% and 22,71,200 common/ordinary shares representing 67.20% of the common/ordinary shares of the Acquirer, respectively. The Funds having their registered office at 4th Floor, Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius, are limited liability companies, organized in accordance with the laws of Mauritius and operate as a collective investment scheme with the objective to invest through its subsidiaries in Mauritius, in a diversified portfolio of assets such as hotels and hospitality operating companies in India."

4.1.4 The Acquirer was incorporated with the objective of carrying out global business as defined in the Financial Services Act, 2007 and to do all such other things as are necessary, ancillary or incidental to, or as the Acquirer may think conducive for, the conduct, promotion or attainment of its business. Presently the Acquirer is engaged in the activity of investment in the securities of Indian companies engaged in hotels, hospitality, and related activities. The Acquirer holds a Category 1 Global Business License issued by the Financial Services Commission.

4.1.5 Shareholding pattern of the Acquirer as on the date of this LO is as under:

Category of shareholder	Total no. of Shares	Total shareholding as a % of total no. of shares
Promoters		
Individuals:	-	-
Bodies Corporate:		
Xander Master Fund, LLC	11,08,500	32.80
Xander Master Fund II, LLC	22,71,200	67.20
SUB TOTAL	**33,79,700**	**100.00%**
Public Shareholding		
MF/UTI/Insurance Companies	-	-
Bodies Corporate	-	-
Individuals	-	-
Others	-	-
SUB TOTAL	**0**	**0**
TOTAL	**33,79,700**	**100.00%**

4.1.6 The table below provides the names, addresses, experience and qualifications of the Board of Directors of the Acquirer:

Names of Directors	Residential Address	Experience	Qualification	Designation	Date of Appointment
Heerdaye Jugbandhan	34, Boulevard Victoria Street, Port Louis, Republic of Mauritius	Has Served as a Relationship Manager with Northern Trust Group, Channel Island for 4 years and as a Senior Manager at KEY Financial Services Limited, E&Y Mauritius Global business.	· Fellow Member of ACCA, UK. · Member of Securities & Investment Institute, UK · Member of Mauritius Institute of Professional Accountants.	Director	13.04.2007
Dourvesh Kumar Chumun	Royal Road Notre Dame Long Mountain Republic of Mauritius.	Has worked as a Senior Accountant at a UK based CA Firm for 3 years. Prior to that, he was working with Deloitte and Touche and Bacha & Company Chartered Accountant for 3 years and was involved in various audit and related assignments of listed companies and the financial sector companies.	· Fellow Member of ACCA, UK · Member of Mauritius Institute of Professional Accountants	Director	29.07.2007
Siddhartha Yog	250 W. 50th Street, #27G, New York 10019, USA.	Has over 15 years of experience in real estate. He has worked with various organizations in lead roles such as CB Richard Ellis – India, Singapore and Hong Kong, Bain & Company New York, Deutsche Bank Real Estate, Investment Manager – Frankfurt, etc. His real estate and infrastructure advisory experience spans 15 countries across Asia.	· MBA from Harvard Business School with highest distinction as Baker Scholar.	Director	16.04.2007

As on the date of PA, Mr. Siddhartha Yog, director of the Acquirer is on the Board of Target Company. He had not /will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

4.1.7 The shares of the Acquirer are not listed on any stock exchange.

4.1.8 **Financial Information:**

The audited financial details of the Acquirer for the period April 13, 2007 (i.e. date of incorporation) to December 31, 2007 and for the year ended 31st December 2008 and for 3 Months ended 31st March 2009 are as under:

Profit & Loss Statement

For the Year Ended	For the period April 13, 2007 to December 31, 2007 (US$) (Audited)	For the period April 13, 2007 to December 31, 2007 (Rs. In Lacs) (Audited)	For the year ended 31st December 2008 (US$) (Audited)	For the year ended 31st December 2008 (Rs. In Lacs) (Audited)	For the period January 1, 2009 to March 31st 2009 (US$) (Audited)	For the period January 1, 2009 to March 31st 2009 (Rs. In Lacs) (Audited)
Income from Operations	Nil	Nil	Nil	Nil	Nil	Nil
Other Income	3	0.00	13	0.01	Nil	Nil
Total Income	3	0.00	13	0.01	Nil	Nil
Total Expenditure	14,106	7.16	81,752	41.50	5,889	2.99
Profit/(Loss) before Interest, Depreciation and Tax	-14,103	-7.16	-81,739	-41.49	-5,889	-2.99
Depreciation	Nil	Nil	Nil	Nil	Nil	Nil
Interest	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(Loss) before Tax	-14,103	-7.16	-81,739	-41.49	-5,889	-2.99
Provision for Tax (including deferred tax)	331	0.17	2,438	1.24	Nil	Nil
Profit /(Loss) after taxes, before gain /(loss) from investment	13,772	6.99	-79,301	-40.26	-5,889	-2.99
Changes in Unrealized gain/(loss) from investment	20,57,789	1,044.64	-25,84,704	-1,312.12	-1,06,865	-54.25
Profit/(Loss) after tax	20,44,017	1,037.65	-26,64,005	-1,352.38	-1,12,754	-57.24

Balance Sheet

As on	For the period ended April 13, 2007 to December 31, 2007 (US$) (Audited)	For the period ended April 13, 2007 to December 31, 2007 (Rs. In Lacs) (Audited)	For the year ended 31st December 2008 (US$) (Audited)	For the year ended 31st December 2008 (Rs. In Lacs) (Audited)	For the period January 1, 2009 to March 31st 2009 (US$) (Audited)	For the period January 1, 2009 to March 31st 2009 (Rs. In Lacs) (Audited)
Sources of funds						
Shareholders' Equity	14,95,500	759.19	28,00,500	1,421.67	33,79,700	1,715.70
Accumulated Income/(Deficit)	20,44,017	1,037.65	-6,19,988	-314.74	7,32,742	371.98
NetWorth	35,39,517	1,796.84	21,80,512	1,106.94	26,46,958	1,343.73
Accounts payable and accrued liabilities	12,616	6.40	15,948	8.10	20,988	10.65
Due to related parties	13,509	6.86	88,508	44.93	89,923	45.65
Advance received towards Purchase of shares	-	-	-	-	10,35,000	525.42
Total	**35,65,642**	1,810.10	**22,84,968**	1,159.96	**37,92,869**	1,925.45
Use of funds:						
Cash & cash equivalents	11,843	6.01	1,231	0.62	10,41,991	528.97
Advances	-	-	-	-	2,340	1.19
Investment	35,53,468	1,803.92	22,80,968	1,157.93	27,45,769	1,393.89
Deferred Tax Asset	331	0.17	2,769	1.41	2,769	1.41
Total	**35,65,642**	1,810.10	**22,84,968**	1,159.96	**37,92,869**	1,925.45

Other Financial Data

For the Year Ended	For the period ended April 13, 2007 to December 31, 2007 (US$) (Audited)	For the period ended April 13, 2007 to December 31, 2007 (Rs. In Lacs) (Audited)	For the year ended 31st December 2008 (US$) (Audited)	For the year ended 31st December 2008 (Rs. In Lacs) (Audited)	For the period January 1, 2009 to March 31st 2009 (US$) (Audited)	For the period January 1, 2009 to March 31st 2009 (Rs. In Lacs) (Audited)
Dividend (%)	-	-	-	-	-	-
Earning Per Share (Rs.)	1.37	69.55	(0.95)	(48.23)	(0.03)	(1.52)
Return on Net worth (%)	57.75	57.75	(122.17)	(122.17)	(4.26)*	(4.26)*
Book Value Per Share (Rs.)	2.37	120.31	0.78	39.60	0.78	39.60

*Non-Annualized

Note:

i. EPS = $\dfrac{\text{Net Profit/(loss) for the period / year}}{\text{number of common shares at the end of the year / period.}}$

ii. Return on Net Worth = $\dfrac{\text{Net Profit/(loss) for the period / year}}{\text{Net Worth}}$

iii. Book Value per Share = Net Worth / No. of outstanding common shares at the end of the year / period.

iv. Source: Audited Accountants.

4.1.9 The Acquirer has not promoted any company.

4.1.10 The Acquirer has till date complied with the relevant provisions of Chapter II of the Regulations except that there was a delay of 2 (two) days in compliance with the provisions of Regulation 7(1) of the Regulations for acquisition made on 11.04.2008.

5. OPTION IN TERMS OF REGULATION 21(2)

If in the event, pursuant to the Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges where the equity shares of the Target Company are listed within the specified time and in accordance with the prescribed procedure under clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

6. BACKGROUND OF THE TARGET COMPANY – SINCLAIRS HOTELS LIMITED

6.1 Brief History and Main Areas of Operations:

6.1.1 The Target Company was originally incorporated in the name of Sinclairs Hotels Private Limited on December 2, 1971 with the Registrar of Companies, West Bengal. The name of the Target Company was changed to Sinclairs Hotels and Transportation Private Limited on April 5, 1978. The Target Company was subsequently converted into a public limited company and received a fresh certificate of incorporation on November 30, 1981. Subsequently the name of the Target Company was changed to Sinclairs Hotels Limited on October 5, 2005. The registered office of the Target Company is situated at 56A, Mirza Ghalib Street, Kolkata – 700 016. The corporate office of the Target Company is situated at 10A Lee Road, Kolkata – 700 020, Tel. No.: +91-33-2280-1317/18/19/20. Fax No.: +91-33-2280-0813. The Target Company's Corporate Identity Number (CIN) is L55101WB1971PLC028152.

6.1.2 The Target Company presently operates in the hospitality sector. The Target Company owns and manages chain of hotels in India under the brand “Sinclairs”. At present the Target Company operates 5 hotels namely Hotel Sinclairs Siliguri located at Siliguri, Hotel Sinclairs Darjeeling located at Darjeeling, Sinclairs Retreat Dooars (Chalsa) located at Dooars (Chalsa), Hotel Sinclairs Ooty located at Ooty and Hotel Sinclairs Bay View, Port Blair located at Port Blair. Altogether the Target Company offers 279 rooms, 17 suites, and 2 villas and operates 10 food and beverage outlets and 15 banquet facilities as part of 5 hotels.

6.1.3 The Target Company has also formed a wholly owned subsidiary on 01.04.2008 namely Sinclairs Management Education Company Private Limited to set up a hospitality management institute. Till date the subsidiary has not commenced any business activity.

6.1.4 The Target Company is promoted by Dr. Niren Suchanti, Mr. Navin Chand Suchanti, Mrs. Sujata Suchanti, Mrs. Pramina Suchanti, Mr. Rohan Suchanti, M/s. Pressman Realty Limited (formerly M/s. Pressman Estates & Investments Limited), M/s. Pressman Properties Limited and M/s. Prima Communications Limited (collectively the “Promoters”).

6.1.5 As on the date of the PA, the Target Company has an authorized share capital of Rs. 2000.00 Lacs comprising of 1,50,00,000 equity shares of Rs.10/- each and 50,00,000 redeemable preference shares of Rs. 10/- each. It has an issued, subscribed and paid up equity share capital of Rs.465.86 Lacs, consisting of 46,58,593 fully paid equity shares of Rs.10/- each. There are no partly paid up shares in the Target Company.

6.1.6 The share capital structure of the Target Company as on the date of the PA (without taking into account the equity shares issued upon conversion of the Remaining Warrants and Other Remaining Warrants) was as follows:

Paid up Equity Shares of Target Company	**No. of Shares / Voting Rights**	**% of Shares / Voting Rights**
Fully Paid up Equity Shares	46,58,593	100.00%
Partly Paid up Equity Shares	NIL	NIL
Total Paid up Equity Shares	46,58,593	100.00%
Total voting rights in the Target Company	46,58,593	100.00%

6.1.7 The details of Acquirer Warrants, the Other Investor Warrants and the Promoter Warrants issued by the Target Company on a preferential basis at the Board meeting held on 18.12.2007 are as follows:

Name of the Allottees for the Warrants	**Shareholder Category**	**No. Of Warrants**	**%age of Emerging Voting Capital assuming full conversion of the Warrants**
M/s. Pressman Realty Limited (formerly M/s. Pressman Estates & Investments Limited)	Promoter Company	67,575	1.11%
Pressman Properties Limited.	Promoter Company	67,575	1.11%
Xander Investment Holding X, Limited.	Foreign Company	13,75,044	22.67%
MRCS Investment Holding Limited.	Foreign Company	5,12,536	8.45%
MCCS Investment Holding Limited.	Foreign Company	5,12,536	8.45%
Sub-total of all Warrants as mentioned above		25,35,266	41.79%
Total Emerging Voting Capital assuming full conversion of all Warrants issued		**60,65,222**	**100%**

In addition to the above warrants, the Target Company has also allotted equity shares to the Acquirer (2,02,456), MCCS Investment Holding Limited (75,464) and MRCS Investment Holding Limited (75,464) on a preferential basis at the Board meeting held on 18.12.2007.

6.1.8 The share capital structure of the Target Company as on the date of this LO (taking into account the equity shares issued upon conversion of the Remaining Warrants and Other Remaining Warrants) is as follows:

Paid up Equity Shares of Target Company	**No. of Shares / Voting Rights**	**% of Shares / Voting Rights**
Fully Paid up Equity Shares	60,65,222	100.00%
Partly Paid up Equity Shares	NIL	NIL
Total Paid up Equity Shares	60,65,222	100.00%
Total voting rights in the Target Company	60,65,222	100.00%

As is evident from the table above, the total paid up capital of the Target Company as on the date of the PA was Rs. 4,65,85,930 comprising of 46,58,593 equity shares. As of the date of this LO, the paid up share capital of the Target Company has increased pursuant to the conversion of the Remaining Warrants and the Other Remaining Warrants into equity shares on 08.04.2009 to Rs. 6,06,52,220 comprising 60,65,222 equity shares.

6.1.9 As on the date of this LO, there are no partly paid up shares issued by the Target Company.

6.1.10 Current capital structure of the Target Company has been built up since inception as per the details given below:

Date of allotment	**Shares Issued**		**Cumulative paid up Capital**	**Mode of allotment**	**Identity of allottees**	**Compliance status**
	Number	**%**				
31.03.1978	10,148	0.17	10,148	Cash	Promoters & Associates	Complied
22.08.1978	9,412	0.16	19,560	Other than cash	Allotted to the shareholders of Sinclairs Freight and Chartering Consultants Pvt. Ltd., on amalgamation	Complied
31.03.1979	6,000	0.09	25,560	Cash	Allotment to Promoters & Associates	Complied
1983	2,30,040	3.79	2,55,600		By split	Complied
31.03.1983	1,00,000	1.65	3,55,600	Cash	Private placement WBIDC	Complied
31.03.1984	50,000	0.82	4,05,600	Cash	Private placement IDBI	Complied
30.06.1986	9,37,500	15.46	13,43,100	Cash	Public issue	Complied
23.08.1994	6,56,898	10.83	19,98,998	Other than cash	Allotted to the shareholders of Benchmark Home & Resorts Ltd on amalgamation (three share of the Target Company was allotted for every one share of Pressman Resorts Ltd)	Complied
30.07.1998	1,76,575	2.91	21,76,573	Other than cash	Allotted to the shareholders of Benchmark Home & Resorts Ltd on amalgamation (1 share of the Target Company was allotted for every 20 shares of Benchmark Home & Resorts Ltd)	Complied
30.01.1999	9,99,999	16.49	31,76,572	Cash	Conversion of zero interest fully convertible debentures	Complied
19.12.2007	3,53,384	5.83	35,29,956	Cash	Allotted to Acquirer and other investors	Complied
11.04.2008	9,69,923	15.99	44,99,879	Cash	Allotted to Acquirer and other investors pursuant to the conversion of warrants	Complied
12.02.2009	1,58,714	2.62	46,58,593	Cash	Allotted to Acquirer pursuant to the conversion of warrants	Complied
08.04.2009	14,06,629	23.19	60,65,222	Cash	Allotted to Acquirer, promoter group and other investors pursuant to the conversion of warrants	Complied
TOTAL	**60,65,222**	**100.00**				

6.1.11 As per our verification and undertaking received from the Target Company, we state that there has not been any suspension of trading of shares of the Target Company in the BSE and the CSE i.e. the stock exchanges where the equity shares of the Target Company are presently listed. We have further been informed that as on date no punitive action has been taken against the Target Company by the BSE and the CSE. In this respect we have already written to the BSE and the CSE vide our letter dt.28.03.2009 & 03.04.2009 to provide us the information of compliance made by the Target Company along with any suspension/disciplinary/ penal action taken by them against the Target Company. We have not received any information from the BSE and the CSE till date. As per the letter dt. 02.04.2009 received from the Registrar of the Company, we state that there is no Investor's grievances pending as on date against the Target Company.

6.1.12 In respect of the BSE, the Target Company has complied with the provision of Regulation 6 of the Regulations for the year 1997 and also Regulation 8(3) of Chapter II of the Regulations till date in accordance with the statutorily prescribed timelines, except that there was a delay of 2 (two) days in compliance with the provisions of Regulation 8(3) of the Regulations for the year 2006 and a delay of 4 (four) days for the year 2005. In respect of the CSE also, the Target Company has furnished us the copies of timely compliance made under Regulation 8(3) of the Regulations except or compliance made under Regulation 6 of the Regulations for the year 1997 and Regulation 8(3) of the Regulations for the year 1998 to 2002.

6.1.13 The Promoters/promoter group of the Target Company has complied with Regulations 6 & 8 of the Regulations since 1997 in time. However, there have been inter-se transfers of 9,34,712 equity shares constituting 26.48% of the then paid up equity and voting share capital of the Target Company amongst the promoter group on 29.07.2008 for which no compliance under Regulation 3(3), 3(4) and 3(5) of the Regulations has been made. However, the Target Company has been legally advised that no such compliance under Regulations 3(3), 3(4) and 3(5) of the Regulations is required to be complied with in respect of the aforesaid inter se transfer of shares.

6.1.14 As on date there are no outstanding convertible instruments such as warrants/FCDs/PCDs etc. There are no partly paid up shares as on the date of the submission of this LO.

6.1.15 The Target Company has confirmed that it has:

a) Paid up to date listing fees to the BSE and the CSE.

b) Complied with the Listing Agreement requirements of the stock exchanges where its equity shares are listed. No punitive actions have been taken against it by the BSE and the CSE till date.

6.1.16 The Board of Directors of the Target Company as on the date of the PA is as follows:

Names of Director	**Designation**	**Date of Appt. and DIN NO.**	**Qualification**	**Residential Address**	**Experience**
Dr. Niren Suchanti	Chairman	30.06.90 00909388	B.E. (HONS), M.S. (HONS.), USA, PH.D., USA	142H, Maker Towers, Cuffe Parade, Mumbai	Possesses more than 38 years experience in Planning, Marketing, Public relations, Strategic Positioning of Corporations and Brands, Corporate Communications, Financial Communications, Brand Building, Media relations, Investors relations, Event Management and Crisis Management. He is a specialist in Public Relations and Image Management and regularly delivers lectures on the subject in various international forums. He is a guest speaker at seminars organized by Advertising Club, Advertising Agencies Association of India and Public Relations Society of India
Mr. Navin Suchanti	CEO & Managing Director	30.06.90 00273663	B.SC. (HONS)	10A, Paramount 25, Ballygunge Circular Road, Kolkata	Possesses vast and varied experience of about 35 years in Tourism and Hospitality, Public Relations, Advertising, Real Estates, Marketing, Administration and Taxation. He is a Committee Member of the Bengal Chamber of Commerce and Industry, Chairman of North Bengal Initiative and Co-Chairman of Tourism Sub-Committee of the Chamber. He is an invitee to the Eastern Regional Council Committee of Confederation of Indian Industry.

Names of Director	Designation	Date of Appt. and DIN NO.	Qualification	Residential Address	Experience
Mr. Siddharth Yog	Director	18.12.07 00427881	MBA (HARVARD) USA	250 W 50th Street, Apartment # 27G, New York	Managing director of The Xander Group Inc. and co-founded the firm with Professor Arthur Segel. He has 14 years of Global Experience in the Real Estate and infrastructure industries spanning 15 countries across Asia/ Pacific. He has written extensively in financial dailies and magazines; especially on issues relating to structural reform in real estate, alternate models for profitable development of mass housing. He also served on the board of directors of the Harvard Business School Alumni Association.
Mr.Rohan Sikri	Director	18.12.07 00216343	MBA	80 Jor Bagh New Delhi	Managing director of Xander Advisors India Private Limited. He has 9 years of experience in real estate, corporate finance and investment advisory. He was the head of the Corporate Finance Practice of CB Richard Ellis (India). He has been responsible for structuring some of the largest FDI and domestic real estate investment transaction s in the country. Apart from that Mr. Sikri has experience across multiple Asian Markets other than India including Japan, Singapore, Vietnam, Thailand and the Middle East.
Mr. Rohan Suchanti	Director	18.12.07 00273298	B.SC. (Marketing) USA	142H, Maker Towes, Cuffe Parade, Mumbai	He graduated as a marketing major from USA., and has over 10 years experience in sales, business development and marketing.

Mr. Siddhartha Yog, director of the Acquirer is on the Board of the Target Company. He had not /will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

6.1.17 There has been no merger / demerger or spin off involving the Target Company during the last 3 years.

6.2 Financial Information:

The financial information of the Target Company for the last 3 financial years ending 31.03.2009 is as follows:

Profit & Loss Statement (Rs. in Lacs)

For the Year Ended	31st March, 2007 (Audited)	31st March, 2008 (Audited)	31st March, 2009 (Audited)
Income from Operations	1065.23	1121.26	1329.41
Other Income	131.68	70.95	276.10
Total Income	1196.91	1192.21	1605.51
Total Expenditure	660.19	680.58	1016.50
Profit/(Loss) before Interest, Depreciation and Tax	536.72	511.63	589.01
Depreciation	84.62	96.34	132.22
Interest	-	-	-
Profit/(Loss) before Tax	452.10	415.29	456.79
Provision for Taxation (including deferred and fringe benefit tax)	117.75	143.16	118.98
Profit/(Loss) after Tax	334.35	272.13	337.81

(Rs. in Lacs)

Balance Sheet

As on	31st March 2007 (Audited)	31st March, 2008 (Audited)	31st March, 2009 (Audited)
Sources of funds:			
Paid up Share Capital	317.66	353.00	465.86
Reserves & Surplus (excluding revaluation reserves, amalgamation reserve, capital investment subsidy & preference share redemption reserve)	1514.26	1918.23	4090.08
Equity Share Warrants	-	437.33	547.17
Less: Miscellaneous Expenditure not written off	-	-	-
Net Worth	**1831.92**	**2708.56**	**5103.11**
Amalgamation Reserve	72.80	72.80	72.80
Capital Investment Subsidy	72.90	81.37	81.37
Preference Share Redemption Reserve	122.80	122.80	122.80
Revaluation Reserve	517.55	515.15	512.73
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Trade Deposits	245.00	175.00	-
Deferred Tax Liabilities	-	443.65	442.52
Total	**2862.97**	**4119.33**	**6335.33**
Uses of funds			
Net Fixed Assets (including capital WIP)	2606.89	2855.20	2992.66
Investments	102.79	1068.04	3217.81
Net Current Assets	153.29	196.09	124.86
Total	**2862.97**	**4119.33**	**6335.33**

Other Financial Data

For the Year Ended	**31st March 2007 (Audited)**	**31st March, 2008 (Audited)**	**31st March, 2009 (Audited)**
Dividend (%)	-	-	-
Earning Per Share (Rs.)	10.53	8.30	7.25
Return on Networth (%)	18.25	10.05	6.62
Book Value Per Share (Rs.)	57.67	76.73	109.54

Note:

(i) EPS = $\dfrac{\text{Profit after tax for the year}}{\text{Weighted average number of equity shares at the end of the year.}}$

(ii) Return on Net Worth = $\dfrac{\text{Profit after Tax for the year}}{\text{Net Worth.}}$

(iii) Book Value per Share = $\dfrac{\text{Net Worth}}{\text{No. of outstanding equity shares at the end of the year.}}$

(iv) Source: Audited Annual Reports.

(v) **Reason for fall/rise in Total Income, Expenditure and PAT in the relevant years: - last three financial years ended March 31, 2009 are as follows:**

1. **Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2009 over year ended 31st March 2008: -**

   The Income from Operations for the Year ended 31st March 2009 was higher at Rs. 1329.41 Lacs as compared to Rs. 1121.26 Lacs for the Year ended 31st March 2008 due to higher income and better price realization. The Other Income for the Year ended 31st March 2009 increased substantially to Rs. 276.10 Lacs as compared to Rs. 70.95 Lacs for the Year ended 31st March 2008 due to increase in Interest Income from 4.60 Lacs for the Year Ended 31st March 2008 to Rs. 121.82 Lacs for the Year ended 31st March 2009 and Dividend Income from 1.78 Lacs for the Year ended 31st March 208 to Rs. 109.86 Lacs for the Year ended 31st March 2009. As a result the Total Income for the year ended 31st March 2009 increased to Rs. 1606.51 Lacs for the Year ended 31st March 2009 as compared to Rs. 1192.21 Lacs for the Year ended 31st March 2008. Total Expenditure increased to Rs. 1016.50 Lacs for the year ended 31st March 2009 from Rs. 680.58 Lacs for the Year ended 31st March 2008 due to increase in salaries, repairs and hire charges. Tax expenses for the Year ended 31st March 2009 decreased to Rs. 118.98 Lacs as compared to Rs. 143.16 Lacs for the Year ended 31st March 2008. PAT for the year ended 31st March 2009 was at Rs. 337.81 Lacs as compared to Rs. 272.13 Lacs for the year ended 31.03.2008.

2. **Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2008 over year ended 31st March 2007: -**

   The Income from Operations for the year ended 31st March 2008 registered a moderate growth at Rs. 1121.26 Lacs as compared to Rs. 1065.23 Lacs for the year ended 31st March 2007 as the hotel units at Ooty, Port Blair and Darjeeling were partially closed for renovation and refurbishing. Other Income for the Year ended 31st March 2008 decreased to Rs. 70.95 Lacs as compared to Rs. 131.68 Lacs for the year ended 31st March 2007 on account of writing back of sundry balances and profit on sale of long-term investments in the previous year. As a result the Total Income for the year ended 31st March 2008 was Rs. 1192.21 Lacs, which was marginally lower than the Total Income for the year ended 31st March 2007 of Rs. 1196.91 Lacs. Total Expenditure increased to Rs. 680.58 Lacs for the year ended 31st March 2008 from Rs. 660.19 Lacs for the year ended 31st March 2007 mainly on account of higher operating, administration and selling expenses. Further there was an increase in Provision for Taxation at Rs. 143.16 Lacs for the year ended 31st March 2008 as compared to Rs. 117.75 Lacs for the year ended 31st March 2007. Consequently PAT for the year ended 31st March 2008 was Rs. 272.13 Lacs as against Rs. 334.35 Lacs for the year ended 31st March 2007.

3. **Reason for change in Total Income, Expenditure & PAT for the year ended 31st March 2007 over year ended 31st March 2006: -**

The Income from Operations for the year ended 31st March 2007 was higher at Rs. 1065.23 Lacs as compared to Rs. 893.64 Lacs for the year ended 31st March 2006 on account of increase in volume growth and better margin realization. Other Income for the year ended 31st March 2007 was Rs. 131.68 Lacs on account of writing back of sundry balances and profit on sale of long-term investments. Other Income for the year ended 31st March 2006 was 141.00 Lacs on account of writing back of sundry balances and excess provision of gratuity. Total Income for the year ended 31st March 2007 was higher at Rs. 1196.91 Lacs as compared to Rs. 1034.64 Lacs for the year ended 31st March 2006. Total Expenditure increased to Rs. 660.19 Lacs for the year ended 31st March 2007 from Rs. 565.70 Lacs for the year ended 31st March 2006 mainly on account of higher operating and upkeep cost, repairs and maintenance and other administrative expenses. There was also an increase in Provision for Taxation at Rs. 117.75 Lacs for the year ended 31st March 2007 as compared to Rs. 92.30 Lacs for the year ended 31st March 2006. PAT for the year ended 31st March 2007 was at Rs. 334.35 Lacs as compared to Rs. 287.19 Lacs for the year ended 31.03.2006.

6.3 Pre and Post-Offer Shareholding Pattern of Target Company (based on Issued, Subscribed & Paid-up Equity Share and Voting Capital) is as under:

Shareholders' Category	Share holding/voting rights as on the date of PA		Shares/voting rights proposed to be acquired which triggered off the Regulation		Share holding/voting rights Acquired after the date of PA		Shares/voting rights to be acquired in open Offer (assuming full acceptances)		Share holding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)		(E)	
	No. of shares	%$	No. of shares	% ^	No. of shares	%^	No. of shares	%^	No. of shares	%^
1. Promoter Group	29,04,128	62.34			1,35,150	2.23			30,39,278	50.11
TOTAL (1)	29,04,128	62.34			1,35,150	2.23			30,39,278	50.11
2. Acquirer	6,98,323	14.99	10,75,328	17.73			12,13,045	20.00	29,86,696	49.24
TOTAL (2)	6,98,323	14.99	10,75,328	17.73			12,13,045	20.00	29,86,696	49.24
3. Public Share Holding*										
Institutions										
a) FIs/MFs/FIIs/ Banks/MF's · Fin. Institutions/ Banks	2,205	0.05								
b) Insurance Company	-	-								
c) Foreign Inst. Investors	7,83,698	16.82			1,96,151	3.23				
d) Others	-	-					(12,13,045)	(20.00)	39,248	0.65
Total (3) (a+b+c+d)	7,85,903	16.87			1,96,151	3.23				
Non institutions										
a) Bodies Corporate	55,910	1.20								
b) Individuals	2,06,964	4.44								
a) Others (NRI/OCBs/ Clearing member)	7,365	0.16								

* The total number of shareholders in public category is 2410 as on 28.02.2009.

$ Percentage shareholding on the basis of paid – up capital of the Company existing as on the date of PA i.e., 46,58,593 equity shares.

^ Percentage shareholding on the basis of emerging voting capital i.e., 60,65,222 equity shares.

6.4 There was no trading in the shares of the Target Company as on 28.03.2009 i.e. the date of the PA at the CSE and the BSE.

6.5 The details of the buildup of the Promoter shareholding in the Target Company are as follows;

Shareholdings			Purchase / Inter se Transfer/ transmission made during the year	Sale / Inter se /Transfer/ transmission made during the year	Mode of allotment / acquisition	Shareholdings			Status of compliance with SEBI (SAST) Regulations
As on	No. of Shares	%				As on	No. of Shares	%	
20/02/97	14,96,599	74.83	Nil	Nil	Nil	31.03.97	14,96,599	74.83	NR
01/04/97	14,96,599	74.83	Nil	Nil	Nil	31.03.98	14,96,599	74.83	NR
01/04/98	14,96,599	74.83	1,76,575	Nil	Allotted pursuant to amalgamation of Benchmark Home & Resorts Ltd	31.03.99	29,02,262	91.36	NR
			9,99,999	Nil	Allotment pursuant to conversion of Zero coupon Bond issued on Right Basis				
			2,29,089	Nil	Market Purchase				
01/04/99	29,02,262	91.36	35,800	(35,800)	Off Market Inter-se	31.03.00	29,02,262	91.36	NR
01/04/00	29,02,262	91.36	Nil	Nil		31.03.01	29,02,262	91.36	NR
01/04/01	29,02,262	91.36	Nil	Nil		31.03.02	29,02,262	91.36	NR
01/04/02	29,02,262	91.36	1,30,200	(1,30,200)	Off Market Inter-se	31.03.03	29,02,262	91.36	NR
01/04/03	29,02,262	91.36	1,275		Off Market	31.03.04	29,03,537	91.40	NR
01/04/04	29,03,537	91.40	7,102		Off Market	31.03.05	29,10,639	91.63	NR
			22,846	(22,846)	Off Market Inter-se				
01/04/05	29,10,639	91.63		(75,789)	Off Market	31.03.06	28,34,850	89.24	NR
01/04/06	28,34,850	89.24	NIL	NIL		31.03.07	28,34,850	89.24	NR
01/04/07	28,34,850	89.24	2,500	(2,500)	Off Market Inter-se	31.03.08	28,34,850	80.31	NR
01/04/08	28,34,850	80.31	9,34,712	(9,34,712)	Off Market Inter-se	31.03.09	29,04,128	62.34	NO#
			69,278		Open Market Purchase				NR

#No compliance under Regulation 3(3), 3(4) and 3(5) of the Regulations has been made.

6.6 The Target Company has been complying with the corporate governance requirements as are prescribed in Clause 49 of the Listing Agreement as amended from time to time.

6.7 Pending Litigations:

Details of Litigations:

a) Litigations pending against the Target Company:

1. Comp Case Nos. 37,43 and 85 of 2001 before Labour Tribunal at Calcutta G C Guha vs Sinclairs Hotels & Transportation Ltd.

   G.C. Guha is an ex-employee of the Target Company. He resigned from the Target Company during the year 1990 and received all his dues. Thereafter, in the year he initiated an action in the Labour Court claiming that his service was illegally terminated. He got an award from the Tribunal, which was challenged by the Target Company by filing Writ Application. Mr. Guha has now filed cases claiming provident fund, gratuity and back wages on the basis of the said award. The proceedings are on- going.

2. Ejectment Suit No. 172 of 1992 before small Causes Court at Calcutta Official Trustees of West Bengal – Vs- Sinclairs Hotels & Transportation Limited.

   The Suit is for eviction of the Target Company from its tenancy at premises No. 56A, Mirza Ghalib Street, Kolkata. The suit is at the preemptory stage and is part heard. Negotiation is in progress for amicable settlement.

3. Suit No. 80 of 1992 In the High Court at Calcutta Anil Chowdhury and Joy De Sircar vs Sinclairs Hotels & Transportation Ltd.

   The above suit was filed claiming a sum of Rs. 2,30,000 with interest. The suit is pending. The Target Company has pledged a deposit of Rs. 2.30 lacs with the Calcutta High Court.

b) Litigation filed by the Target Company:

Civil Suit No. 1of 1990 before the High Court at Calcutta Sinclairs Hotels & Transportation Ltd. Vs-All India Football Federation & Ors.

The suit is for realization of approximately Rs. 26 lacs with interest thereon due to the Target Company. The suit is at the peremptory hearing stage and part-heard.

Criminal Case filed u/s. 138 of N I Act against Trend Media for dishonoring of cheque amounting to Rs. 25,248.00.

6.8 **Compliance Officer:**

Mr. T. K. Banerjee working at Pressman House, 10A Lee Road, Kolkata – 700 020, is acting as the Compliance Officer of the Target Company, Ph No.: 2280-1317/18/19/20. Fax No.: +91-33-2280-0813 e-mail: tkb@sinclairshotels.com.

7. OFFER PRICE & FINANCIAL ARRANGEMENTS:

7.1 Justification of Offer Price:

7.1.1 The equity shares of the Target Company are presently listed on the BSE and the CSE only. The equity shares of the Target Company are not traded under permitted category on any other stock exchanges.

7.1.2 The annualized trading turnover during the preceding 6 (six) calendar months ended February 2009 in the BSE and the CSE are as follows:

Name of Stock Exchange	Total no of shares traded during the 6 calendar months prior to the month in which PA was made	Total No. of listed Shares as on the date of PA	Annualised Trading Turnover (in terms of % to total listed shares as on date of PA)
CSE	Nil	31,76,572	NA
BSE	70,132	44,99,879	3.12%

15,65,343 equity shares allotted by the Target Company subsequent to the date of the PA has been listed at the BSE. However such shares are yet to be listed at CSE.

7.1.3 Based on the trading volumes of the Target Company for the 6 (six) months period ended on 28.02.2009, the equity shares are infrequently traded on the BSE and the CSE within the meaning of explanation (i) to Regulation 20 (5) of the Regulations.

A	Negotiated Price	N.A.	
B	Highest Price paid by the Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of this PA	Rs. 172.50	
C	Other Financial Parameters	31st March	
		2008	2007
	Return on Net worth (%)	10.05	18.25
	Book Value per share (Rs.)	76.73	57.67
	Earning per Share (Rs.)	8.30	10.53
	P/E Multiple Based on Offer Price*	20.78	16.38
	Average P/E Multiple for Hotel Industry**	9.00	

*Offer price/EPS
** (Source: Capital Market Journal Vol.XXIV/02, March 23– April 05, 2009, Industry Hotel)

On 25.03.2009 the Acquirer has also acquired 1,96,151 warrants of Target Company from MRCS Investment Holding Limited at a price of Rs. 17.25 per warrant which are paid up to the extent of 10% of the Conversion Price.

In view of the above, the Offer price of Rs. 172.50/- per equity share is justified in terms of Regulation 20(5).

7.1.4 The Target Company doesn't have any partly paid up shares as on date of the PA.

7.1.5 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

7.1.6 The Acquirer would be responsible for ensuring compliance with the Regulations for the consequences arising out of the acquisition of shares, if any, made after the date of the PA i.e., 28.03.2009 in terms of Regulation 20(7) of the Regulations.

7.1.7 It is ensured that 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 the PA upto 7 (seven) working days prior to the closure of the offer viz. 24.09.2009.

8. Financial arrangements

8.1 The maximum consideration payable by the Acquirer to acquire 12,13,045 equity shares at the Offer Price of 172.50 per equity share assuming full acceptance of the Offer would be Rs.20,92,50,262.50 (Twenty Crore Ninety Two Lacs Fifty Thousand Two Hundred and Sixty Two Rupees and Fifty Paise Only).

8.2 In accordance with Regulation 28 of the Regulations, the Acquirer has opened an Escrow Account under the name and style of “SINCLAIRS HOTELS LIMITED OPEN OFFER ESCROW ACCOUNT” with Axis Bank Limited, Kolkata Main Branch, Kolkata (the “Escrow Agent”) and has made a cash deposit of Rs. 5,23,12,566 (Rupees Five Crores Twenty Three Lacs Twelve Thousand Five Hundred Sixty Six Only) being 25% of the total consideration payable under the Offer assuming full acceptance (the “Escrow Account”) with the Escrow Agent. The Manager to the Offer is empowered to realize the value of the aforesaid Escrow Account and instruct the Escrow Agent to issue cheques /pay orders/ demand drafts in terms of the Regulations.

8.3 The shareholders of the Acquirer i.e., Xander Master Fund, LLC and Xander Master Fund II, LLC have undertaken that in the event that the actual total commitment of the Acquirer exceeds the amount placed in escrow, and in the event of insufficiency of funds in the bank account of the Acquirer to meet the balance commitment under the Offer, they shall promptly arrange funds for the Acquirer to meet its commitments in accordance with the Regulations.

8.4 International Management (Mauritius) Limited (“IMM”), a management company duly licensed by the Financial Services Commission, Mauritius located at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius has vide its letter dated 25.03.2009 certified that Acquirer has necessary access to funds, either in its bank accounts or as commitments received from its shareholders, to meet its entire obligations under the Offer in accordance with the Regulations.

8.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations as firm financial arrangements are in place to fulfill the obligations under the Regulations.

9. TERMS AND CONDITIONS OF THE OFFER:

9.1 This LO along with Form of Acceptance- cum- Acknowledgement will be mailed to all those shareholders of Target Company (except the parties to the Agreement) whose names appear on the register of members and to the beneficial owners of the equity shares of the Target Company whose names appear on the beneficial records of the depository participant, at the close of business hours on 17.04.2009 ("Specified Date").

9.2 All owners of the equity shares, registered or unregistered (except the parties to the Agreement) who own the equity shares any time prior to the closing of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address (es) of joint holder(s) if any, number of equity shares held, number of equity shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract note issued by the broker through whom they acquired their equity shares. No indemnity is required from unregistered owners.

9.3 Accidental omission to dispatch this LO or the non-receipt or delayed receipt of this LO will not invalidate the Offer in anyway.

9.4 Subject to the conditions governing this Offer, as mentioned in this LO, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

9.5 **Locked-in Shares:**

There are no locked-in shares in the Target Company.

9.6 **Eligibility for accepting the Offer:**

The Offer is made to all the public shareholders (except the parties to the Agreement) whose names appeared in the register of shareholders on 17.04.2009 and also to those beneficial owners ("Demat holders") of the equity shares of Target Company, whose names appeared as beneficiaries on the records of the respective Depository Participants ("DP") at the close of the business hours on 17.04.2009 and also to those persons who own equity shares any time prior to the closure of the Offer, but are not registered shareholders(s).

9.7 **Statutory Approvals and conditions of the Offer:**

9.7.1 The Offer is subject to the receipt of approval by the Acquirer from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for acquiring equity shares validly tendered under the Offer. RBI vide its letter dated 21.04.2009 has given its approval to the Acquirer for acquiring Shares validly tendered under this Offer (including Shares tendered by Non-Resident Indians).

9.7.2 To the best of the Acquirer's knowledge, there are no other statutory approvals required to implement the Offer to acquire equity shares tendered pursuant to this Offer, other than the approval specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. The Acquirer will have the right not to proceed with the Offer and withdraw the same in the event that the statutory approvals that are required are refused in terms of Regulation 27 of the Regulations.

9.7.3 The Acquirer shall complete all procedures relating to the Offer within a period of 15 (fifteen) days from the date of closure of the Offer. It may be noted that if the Acquirer is unable to make payment to the shareholders who have accepted the Offer before the said period of 15 (fifteen) days, due to non-receipt of statutory approval(s), the SEBI, if satisfied that the non-receipt of the statutory approvals was not due to willful default or negligence on part of the Acquirer, has the power to grant an extension of time to the Acquirer for payment of consideration to shareholders of the Target Company, subject to the Acquirer agreeing to pay interest for the delayed period to the shareholders who have accepted the Offer, at such rates as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite statutory approvals, Regulation 22(13) of the Regulations shall be applicable.

9.7.4 To the best of its knowledge, the Acquirer does not require any approvals from any financial institutions or banks for the Offer.

9.7.5 Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the PA / LO, can withdraw the same upto i.e. 01.10.2009 i.e., 3 (three) working days prior to the closure of the Offer.

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

10 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

10.1 The shareholder(s) of Target Company who qualify and who wish to avail of this Offer will have to send their shares to the Registrar to the Offer as mentioned in the Form of Acceptance-cum –Acknowledgement at the following address:

NICHE TECHNOLOGIES PRIVATE LIMITED
SEBI REGN No : INR000003290
(Contact Person: Mr. S. Abbas)
71, B.R.B.Basu Road,
D-511, Bagree Market, Kolkata- 700 001
Tel: (033) 2235-7271/7270/3070
Fax: (033) 2215-6823
E-mail: nichetechpl@nichetechpl.com

SEBI has initiated adjudication proceedings vide notice no EAD-5/VSS/SS/126958/2008 dated May 28, 2008 under Rule 4 of SEBI (Procedure for Holding inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 for artificially creating volumes in the Scrip of M/s Bakra Pratisthan Ltd against the RTO which was duly replied by the RTO on 07.06.2008 clarifying the contended points. Since then RTO has not received any further communication from SEBI in the matter.

The RTO vide its letter no. NTPL/RTA/2009/SHL-OPEN-OFFER/0001 dated August 21, 2009 has confirmed that SEBI has not barred them till date from functioning as an intermediary in the capacity of Registrar to the Issue and Share Transfer Agent.

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before the closing of the Offer, i.e., 07.10.2009. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday – Friday	11.00 a.m.to 5.30 p.m.	Hand Delivery
Saturday	11.00 a.m to 2.30 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

10.2 Shareholders who wish to tender their equity shares under this Offer should enclose the following documents duly completed. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the equity shares in respect of which the application is being sent.

10.2.1 For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

- Form of Acceptance- cum- Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- Original share Certificates
- Valid share transfer Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

(ii) Unregistered owners should enclose:

- Form of Acceptance- cum- Acknowledgement duly completed & signed in accordance with the instructions contained therein.
- Original share Certificate(s)
- Broker contract note.

- Valid share transfer form(s) as received from the market. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

10.2.2 For equity shares held in Demat Form:

Beneficial owners should enclose:

- Form of Acceptance- cum- Acknowledgement duly completed & 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 depositories.

- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on 07.10.2009.

10.3 The Registrar to the Offer, NICHE TECHNOLOGIES PRIVATE LIMITED has opened a special depository account with Trans Scan Securities Private Limited (Registered with NSDL). The details of the special depository account are as follows: -

DP Name	Trans Scan Securities Private Limited
DP ID	IN302496
Client ID	10049945
Account name	NICHE TECHNOLOGIES PVT. LTD.-SHL – OPEN OFFER ESCROW ACCOUNT
Depository	National Securities Depository Limited (NSDL)

Shareholders having their beneficiary account in the Central Depository Services (India) Limited ("CDSL") have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Special Depository Escrow Account with NSDL.

10.4 For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement. **In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure of the Offer. The Form of Acceptance-cum-Acknowledgement of such Demat shares not credited in favour of the Special Depository Account before the closure of the Offer is liable to be rejected.**

10.5 The Share Certificate(s), Share Transfer Form, Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. **They should not be sent to the Manager to the Offer or the Acquirer or the Target Company.**

10.6 In case of non-receipt of the LO, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of equity shares of Target Company. The PA, LO, Form of Acceptance- cum- Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 07.10.2009. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of beneficial owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no. of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number, and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off- market" mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer.

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

10.8 While tendering the equity shares under the Offer, NRIs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering the equity shares under the Offer, NRI/ foreign shareholders will be required to submit a tax clearance certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ("Income Tax Act"), before remitting the consideration. In case the aforesaid tax clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder. In case the tax clearance certificate is not submitted, the Acquirer reserves the right to reject the equity shares tendered.

10.9 As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.

10.10 The Acquirer shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 22.10.2009. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirer for payment of consideration to shareholders subject to the Acquirer agreeing to pay interest to the shareholders for delay in payment of consideration beyond 22.10.2009.

10.11 Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders and will be sent by registered post, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirer in part or in full except in case of joint holders, cheques / demand drafts/ pay orders, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance- cum- Acknowledgement, so that same can be incorporated in the cheques / demand drafts / pay orders.

10.12 In case the equity shares tendered in the Offer by the shareholders of Target Company are more than the equity shares to be acquired under the Offer, the acquisition of the equity shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis. The marketable lot for both physical and demat shares is 1 (one). The rejected Applications / Documents will be sent by Registered Post.

10.13 Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders/ unregistered owners sole risk to the sole / first shareholder. Equity shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners in the Form of Acceptance- cum- Acknowledgement.

10.14 The Registrar to the Offer will hold in trust the share certificates, equity shares lying in credit of the special depository account, Form of Acceptance- cum- Acknowledgement, if any, and the transfer form/s on behalf of the shareholders of Target Company who have accepted the Offer, till the cheques/ECS drafts for the consideration and/or the unaccepted equity shares/share certificates are despatched/returned.

10.15 In case any person has lodged shares of the Target Company for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 10.6 above together with the acknowledgement of lodgment of shares for transfer. Such persons should also instruct the Target Company to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.

10.16 In case any person has tendered his physical shares in the Target Company for dematerialization & such dematerialization has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialization request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the equity shares to the special depository account on or before the Offer closing date.

10.17 In case the shareholder has already sold his equity shares, he may kindly forward this Offer document to the transferee or to the broker through whom the equity shares were sold.

10.18 The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto 3 (three) working days prior to the date of closure of the Offer, i.e. on or before 01.10.2009 in terms of Regulation 22(5A) of the Regulations.

10.19 The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 01.10.2009. The withdrawal option can be exercised by submitting the Form of Withdrawal.

10.20 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. In case of physical shares: name, address, distinctive numbers, folio nos., 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 special depository account mention in Para 10.3.

10.21 The equity shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

11. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue 2nd Floor, Suite No. 2C, Kolkata – 700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 18.09.2009 to 07.10.2009.

i) Copy of the certificate of incorporation and constitution documents of the Acquirer.

ii) Copy of the memorandum & articles of association of - Sinclairs Hotels Limited along with certificate of incorporation.

iii) Copy of the Audited Annual Reports for period April 13, 2007 (i.e. date of incorporation) to December 31, 2007, for the year ended 31st December 2008 of the Acquirer and for 3 months ended 31st March 2009.

iv) Copy of the Audited Annual Reports for the financial year ended March 31, 2009, March 31, 2008 and March 31, 2007 of Sinclairs Hotels Limited.

v) Copy of the letter dated 25.05.2009 from International Management (Mauritius) Limited, located at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

vi) Copy of the letter of Axis Bank Limited, Kolkata Main Branch, Kolkata, dated 27.03.2009, confirming the amount kept in the Escrow Account and authorization in favour of VC Corporate Advisors Private Limited, the Manager to the Offer to operate the Escrow Account.

vii) Copy of Investment Agreement dated 18.12.2007.

viii) Copy of in-principle Memorandum of Understanding dated 11.10.2007 entered into amongst the Acquirer, the Target Company and the Promoters of the Target Company.

ix) Copy of the PA for the Offer dated 28.03.2009 and First Corrigendum to PA dated 19.05.2009 and Second Corrigendum to PA dated 02.09.2009.

x) Copy of the Memorandum of Understanding between the Acquirer & the Manager to the Offer, dated 25.03.2009.

xi) Copy of SEBI letter no. CFD/DCR/TO/RM/173449/09 dated 17.08.2009 issued in terms of proviso to the regulation 18(2) of the regulations.

xii) Copy of the letter by the shareholders of the Acquirer i.e., Xander Master Fund, LLC and Xander Master Fund II, LLC undertaking that in the event that the actual total commitment of the Acquirer exceeds the amount placed in escrow, and in the event of insufficiency of funds in the bank account of the Acquirer to meet the balance commitment under the Offer, they shall promptly arrange funds for the Acquirer to meet its commitments in accordance with the Regulations.

xiii) RBI approval letter no. FE.CO.FID.27789/10.21.148/2008-09 dated 21.04.2009.

12. DECLARATION BY THE ACQUIRER:

12.1 The Acquirer and its directors accept full responsibility for the information contained in this LO as laid down in Regulation No 22(6) of the Regulations.

12.2 All information contained in this LO is as of the date of the PA, unless expressly stated otherwise. The Acquirer has authorized Pallavi Puri/Ravi Bhasin to sign this LO.

For Xander Investment Holding X, Limited

Sd/-

Director / Authorized Signatory

Place: KOLKATA

Date: 03.09.2009

Attached: Form of Acceptance- cum- Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE- CUM- ACKNOWLEDGEMENT

To,

Date:

NICHE TECHNOLOGIES PVT LIMITED
71, B.R.B.Basu Road,
D-511, Bagree Market, Kolkata- 700 001

OFFER	
Opens on	18.09.2009
Closes on	07.10.2009
Last dateof Withdrawal	01.10.2009

Dear Sir,

Subject: Open Offer by Xander Investment Holding X, Limited ("Acquirer") having its registered office at 4th Floor, Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius. Tel. No.: + (230) 212 9800 Fax. No.: + (230) 212 9833. EMAIL:- xanderfunds.admin@imm.mu(herein after collectively referred to as "Acquirers") to the shareholders of Sinclairs Hotels Limited ("Target Company") to acquire from them fully paid-up equity shares of Rs.10/- each, representing 20% of the emerging fully paid-up equity and voting share capital at a price of Rs. 172.50 per share ("Offer Price") payable in cash

I/We refer to the Letter of Offer dated 03.09.2009 for acquiring the equity shares held by us in Sinclairs Hotels Limited

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

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.

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of shares
Total number of equity shares				

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer(s) gives the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

SHARES IN DEMATERIALISED 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	No. of Shares	ISIN No.
Total number of shares				

I/We have done an off market transaction for crediting the Shares to the special account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirer accepts the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the equity shares of Sinclairs Hotels 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 they 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, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

I/We authorise 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.

I/We authorize the Acquirer to accept the Shares so offered or such lesser number of Shares that they 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 are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place:

Date:

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) may, at their option, provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Savings/Current/(Others; please specify) : ____________________________________

Name of the Bank Branch: ____

Account Number: ____

--- **Tear along this line** ---

Acknowledgement slip

Ledger Folio No. _________________________________DP ID ________________________ Client ID___________________________
Received from _____________________________ ___________an application for sale of __________Equity Share(s) of Sinclairs Hotels Limited together with ________share certificate(s) bearing Certificate Numbers _________________________ and ______________transfer deed(s)/ photocopy of "Off-market" delivery instruction duly acknowledged by the DP.

Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned above.

Date of receipt **Signature of the official**

FORM OF WITHDRAWAL
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

From:

Name:
Address:

Tel. No.
Fax No.
E-mail:

OFFER	
Opens on	18.09.2009
Closes on	07.10.2009
Last dateof Withdrawal	01.10.2009

To,
NICHE TECHNOLOGIES PVT LIMITED
71, B.R.B.Basu Road,
D-511, Bagree Market, Kolkata- 700 001
Dear Sir,

Subject: Open Offer by Xander Investment Holding X, Limited ("Acquirer") having its registered office at 4th Floor, Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius. Tel. No.: + (230) 212 9800 Fax. No.: + (230) 212 9833. EMAIL:- xanderfunds.admin@imm.mu(herein after collectively referred to as "Acquirers") to the shareholders of Sinclairs Hotels Limited ("Target Company") to acquire from them fully paid-up equity shares of Rs.10/- each, representing 20% of the emerging fully paid-up equity and voting share capital at a price of Rs. 172.50 per share ("Offer Price") payable in cash

We refer to the Letter of Offer dated 03.09.2009 for acquiring the equity shares held by me/us in Sinclairs Hotels Limited.
We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
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 equity share certificate(s)/ share(s) at my/our sole risk.
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.
We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e. 01.10.2009.We note that 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.
We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents, signatures and beneficiary position as available from the depositories from time to time.

SHARE HELD IN PHYSICAL FORM

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

Sr. No.	Ledger folio No.	Certificate No.	Distinctive No.		No. of Shares
			From	To	
Total number of shares					

SHARES HELD IN DEMAT FORM

We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to the "Target Company Open Offer Escrow Account "as per the following particulars:

DP ID : IN302496
DP Name : Trans Scan Securities Private Limited
Beneficiary ID Number : 10049945

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 detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	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 dematerialised 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 Names (s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all shareholders must sign. A corporate body must sign under its official name. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance- cum-Acknowledgement. Applicants are requested to clearly mark the envelope with the words " Sinclairs Hotels Limited Open Offer" while sending the documents to the registrar to the offer. All future correspondence, if any, should be sent to the registrar to the offer, NICHE TECHNOLOGIES PVT. LIMITED. (unit: Sinclairs Hotels Limited), at their aforesaid address.

Place: Date:

-- TEAR HERE--

ACKNOWLEDGEMENT RECEIPT

Received Form of Withdrawal from Mr./ Mrs./Ms. --

Folio No.---------------------DP ID --------------------------------- Client ID NO. --Number of shares tendered -------------------------

Number of share withdrawn --

Stamp of Registrar **Signature of official** **Date of Receipt**

BOOK POST

If undelivered please return to :
NICHE TECHNOLIGIES PRIVATE LIMITED
71, B.R.B Basu Road, D-511,
Bagree Market, Kolkata-700 001