THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer ('LoF') is sent to you as a shareholder(s) of Sonpal Cement and Infrastructure Limited ('Target Company'). If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER

by

MR. SNEHIL SARAF and **MRS. KAMINI SARAF**

both are residing at

43, Gunrock Enclave, Kharkana, Secunderabad - 500 009; Tel.: 040-27540719; Fax: 040-40140015.

to acquire upto10,22,400 fully paid up Equity Shares of ₹ 10/- each, constituting 26% of the paid-up and voting equity share capital of the Target Company ('Voting Share Capital')

of

SONPAL CEMENT AND INFRASTRUCTURE LIMITED ('SCIL' or the 'Target Company')

Regd. Off.: 59, Loka Nivas, NGO's Colony, Subhash Nagar, Nizamabad-503 002

Tel.: 08462 - 240919; Fax: 08462 - 240919; E-mail: sonpalcement@gmail.com

at a price of ₹ 13/- (Rupees Thirteen only) per fully paid-up share ('Offer Price'), payable in cash pursuant to Regulation 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof ('SEBI (SAST) Regulations, 2011')

- This Offer is being made by the Acquirers pursuant to Regulation 3(1) & 4 and other applicable provisions of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights accompanied with change in control and management of the Target Company.
- This Offer is not conditional upon any minimum level of acceptance in terms of SEBI (SAST) Regulations, 2011.
- As on the date of this Letter of Offer, there are no statutory approval(s) required to acquire fully paid-up equity shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all statutory approval(s) as may be required and/or may subsequently become necessary to acquire at any later date but before the completion of the Open Offer.
- If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. upto October 20, 2014 in terms of regulation 18(4) the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (DPS) had appeared. Such revised Offer Price would be payable to all the shareholders, who have validly tendered their shares anytime during the Tendering Period to the extent their shares have been verified and accepted under the Offer, by the Acquirers. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had appeared.
- **There has been no competing offer as on date of this Letter of Offer.**

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- A copy of the Public Announcement ('PA'), Detailed Public Statement ('DPS') and this Letter of Offer (including Form of Acceptance cum Acknowledgment) will be available on the website of Securities and Exchange Board of India ('SEBI') at www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ASHIKA CAPITAL LIMITED 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai - 400 021. Tel: +91-22-66111700; Fax: +91-22-66111710 E-mail: mbd@ashikagroup.com **Contact Person: Mr. Narendra Kumar Gamini / Mr. Niraj Kothari**	**VENTURE CAPITAL AND CORPORATE INVESTMENTS PRIVATE LIMITED** 12-10-167, Bharat Nagar, Hyderabad, 500018. Tel: +91-40-23818475/23818476/23868023 Fax: +91-40-23868024; E-mail: info@vccilindia.com **Contact Person: Mr. P.V. Srinivas**

SCHEDULE OF ACTIVITIES OF THE OFFER IS GIVEN BELOW:

Activities	Original Date & Day	Revised Date & Day
Public Announcement	June 05, 2014 (Thursday)	June 05, 2014 (Thursday)
Publication of Detailed Public Statement	June 12, 2014 (Thursday)	June 12, 2014 (Thursday)
Filing of Draft Letter of Offer with SEBI along with soft copies of Public Announcement and Detailed Public Statement	June 19, 2014 (Thursday)	June 19, 2014 (Thursday)
Last date for a Competing Offer	July 03, 2014 (Thursday)	July 03, 2014 (Thursday)
Receipt of comments from SEBI on Draft Letter of Offer	July 10, 2014 (Thursday)	October 07, 2014 (Tuesday)
Identified Date*	July 14, 2014 (Monday)	October 09, 2014 (Thursday)
Date by which the Letter of Offer will be dispatched to the shareholders	July 21, 2014 (Monday)	October 16, 2014 (Thursday)
Last date for upward revision of Offer Price and/or Offer Size	July 23, 2014 (Wednesday)	October 20, 2014 (Monday)
Last date by which Committee of Independent Directors of the Board of the Target Company shall give its recommendation	July 24, 2014 (Thursday)	October 21, 2014 (Tuesday)
Offer Opening Public Announcement	July 25, 2014 (Friday)	October 22, 2014 (Wednesday)
Date of commencement of Tendering Period	July 28, 2014 (Monday)	October 27, 2014 (Monday)
Date of Closing of Tendering Period	August 11, 2014 (Monday)	November 11, 2014 (Tuesday)
Last date of communicating of rejection / acceptance and payment of consideration for accepted shares/return of unaccepted shares	August 27, 2014 (Wednesday)	November 25, 2014 (Tuesday)

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent.*

RISK FACTORS:

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirers:

Relating to Transaction:

1. The Share Purchase Agreement is subject to the compliances of provisions of SEBI (SAST) Regulations, 2011 and in case of non compliances with the provisions of SEBI (SAST) Regulations, 2011 the SPA shall not be acted upon.

Relating to the Offer:

1. In the event that either the regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirers 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 Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers, may be delayed.

2. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

3. The Acquirers will not proceed with the Open Offer in the event statutory approvals, if any required, are refused in terms of regulation 23(1)(a) of SEBI (SAST) Regulations, 2011.

4. The tendered equity shares and documents submitted therewith would be held in trust by the Registrar to the Offer until the process of acceptance of equity shares tendered and payment of consideration to the shareholders is completed. Equity shares cannot be withdrawn once tendered, even if the acceptance of equity shares under the Offer and dispatch of consideration is delayed. The shareholders will not be able to trade in such equity shares which are in the custody of the Registrar to the Offer.

5. In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, 2011, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

6. Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the Tendering Period.

Relating to the Acquirers:

1. The Acquirers make no assurance with respect to the financial performance of the Target Company.

2. The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.

3. The Acquirers cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

4. The information contained in the PA or DPS or LOF or any other advertisement / publications made in connection with the Open Offer pertaining to the Target Company has been compiled from information published or provided by the Target Company or publicly available sources. The Acquirers do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.

5. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LoF)/ Detailed Public Statement (DPS)/Public Announcement(PA) and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.

The risk factors set forth above pertain to the Offer and do not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder's participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirers.

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1. ABBREVIATIONS / DEFINITIONS

Acquirers	Mr. Snehil Saraf & Mrs. Kamini Saraf
ASE	The Ahmedabad Stock Exchange Limited, Ahmedabad
BSE	BSE Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956, as amended or modified from time to time
DIN	Director Identification Number
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement relating to the Offer published on June 12, 2014 (Thursday)
Eligible Persons for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Offer, except the Parties to Share Purchase Agreement
Equity Shares	Fully paid-up equity shares of the Target Company of the face value ₹ 10/- (Rupees Ten only) each
Escrow Bank	HDFC Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor registered with SEBI
Form of Acceptance	Form of Acceptance cum Acknowledgement, accompanying with this Letter of Offer
Identified Date	October 09, 2014 (Thursday)
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
INR / Rs. / ₹	Indian Rupees, the legal currency of India
Letter of Offer / LoF	This Letter of Offer
Manager / Manager to the Offer	Ashika Capital Limited
MICR	Magnetic Ink Character Recognition
NA	Not Applicable
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
Non-Resident Shareholder(s)	Persons resident outside India, as defined under FEMA, holding Equity Shares of the Target Company
NRI	Non-Resident Indians
NSDL	National Securities Depositories Limited
OCBs	Overseas Corporate Bodies
Offering period	Period from the date of release of Public Announcement to the date of payment of consideration
Offer/Open Offer	The Open Offer made by the Acquirers to the Public Shareholders to acquire upto 10,22,400 Equity Shares, representing 26.00% of the Voting Share Capital of Target Company
Offer Price	₹ 13 (Rupees Thirteen only) per Equity Share
Offer Size	10,22,400 Equity Shares, constituting 26% of the paid-up and voting equity share capital of the Target Company, as of the 10th working day from the Closure of the Tendering Period, at a price of ₹ 13/- (Rupees Thirteen only) per equity share, aggregating to ₹ 1,32,91,200/- (Rupees One Crore Thirty Two Lakhs Ninety One Thousand and Two Hundred only)
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers on June 05, 2014 (Thursday)
Promoters	Promoter and Promoter Group of the Sonpal Cement and Infrastructure Limited as per clause 35 of the Listing Agreement entered with Stock Exchanges

Public Shareholder(s)	The equity shareholder(s) of the Target Company except the Promoters
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Venture Capital and Corporate Investments Private Limited
RSE	Saurashtra Kutch Stock Exchange Limited, Rajkot
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (SAST) Regulations / SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Target Company/ SCIL	Sonpal Cement and Infrastructure Limited
Tendering Period	Period within which Shareholders of Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including October 27, 2014 (Monday) and November 11, 2014 (Tuesday)
Voting Share Capital	Paid-up Equity Share Capital of the Target Company carrying voting rights as on the date preceding the date of PA

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF SONPAL CEMENT AND INFRASTRUCTURE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND 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 ACQUIRERS ARE 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 ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 18, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

a. This Open Offer (‘Offer’) is being made by **Mr. Snehil Saraf** and **Mrs. Kamini Saraf** (hereinafter collectively referred to as the ‘Acquirers’) to the public shareholders, other than the Parties to the Agreement, of Sonpal Cement and Infrastructure Limited (hereinafter referred to as ‘SCIL’ or the ‘Target Company’), pursuant to and in compliance with Regulation 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares/voting rights accompanied with the change in control and management of the Target Company.

b. The Acquirers have entered into a Share Purchase Agreement ("SPA") on June 05, 2014 (Thursday) with the Seller who is the Promoter / Promoter Group of the Target Company, for acquisition of 17,30,300 fully paid up equity shares of ₹10/- each ("Sale Shares"), constituting 44.00% of the total paid-up equity share capital of the Target Company at a price of ₹ 2.30/- (Rupees Two and Thirty Paise only) per fully paid-up equity share ("Negotiated Price"), aggregating to ₹ 39,79,690/- (Rupees Thirty Nine Lakhs Seventy Nine Thousand Six Hundred and Ninety only) ("Purchase Consideration") payable in cash, as detailed herein below:

Name of Sellers	Address of Sellers	No. of Shares / Voting Rights sold	Percentage (%) of Voting Share Capital
Loka Ravinder Reddy	59, Loka Niwas, NGO’s Colony, Subhash Nagar, Nizamabad-503 002.	17,30,300	44.00

c. The details regarding the Shares each of the Acquirers will be acquiring under the SPA is as follows:

Name of the Acquirers	No. of Shares / Voting Rights Acquired	Percentage (%) of Voting Share Capital
Mr. Snehil Saraf	15,38,500	39.12
Mrs. Kamini Saraf	1,91,800	4.88
TOTAL	**17,30,300**	**44.00**

d. The salient features of the SPA dated June 05, 2014 are as under:

   i. The SPA is subject to the compliances of provisions of SEBI (SAST) Regulations, 2011 and in case of non compliances with the provisions of SEBI (SAST) Regulations, 2011 this SPA shall not be acted upon.

   ii. The Seller is the legal and beneficial owner of 17,30,300 fully paid up Equity Shares of ₹ 10/- each, constituting 44.00% of the paid-up & voting share capital of the Target Company.

   iii. The Seller has agreed to sell to the Acquirers, to the extent of his shareholding in the Target Company and the Acquirers have, relying on the representations and warranties of the Seller and subject to the regulatory approvals, agreed to purchase from the Seller, such Seller's shareholding in the Target Company.

   iv. As a consequence of the sale and purchase of the equity shares of the Target Company, the Seller shall cease to be the Promoter of the Company and the Acquirers shall become the Promoters of the Company under the provisions of the SEBI (SAST) Regulations, 2011.

   v. On the Closing Date, a Board Meeting of the Target Company shall be called, convened and conducted to transact the following business:
      a. To appoint the nominees of the Acquirers as Additional Directors, if any;
      b. To take on record the letters of resignation of the directors nominated by the Seller on the Company's Board of Directors with effect from the close of such Board Meeting;
      c. To appoint new Independent Directors as Additional Directors of the Company.
      d. To approve transfer of Sale shares in the name of the Acquirers.

   vi. In the event of any representation being found to be incorrect, the Seller shall indemnify and shall save, keep harmless and indemnified the Acquirers from and against all actions, proceedings, demands, loss, claims, damages, costs, charges and expenses which the Acquirers may suffer or incur as a result of such incorrect representation.

   For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer the SPA which would be available to them for inspection during the period between the Tendering Period at the office of the Manager to the Offer.

e. There is no Person Acting in Concert with the Acquirer for the purpose of this Open Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011

f. Upon the successful completion of all formalities under the SEBI (SAST) Regulations, 2011, the Acquirers will seek appointment of representative Directors on the Board of the Target Company and the Target Company will take effective steps to induct them on its Board.

g. The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

h. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of the Target Company is required to constitute a committee of Independent Directors, to provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published. A copy whereof shall be sent to SEBI, ASE and Manager to the Offer and in case of a competing offer/s to the Manager/s to the Open Offer for every competing offer.

3.2 DETAILS OF THE PROPOSED OFFER

a. The PA announcing the Open Offer, under Regulation 3(1) & 4, read with Regulation 13, 14 and 15 of the SEBI (SAST) Regulations, 2011 was made on June 05, 2014 and informed to the ASE and a copy thereof was also filed with the SEBI and the Target Company at its Registered Office.

b. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, 2011, the DPS was published on June 12, 2014 in the following newspapers:

Publication	Language	Edition
Financial Express	English	All Editions
Financial Express	Gujarathi	All Editions
Jansatta	Hindi	All Editions
Prajashakti	Telugu	Karimnagar Edition*
Navshakti	Marathi	Mumbai Edition

(Copies circulated in Nizamabad, where the Registered Office of the Target Company is located)*
The Public Announcement and Detailed Public Statement are also available on the SEBI website at www.sebi.gov.in.

c. Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed through the Manager to the Offer with SEBI, ASE and the Target Company at its Registered Office.

d. The Offer is being made by the Acquirers to the public shareholders of the Target Company, other than the Parties to the Agreement, to acquire upto 10,22,400 (Ten Lakhs Twenty Two Thousand and Four Hundred only) Equity Shares representing 26.00% of the Voting Share Capital of the Target Company at a price of ₹ 13 (Rupees Thirteen only) per Equity Share ('Offer Price'), payable in cash subject to the terms and conditions set out in the PA, DPS and this LoF.

e. There are no partly paid up Equity Shares in the Target Company. Further, there is no differential pricing for the Offer.

f. This is not a Competitive Bid in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.

g. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

h. The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders, in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011. The Acquirers will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 10,22,400 Equity Shares representing 26.00% of the Voting Share Capital of the Target Company.

i. The Acquirers have not acquired any shares of the Target Company after the date of PA i.e. June 05, 2014, up to the date of this LoF.

j. As on date, the Manager to the Offer, Ashika Capital Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations, 2011.

k. The Equity Shares of the Target Company acquired by the Acquirers shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

l. Upon completion of the Open Offer, assuming full acceptances in the Offer, the public shareholding of the Target Company will fall below minimum level of public shareholding as required to be maintained as per Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement, the Acquirers undertake to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement, within the time period mentioned therein

3.3 OBJECT OF THE OFFER

a. This Offer is being made to the shareholders of Target Company pursuant to and in compliance with Regulation 3(1) & 4 of the SEBI (SAST) Regulations, 2011.

b. The prime object of the Offer is to acquire substantial acquisition of shares, voting rights and control of the Target Company.

c. After the completion of this Offer and pursuant to the transfer of the shares so acquired, the Acquirers will hold the majority of the Equity Shares by virtue of which they will be in a position to exercise effective management and control over the Target Company.

d. The Acquirers propose to continue the existing business of the Target Company in future. The Acquirers intend to expand the Target Company's business activities in same line through exercising the effective management and control over the Target Company. However, no firm plan in this regard has been taken or proposed so far.

e. The Acquirers do not have any plans to alienate any significant assets of the Target Company or its subsidiary whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011.

4. BACKGROUND OF THE ACQUIRERS:

1. **Mr. Snehil Saraf**, son of Mr. Sunil Saraf aged about 25 years, is residing at 43, Gunrock Enclave, Kharkana, Secunderabad - 500 009. He is a Graduate in Finance and holds the Degree of Bachelor of Science from Purdue University, USA in the year 2009. He started his career as a Research Associate and later joined the family business in the year 2010. He is having the experience in areas of operations and management. He is also an active angel investor and member of Hyderabad Angels. The Networth of Mr. Snehil Saraf is ₹ 1,57,94,207/- (Rupees One Crore Fifty Seven Lakhs Ninety Four Thousand Two Hundred ad Seven only) as certified by Mr. T. Prasada Rao (Membership No. 019196) Proprietor of M/s. T. P. Rao & Co., Chartered Accountants (FRN: 008041S) having office at Flat No. 114, Huda Complex, Plot No. 32, Saroor Nagar, Hyderabad - 500035; Tel.: +91-40-24045524; E-mail: suman.yallapragada@gmail.com vide certificate dated June 05, 2014. As on date, Mr. Snehil Saraf is the Promoter/Director of Delight Avenues Private Limited.

2. **Mrs. Kamini Saraf**, wife of Mr. Suman Saraf aged about 43 years, is residing at 43, Gunrock Enclave, Kharkana, Secunderabad - 500 009. She is a Graduate in Commerce and has experience in areas of administration and management. The Networth of Mrs. Kamini Saraf is ₹ 2,48,54,799/- (Rupees Two Crores Forty Eight Lakhs Fifty Four Thousand Seven Hundred and Ninety Nine only) as certified by Mr. T. Prasada Rao (Membership No. 019196) Proprietor of M/s. T. P. Rao & Co., Chartered Accountants (FRN: 008041S) having office at Flat No. 114, Huda Complex, Plot No. 32, Saroor Nagar, Hyderabad - 500035; Tel.: +91-40-24045524; E-mail: suman.yallapragada@gmail.com vide certificate dated June 05, 2014.

3. Mr. Snehil Saraf and Mrs. Kamini Saraf are the family members. The Acquirers are not immediate relatives as per Regulation 2(l) of SEBI (SAST) Regulations, 2011. Mrs. Kamini Saraf is paternal aunt of Mr. Snehil Saraf.

4. As on date, Mr. Snehil Saraf is the Promoter/Director of Delight Avenues Private Limited and Mrs. Kamini Saraf is not holding any directorship in any company.

5. There is no person acting in concert with the Acquirer for the purpose of this Open Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.

6. As on the date of DPS, Mr. Snehil Saraf holds 5,17,000 equity shares representing 13.15% and Mrs. Kamini Saraf holds 4,26,400 equity shares representing 10.84% aggregating to 9,43,400 equity shares representing 23.99% of voting capital in the Target Company.

7. The Acquirers have complied with regulation 29(1) of Chapter V of SEBI (SAST) Regulations, 2011 with respect to the above acquisition of shares, with a delay of 2 days. SEBI may initiate

appropriate action, in terms of the SEBI Act and other applicable laws and regulations, against the Acquirers for such non-compliance / delayed compliance.

8. The Acquirers are not forming part of the Promoter Group of the Target Company.

9. The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and are acting together under an informal understanding.

10. None of the Acquirers have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

5. BACKGROUND OF TARGET COMPANY - SONPAL CEMENT AND INFRASTRUCTURE LIMITED

(The information contained in the PA or DPS or LOF or any other advertisement/ publications made in connection with the Open Offer pertaining to the Target Company has been compiled from information published or provided by the Target Company or publicly available sources. The Acquirers do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.)

a) The Target Company, Sonpal Cement and Infrastructure Limited, was originally incorporated on April 13, 1992 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli in the name and style of ‘Amy Urja Vikalp Limited’. The Certificate of Commencement of Business was obtained from Registrar of Companies, Gujarat, Dadra & Nagar Haveli on May 25, 1992. The name of the Target Company was changed to ‘Sonpal Cement and Infrastructure Limited’, pursuant to which a fresh certificate of incorporation dated July 21, 1999 was issued by the Registrar of Companies, Gujarat, Dadra & Nagar. The Corporate Identity Number (CIN) of the Target Company is L99999TG1992PLC058124

b) The Registered Office of the Target Company is situated at 59, Loka Nivas, NGO’s Colony, Subhash Nagar, Nizamabad-503 002.

c) The Target Company is presently engaged in the business of dealing in materials and consultancy services for the development of infrastructure projects.

d) The Authorized Share Capital of the Target Company is ₹ 5,00,00,000 comprising of 50,00,000 Equity Shares of ₹ 10/- each. The Issued, Subscribed and Paid-up Capital of the Target Company is ₹ 3,93,22,000/- consisting of 39,32,200 Equity Shares of ₹ 10/- each. Further, 4,17,800 Equity Shares of ₹ 10/- each of the company were forfeited by the Company and the same remained un-issued as on date.

e) As on date there is no outstanding instrument in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into Equity Shares on any later date. There are no partly paid up shares in the Target Company.

f) The present Promoter/Seller had acquired 11,52,900 fully paid-up Equity Shares of ₹ 10/- each, representing 29.32% of voting capital of the Target Company through a Share Purchase Agreement dated September 07, 2006 and made Open Offer to the shareholders of Target Company, in compliance with the SEBI (SAST) Regulations, 1997 for acquisition of 7,86,500 Equity Shares of ₹ 10/- each, representing 20% of the voting capital of the Target Company. The Open Offer had opened on November 22, 2006 and closed on December 11, 2006.

g) **Share Capital Structure:**

The share capital structure of the Target Company is as follows:

Paid-up Shares	No. of Shares/Voting Rights	% Shares/Voting Rights
Fully Paid-up Equity Shares	39,32,200	100%
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares	39,32,200	100%
Total voting rights in Target Company	39,32,200	100%

h) The Equity shares of the Target Company are listed on The Ahmedabad Stock Exchange Limited, Ahmedabad ('ASE') and Saurashtra Kutch Stock Exchange Limited, Rajkot ('RSE') only. However, the recognition granted to RSE has been withdrawn by SEBI vide order dated July 06, 2007. Further, the Target Company has made an application with BSE Limited, Mumbai (BSE) on May 29, 2014 for admitting its equity shares under Direct Listing. As on date, the application made by the Target Company with the BSE Limited, Mumbai (BSE) for admitting its equity shares under direct listing is under process.

i) As per the information available, the Company was not regular in complying with the provisions of the listing agreement entered into with ASE. However, the Company has complied with the applicable clauses of the Listing Agreement with a delay and no punitive action was taken against the company by ASE. The company has paid upto date Listing Fees to ASE and the Company has addressed all investor's complaints and there is no pending complaint as on date.

j) The Promoter/Seller has complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011, within the time specified except for the years 2012 and 2013. The Target Company has complied with the applicable provisions of the Chapter II of SEBI (SAST) Regulations, 1997 within the time specified except for the period 1997-2005 on 31.01.2006, for the year 2006 on 14.08.2006, for the year 2007 on 09.05.2007 and for the year 2009 on 11.01.2010. SEBI may initiate appropriate action, in terms of the SEBI Act and other applicable laws and regulations, against the Promoter / Target Company for such non-compliance / delayed compliance.

k)

l) **Details of the Board of Directors of Target Company:**

As on the date of the PA, the Directors representing the Board of Target Company are:

S. No.	Name of the Director	Date of Appointment	DIN
1.	Ravinder Reddy Loka	16.02.2007	01678404
2.	Lakireddy Srinivasa Reddy	16.02.2007	01712235
3.	Sundarapalli Nageswara Rao	01.02.2006	01716581
4.	Veera Swamy Meka	22.07.2013	05223222
5.	Ram Gopal Reddy Kathri	30.03.2007	06651965
6.	Dhamera Raja Reddy	30.03.2007	06651982
7.	Chekuri Veera Venkata Satya Suryanarayana Raju	30.03.2007	06654088

m) There has been no merger / de-merger or spin off in the Target Company during the past three years.

n) **Financial Information:**

Brief Audited Financial Information for the year ended March 31, 2011, March 31, 2012, March 31, 2013 and Unaudited but Certified Financial Information for the period ended March 31, 2014 are as follows:

Profit & Loss Statements

(₹ in Lakhs)

For the period/year ended	31.03.2014 (Unaudited)	31.03.2013 (Audited)	31.03.2012 (Audited)	31.03.2011 (Audited)
Income:				
Income from Operations / Other Income	162.47	132.65	309.00	1153.76
Exceptional Items	-		-	-
Total Income	**162.47**	**132.65**	**309.00**	**1153.76**
Total Expenditure:	161.13	124.61	289.21	1086.87
Profit/(Loss) before Depreciation,	1.34	8.04	19.79	66.89

Interest & Tax				
Interest & Bank Charges	-	-	0.03	0.04
Depreciation	-	0.17	0.18	0.18
Profit/ (Loss) Before Tax	**1.34**	**7.87**	**19.58**	**66.67**
Provision for Tax	-	2.44	6.03	20.53
Fringe Benefit Tax	-	-	-	-
Deferred Tax	-	(0.01)	0.02	0.12
Profit/ (Loss) After Tax	**1.34**	**5.44**	**13.53**	**46.02**

Balance Sheet Statement

(₹ in Lakhs)

As on	31.03.2014 (Unaudited)	31.03.2013 (Audited)	31.03.2012 (Audited)	31.03.2011 (Audited)
Sources of Funds:				
Paid up Share Capital	393.22	393.22	393.22	393.22
Reserves & Surplus	105.93	104.60	99.16	85.63
NETWORTH	**499.15**	**497.82**	**492.38**	**478.85**
Deferred Tax Liability	-	-	-	-
TOTAL	**499.15**	**497.82**	**492.38**	**478.85**
Application of funds:				
Net Fixed Assets	0.68	0.74	0.91	1.09
Deferred Tax Asset	-	0.02	0.01	0.02
Net Current Assets	498.47	497.06	491.46	477.74
TOTAL	**499.15**	**497.82**	**492.38**	**478.85**

Other Financial Data

For period / year ended	31.03.2014 (Unaudited)	31.03.2013 (Audited)	31.03.2012 (Audited)	31.03.2011 (Audited)
Dividend (%)	Nil	Ni	Nil	Nil
EPS (₹)	0.04	0.14	0.34	1.17
Return on Networth (%)	0.31	1.10	2.72	9.61
Book Value per share (₹)	12.70	12.66	12.52	12.18

(Source: Annual Reports for the financial year ended March 31, 2011, March 31, 2012, March 31, 2013 and unaudited accounts for the year ended March 31, 2014 duly certified by the statutory auditors of the company)

o) **Pre and Post-Offer Shareholding Pattern of the Target Company as on date of LoF is as follows:**

Shareholders' Category	Shareholding & Voting Rights prior to the Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement: (i) **Mr. Loka Ravinder Reddy**	17,30,300	44.00	(17,30,300)	(44.00)	-	-	-	-
Total (a)	**17,30,300**	**44.00**	**(17,30,300)**	**(44.00)**	**-**	**-**	**-**	**-**
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
Total (b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total 1 (a+b)	**17,30,300**	**44.00**	**(17,30,300)**	**(44.00)**	**-**	**-**	**-**	**-**
2. Acquirers								
(i) **Mr. Snehil Saraf** (ii) **Mrs. Kamini Saraf**	5,17,000 4,26,400	13.15 10.84	15,38,500 1,91,800	39.12 4.88	10,22,400	26.00	36,96,100	93.99
Total	**9,43,400**	**23.99**	**17,30,300**	**44.00**	**10,22,400**	**26.00**	**36,96,100**	**93.99**

3. Parties to agreement other than(1) (a) & (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4. Public (other than parties to Agreement, Acquirers & PACs)								
a) FIs / MFs / FIIs / Banks, SFIs, ARCs	**12,58,500**	**32.01**	-	-	**(10,22,400)**	**(26.00)**	2,36,100	6.01
b) Others			-	-				
Total 4 (a+b)	**12,58,500**	**32.01**	**-**	**-**	**(10,22,400)**	**(26.00)**	**2,36,100**	**6.01**
GRAND TOTAL (1+2+3+4)	**39,32,200**	**100.00**	**Nil**	**Nil**	**Nil**	**Nil**	**39,32,200**	**100.00**

Number of Shareholders under Public category as on September 30, 2014 is 447.

p) Details of Compliance Officer:
Mr. Veera Swamy Meka,
59, Loka Nivas, NGO's Colony, Subhash Nagar, Nizamabad-503 002;
Tel.: 08462 - 240919; Fax: 08462 - 240919; E-mail: sonpalcement@gmail.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

a. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

b. The Equity shares of the Target Company are listed on The Ahmedabad Stock Exchange Limited, Ahmedabad ('ASE') and Saurashtra Kutch Stock Exchange Limited, Rajkot ('RSE') only. However, the recognition granted to RSE has been withdrawn by SEBI vide order dated July 06, 2007. Further, the Target Company has made an application with BSE Limited, Mumbai (BSE) on May 29, 2014 for admitting its equity shares under Direct Listing. As on date, the application made by the Target Company with the BSE Limited, Mumbai (BSE) for admitting its equity shares under direct listing is under process.

c. The trading turnover in the Equity Shares of the Target Company on ASE based on trading volume during the twelve calendar months prior to the month of PA (June, 2013 to May, 2014) is as given below:

Name of Stock Exchange	Total No. of Shares traded during the 12 calendar months prior to the month of PA	Total No. of Listed Equity Shares	Annualized Trading turnover (in terms of % to total listed equity shares)
ASE	Nil	39,32,200	NA

d. Based on the above, the Equity Shares of the Target Company are not frequently traded on ASE within the meaning of Regulation 2(1) (j) of SEBI (SAST) Regulations, 2011. Hence, the Offer Price determined in terms of regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, being the highest of the following:

S. No.	Particulars		₹
a)	Negotiated Price under the Agreement	:	2.30
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirers or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA	:	3.00
c)	The highest price paid or payable for any acquisition, whether by the Acquirers or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA	:	3.00

d)	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE (As the maximum volume of trading in the shares of the Target Company is recorded on BSE during such period)	:	Not Applicable	
e)	**Other Parameters**	:	**for the year ended 31.03.2013 Audited**	**for the year ended 31.03.2014 Unaudited**
	Book Value per Equity Share (₹)	:	12.66	12.70
	Earnings Per Equity Share (₹)	:	0.14	0.04
	Return on Net worth (%)	:	1.10	0.31

The Fair Value of the equity shares of the Target Company, is ₹ 12.65 (Rupees Twelve and Sixty Five Paise only) as certified vide Valuation Report, in accordance with the principles of valuation considered by Hon'ble Supreme Court of India in its decision in the case of Hindustan Lever Employees Union v/s Hindustan Lever Limited, 1995 (83 Com Case 30), dated August 20, 2014 by M/s. M. Mahender Kumar, Chartered Accountants having office at 5-4-92/1, 3rd Floor, Sandeep Towers, Ranigunj, Secunderabad - 500003.

f. In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹ 13/- (Rupees Thirteen only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

g. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

h. If the Acquirers acquire or agree to acquire any equity shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of SEBI (SAST) Regulations, 2011. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period

i. If the Acquirers acquire equity shares of the Target Company during the period of twenty-six weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an Open Offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company whether by way of bulk deals, block deals or in any form.

j. The Acquirers are permitted to revise the Offer Price upward at any time up to 3 working days prior to the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. If there is any such upward revision in the Offer Price by the Acquirers or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirers for all the shares validly tendered in the Offer.

k. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

6.2 DETAILS OF FIRM FINANCIAL ARRANGEMENTS:

a. The total funds required for implementation of the Offer (assuming full acceptance of the Offer), i.e., for the acquisition of 10,22,400 Equity Shares at a price of ₹ 13/- (Rupees Thirteen only) per Equity Share is ₹ 1,32,91,200/- (Rupees One Crore Thirty Two Lakhs Ninety One Thousand and Two Hundred only) ("Maximum Consideration").

b. In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirers have opened an Escrow Account with HDFC Bank Ltd. having one of its branches at Fort, Mumbai 400 001, bearing number 00600350128770, and deposited an amount of ₹ 65,00,000/- (Rupees Sixty Five Lakhs only), in cash, being more than 25% of the Maximum Consideration payable under the Offer.

c. The Acquirers have authorised the Manager to the Offer i.e. Ashika Capital Limited to operate and to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.

d. The Acquirers have adequate financial resources and have made firm financial arrangements for implementation of the Open Offer, in terms of regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirers through personal resources and no borrowings from any bank and/or financial institution are envisaged. Mr. T. Prasada Rao (Membership No. 019196) Proprietor of M/s. T. P. Rao & Co., Chartered Accountants (FRN: 008041S) having office at Flat No. 114, Huda Complex, Plot No. 32, Saroor Nagar, Hyderabad - 500035; Tel.: +91-40-24045524; E-mail: suman.yallapragada@gmail.com vide certificate dated June 05, 2014 have confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.

e. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.

f. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

a. This Offer is not conditional upon any minimum level of acceptance by the shareholder(s) of the Target Company.

b. The Offer is subject to the terms and conditions set out in this LoF, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

c. The Letter of Offer together with the Form of Acceptance and Transfer Deed (for Shareholders holding Equity Shares in the physical form) is being mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company, at the close of business on the Identified Date i.e. October 09, 2014 (Thursday). Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer.

d. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

e. Eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Date of

Closing of Tendering Period i.e. November 11, 2014 (Tuesday). Alternatively, the Letter of Offer alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.

f. This Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, if the statutory approvals are refused, the Offer would stand withdrawn.

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

h. The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

i. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The Public Shareholders are advised to adequately safeguard their interest in this regard.

j. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders / restriction from other statutory authorities wherein the shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer prior to the date of Closing of the Offer.

k. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

l. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Public Shareholders who tender their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

7.2 LOCKED-IN SHARES

As on date, the Target Company does not have any Equity Shares under lock-in period.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the shareholders (registered or unregistered) of the shares of the Target Company (except the Acquirers, Sellers and the existing Promoters / Promoter Group) who own Shares anytime before the Date of Closing of Tendering Period i.e. November 11, 2014 (Tuesday) are eligible to participate in the Offer.

7.4 STATUTORY APPROVALS

a. Shareholders of the Target Company who are either non-resident Indians ('NRIs') or Overseas Corporate Bodies ('OCBs') and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of Reserve Bank of India ('RBI') which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. The Offer, to the extent relevant to acquisition of the Equity Shares from NRIs and OCBs, is subject to the statutory and regulatory approval and clearance from RBI that may be required by NRIs and OCBs.

b. As on date, other than the above, there are no other statutory approvals required to acquire the Equity Shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable at a later date but before the completion of the Open Offer, the Open Offer would be subject to the receipt of such other statutory approvals also.

c. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.

d. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company subject to the Acquirers agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirers in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited in accordance with Regulation 17(9) of the SEBI (SAST) Regulations, 2011 and will be dealt with in the manner provided in clause (e) of Sub-Regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

a. The Acquirers have appointed Venture Capital and Corporate Investments Private Limited as the Registrar to the Offer.

b. The following collection centre would be accepting the documents by Hand Delivery /Regd. Post/Speed Post/Courier as specified:

Name & Address	Contact Person	Mode of Delivery
Venture Capital and Corporate Investments Private Limited 12-10-167, Bharat Nagar, Hyderabad-500 018. Tel: +91-40-23818475/23818476/23868023; Fax: +91-40-23868024; E-mail: info@vccilindia.com	Mr. P.V. Srinivas	Hand Delivery / Registered Post / Speed Post / Courier

c. Shareholders who wish to tender their equity share pursuant to the Offer will be required to submit the duly completed Form of Acceptance cum acknowledgement, original Share Certificate(s), valid Transfer Deed(s) duly signed and witnessed and other documents as may be specified in the Letter of Offer, to the Registrar to the Offer either by Registered Post/Speed Post/Courier, at their own risk or by hand delivery so as to reach on or before the closing of the business hours on the Date of Closing of Tendering Period i.e. November 11, 2014 (Tuesday). The documents can be tendered at the above address as per the schedule and mode mentioned in the table given below:

Mode of Tendering	Day*	Timing
By Hand Delivery	All Working Days (Monday – Friday)	11.00 am to 1.00 pm & 2.00 pm to 4.00 pm
	Saturdays	11.00 to 2.00 pm
By Registered Post / Speed Post / Courier	All Working Days (Monday – Friday)	10.00 am to 6.30 pm
	Saturdays	10.00 am to 2.00 pm

* Hand Delivery and Post / Courier will not be accepted on Sundays and Public Holidays

d. As on date, the Target Company is not having the connectivity with the Depositories i.e. Central Depository Services (India) Limited ("CDSL") and National Securities Depository Limited ('NSDL') as on date and all the shares are in physical form. Hence, no Depository Escrow Account has been opened for the purpose of this Offer

e. Form of Acceptance, Share Certificate(s), Share Transfer Form(s), and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above and should not be sent to the Manager to the Offer or the Acquirers or the Target Company.

f. In case (a) shareholders who have not received the Letter of Offer, (b) unregistered shareholders (c) owner of the shares who have sent the shares to the Target Company for transfer, a consent to the Registrar to the Open Offer on plain paper, stating the name, addresses, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Open Offer on or before 6.30 p. m. upto the Date of Closing of Tendering Period i.e. November 11, 2014 (Tuesday). Such shareholders can also obtain the Letter of Offer from the Registrar to the Open Offer by giving an application in writing to that effect.

g. The Shareholders of the Target Company who have sent their Equity Shares for transfer should submit, Form of Acceptance duly completed and signed, copy of the letter sent to the Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer form.

h. No indemnity is needed from unregistered shareholders.

i. Where the number of Equity Shares surrendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirers, the Acquirers will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 100 (Hundred) Shares.

j. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

k. The consideration to those shareholders whose shares have been accepted will be made through a crossed Demand Draft/Pay Order or through Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('ECS'), at specified centers where clearing houses are managed by the Reserve Bank of India within 10 working days of the expiry of the tendering period. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/ECS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance.

l. Such payments through account payee cheques/demand drafts will be sent by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

m. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/ incorrect bank account details, payment consideration will be made by crossed account payee Cheques/Demand Drafts. Such considerations in excess of ₹ 1,500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. The Acquirers is required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto ₹ 1,500/- will be made under certificate of posting at the shareholders sole risk.

n. For all other applicants, including those applicants whose payment consideration is not credited by ECS/Direct Credit due to technical errors or incomplete/incorrect bank account details or due to unavoidable reasons, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.

o. The bank account details for DC/NEFT/RTGS/NECS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the Form of Acceptance.

p. Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

q. The Registrar to the Offer will hold in trust the Equity Shares and share certificate(s), Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted Equity Shares / share certificates are dispatched / returned.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the shareholders of Target Company at the office of the Manager to the Offer, Ashika Capital Limited, at 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai–400 021 on any day (except Saturdays, Sundays and public holidays) between 10.30 a. m. to 2.00 p.m. from the Date of Opening of the Offer till the Date of Closure of the Offer.

i. Copy of Share Purchase Agreement dated June 05, 2014, entered into between the Acquirers and the Promoter/Seller, which triggered this Open Offer.

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

iii. Annual Reports of the Target Company for the financial years ended March 31, 2011, March 31, 2012, March 31, 2013 and Un-audited but Certified Financials for the period ended March 31, 2014.

iv. Chartered Accountants' Certificate(s) dated June 05, 2014 certifying the Net worth of the Acquirers.

v. Chartered Accountant's letter dated June 05, 2014 certifying that the Acquirers have firm and adequate financial resources to meet the financial obligations under the Open Offer.

vi. Letter from HDFC Bank Limited confirming the amount kept in the Escrow Account.

vii. Copies of the Public Announcement and Detailed Public Statement.

viii. Copy of the recommendation made by the Target Company's Board as required in terms of Regulation 26(7) of SEBI (SAST) Regulations, 2011.

ix. Copy of the observation letter no. CFD/DCR2/SG/OW/27662/2014 dated October 07, 2014 received from SEBI.

10. DECLARATION BY THE ACQUIRERS

The Acquirers, Mr. Snehil Saraf and Mrs. Kamini Saraf accept full responsibility, jointly and severally, for the information contained in this Letter of Offer, including the Form of Acceptance cum Acknowledgement and also for ensuring the compliance with the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations, 2011.

We, the Acquirers, have made all reasonable inquiries, accept responsibility, jointly and severally, and confirm that this Letter of Offer is in compliance with the SEBI (SAST) Regulations, 2011 and that it contains all information with regard to the Offer, which is material in the context of the Offer, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the person(s) signing this Letter of Offer is the Acquirer(s) / duly authorized person of the Acquirer(s).

Mr. Snehil Saraf

Mr. Kamini Saraf

Place: Hyderabad
Date: October 14, 2014

Enclosures:
(1) Form of Acceptance cum Acknowledgement
(2) Blank Share Transfer Deed(s)

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to Registrar to the Offer, Venture Capital and Corporate Investments Private Limited, at their address given in the Letter of Offer as per the mode of delivery mentioned in the Letter of Offer)

From:
Folio No.:
Name:
Address:

OFFER OPENS ON:	**October 27, 2014 (Monday)**
OFFER CLOSES ON:	**November 11, 2014 (Tuesday)**

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

To
Venture Capital and Corporate Investments Private Limited,
(Unit-Sonpal Cement and Infrastructure Limited-Open Offer)
12-10-167, Bharat Nagar, Hyderabad-500 018.

Dear Sir,

Sub: Open Offer to acquire 10,22,400 equity shares of ₹ 10/- each, constituting 26% of the paid-up and voting equity share capital of Sonpal Cement and Infrastructure Limited ('Target Company'), as of the 10^{th} working day from the Closure of the Tendering Period, at a price of ₹ 13/- per equity share by Mr. Snehil Saraf and **Mrs. Kamini Saraf (collectively referred as 'Acquirers').**

I/We refer to the Letter of Offer dated October 14, 2014 for acquiring the Equity Shares held by me/us in **Sonpal Cement and Infrastructure Limited**. I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I/We, hold the following Equity Shares and accept the Offer and enclose the original Share Certificate(s) and duly signed Transfer Deed(s) in respect of my/our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
Total No. of Shares					

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

I / We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

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

I / We confirm that the Equity Shares of the Target Company, which are being tendered herewith by me / us under this Open Offer, are free from liens, charges and encumbrances of any kind whatsoever and such Shares, when acquired by the Acquirers will be acquired free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

I/We confirm that there are no taxes or other claims pending against me/us which may affect the legality of the transfer of Equity Shares of the Target Company, under the Income Tax Act, 1961. I/We are not debarred from dealing in Equity Shares of the Target Company.

I/We authorize the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares that the Acquirers may decide to accept in consultation with the Manager to the Offer / Registrar to the Offer and in terms of the said Letter of Offer. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, without specifying the reason thereof.

I / We authorize the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post / Speed Post as may be applicable at my / our risk, the draft / cheque, in full and final settlement of the amount due to me / us and / or other documents or papers or correspondence to the sole / first holder at the address mentioned below.

The Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 is as under.

	1st Holder	**2nd Holder**	**3rd Holder**
PAN			

I/We authorise the Acquirers to send payment consideration by electronic mode or physical mode as per the option selected. In cases where the payment consideration is to be done in physical mode, the cheque / demand draft / pay order, in settlement of the amount and excess share certificate(s), if any, will be sent by registered post / speed post to the sole/first holder at the address given hereunder and if full address is not given below, the same will be forwarded at the address registered with the Target Company.

Please indicate the preferred mode of receiving the payment consideration. (Please tick)

Electronic Mode: ☐ or **Physical Mode:** ☐

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/ sole shareholder and the consideration will be payable by way of Electronic Mode/ cheque / demand draft / pay order will be drawn accordingly. In order to receive payment consideration through Electronic mode, the shareholders are requested to compulsorily provide their following bank details:

Name of the Bank: _________________________ **Branch /Address:** __________________________

____

Account No.: ___________________ **Savings /Current/ Others (please specify)** _______________

I/We want to receive the payment through **NECS** ☐ **RTGS** ☐ **NEFT** ☐

In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank):

In the case of RTGS/NEFT, 8 digit code number issued by the Bank

Yours faithfully,

Signed & Delivered:

	Full Name	Signature
First / Sole Holder		
Second Holder		
Third Holder		

Note: In case of joint holdings, all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

Place: Date:

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ACKNOWLEDGEMENT SLIP

VENTURE CAPITAL AND CORPORATE INVESTMENTS PRIVATE LIMITED

(Unit- Sonpal Cement and Infrastructure Limited - Open Offer)

12-10-167, Bharat Nagar, Hyderabad-500 018.

Tel: +91-40-23818475/23818476/23868023; Fax: +91-40-23868024; E-mail: info@vccilindia.com

Received from Mr. / Ms. / Smt: ____

Address: ____

Form of Acceptance-cum-Acknowledgement for __________ Shares along with _______ Share Certificate(s) and _________ number of Transfer Deed(s) under Folio Number (s) ________________

(Tick whichever is applicable)

Stamp of Registrar to the Offer:		Signature of the Official:		Date of Receipt:	

All future correspondence, if any, should be addressed to the Registrar to the Open Offer at their address quoting your Folio No.

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