LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOO) is sent to you as shareholder(s) of SQL Star International Limited (SQL). If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Merchant Banker (Indbank Merchant Banking Services Limited) or Registrar (M/s. Karvy Computershare Private Limited) to the Offer. In case you have recently sold your shares of SQL Star International Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

Superstar Exports Private Limited
J K Somani Building, 2nd Floor, British Hotel Lane, Fort Mumbai 400 001
Telephone No. : 022 66198000; Fax No.: 022 30298029

As the "Acquirer" and

Kanishkdeep Stock Consultants Private Limited
18, Sindhi Colony, Gumanpura,
Kota, Rajasthan – 324 007
Tel No: 744 - 3295517
Fax No: 744 - 3295518

Mr. Sunil Gupta
F 1005 1006, Whispering Palms Xxclusive
Lokhandwala Township, Akruli Road
Kandivali (East), Mumbai 400 001
Tel No.: 9619688982 E-Mail: gupta.suniln@gmail.com

As Persons Acting in Concert (PACs) (though not participating in the Offer)

MAKES A CASH OFFER AT AN OFFER PRICE OF Rs. 10.50 PER EQUITY SHARE TO ACQUIRE Up to 64,65,000 fully paid up Equity Shares of Face Value Rs. 10/- each representing 20% of the Voting Equity Capital of the Target Company

SQL STAR INTERNATIONAL LIMITED

Regd Office: SQL Star House, No. 8-2-293/174/A 25, Road No. 14, Banjara Hills, Hyderabad 500 034 Tel No: 040 23101600
Fax: 040 23101608 E-Mail: corporate.affairs@sqlstar.com

Notes:

- The Offer is being made pursuant to, and in compliance with, among others, sub- Regulation 11 (1) and Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof.
- It is an unconditional offer.
- It is not a competitive bid
- No statutory approval is required to complete the Offer except the approval from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 ("FEMA") to acquire the shares from non-resident shareholders. As on the date hereof there are no other statutory approvals required to implement this offer.
- **Shareholders who accept the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of closure of the Offer (i.e. 05.02.2010, Friday)**
- The Acquirer can revise the Offer Price upwards up to 7 (seven) working days prior to the date of closure of the Offer (i.e. 27.01.2010, Wednesday). If there is any upward revision in the Offer Price by the Acquirer or if the Offer is withdrawn, the same would be communicated by a Public Announcement in the same newspapers where the original Public Announcement appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.
- **If there is a competitive bid(s):**
  (i) The Public Offers under all the subsisting bids shall close on the same date;
  (ii) As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
- There has been no competitive bid.
- A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance cum Acknowledgment and Form of Withdrawal) is available on SEBI's website (www.sebi.gov.in).

Merchant Banker to the Offer	Registrar to the Offer
INDBANK MERCHANT BANKING SERVICES LIMITED Complex I 480, Anna Salai 1st Floor, Khivraj Complex1, Nandanam, Chennai 600 035 Ph. No.: (044) 24313094 97 188 Fax No: (044) 24313093 E-mail: mba@indbankonline.com SEBI Regn. No: INM000001394 Contact Person: Ms. S Rajalakshmi	KARVY **KARVY COMPUTERSHARE PRIVATE LIMITED** Plot No. 17 24, Vittalrao Nagar Madhapur, Hyderabad 500 081. Ph. No.: 040 23420815 820 Extn. Fax No: 040 23420814 E-mail: mailmanager@karvy.com SEBI Regn. No: INR000000221 Contact Person: Mr. U S Singh

Activity	Original Schedule Day and Date	Revised Schedule Day and Date
Date of the Public Announcement	07.08.2009, Friday	07.08.2009, Friday
Last date for a Competitive Bid	28.08.2009, Friday	28.08.2009, Friday
Specified date	07.09.2009, Monday	07.09.2009, Monday
Letter of offer to be posted to Shareholders	22.09.2009, Tuesday	09.01.2010,Saturday
Date of opening of the offer	01.10.2009, Thursday	15.01.2010, Friday
Last date for revising the offer price/ number of shares	13.10.2009, Tuesday	27.01.2010,Wednesda
Last date for Withdrawal of Offer	15.10.2009, Thursday	02.02.2010, Tuesday
Date of closing of the offer	20.10.2009, Tuesday	05.02.2010, Friday
Date of communicating rejection/ acceptance and payment of consideration for applications accepted	05.11.2010, Thursday	20.02.2010, Saturday

Risk Factors :

1. In the event of statutory approvals not being received in a timely manner or litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the scheduled indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer may be delayed. In case of delay due to non-receipt of statutory approvals, as per Regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to the willful default or negligence on part of the Acquirer/PAC, grant an extension for the purpose of the completion of the Offer subject to the Acquirer agreeing to pay interest.
2. The Acquirer/PAC make no assurance with respect to the market price of the shares during/after the Offer.
3. The shares tendered in the Offer will lie to the credit of the depository escrow account till the completion of the Offer formalities, and the shareholders will not be able to trade such shares. During such period, there may be fluctuations in the market price of the shares. Accordingly, the Acquirer / PAC make no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
4. This offer is made for the purpose of consolidation of holdings and may result in a change of control of the Target Company. The Acquirer and the PACs make no assurance with respect to the financial performance of the Target Company after consolidation of holdings.
5. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration. Further, they will not be able to take advantage of any favorable price movements during the period in which the offer is open and after the closure of the offer.
6. In the event of oversubscription in the Offer, the acceptance of the tendered shares will be on a proportionate basis as per Regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and transparent manner.
7. The Acquirer / PAC's and the Manager to the Offer accept no responsibility for the statements made, otherwise than in the Public Announcement (PA) or the Letter of Offer (LOO) or in the advertisement or may materials issued by, or at the instance of the Acquirer / PAC's and the Manager to the Offer, and anyone placing reliance on any other source of information would be doing so at his / her / their own risk.

   The risk factors set forth above are not intended to be a complete analysis of all risks in relation to the Offer or in association with the Acquirer and the PAC, but are only indicative. They do not relate to the present or future business or operations of the Target Company or any related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a shareholder in the Offer. The shareholders are advised to consult their stock broker, investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

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DEFINITIONS

Acquirer	Superstar Exports Private Limited
Act	The Companies Act, 1956
AGM	Annual General Meeting of the Shareholders
BSE	Bombay Stock Exchange Limited
Eligible Persons	All owners of shares, registered or unregistered, of SQL Star International Limited, (other than the Acquirer and PACs, and other members of the promoter group of SQL Star International Limited) who own the shares at any time prior to the closure of the offer.
Escrow Account	Escrow Account in accordance with Regulation 28 of the Regulations, created by the Acquirer with Axis Bank, Universal Insurance Building, Sir P M Road, Fort, Mumbai 400 001 in the form of fixed deposit of Rs.1.96 Crores (Rs. One Crore and Ninety Six Lakhs only), being more than the stipulated amount under Regulation 28(2)
LOO	Letter Of Offer
The Guidelines	The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
Merchant Banker	Manager to the Offer, Indbank Merchant Banking Services Limited
NRIs	Non-Resident Indians
Offer	Offer for acquisition of up to 64,65,000 Fully paid-up Equity shares of face value of Rs.10 each SQL Star International Limited representing 20% Post Preferential Issue Voting Equity Capital of the Target Company at an offer price of Rs.10.50 per equity share payable in cash
Offer Period	From 07.08.2009 -20.02.2010
Offer Price	Rs. 10.50 (Rupees Ten and Paise Fifty Only) per equity share
PACs	Persons Acting in Concert (who will not be participating in the offer) namely, Kanishkdeep Stock Consultants Private Limited and Mr. Sunil Gupta
PA	Public Announcement of the Offer, as per Regulation 15 of the Regulations, made by the Acquirer on 07.08.2009, Friday.
Promoter Group	The promoter group of SQL Star International Limited, which includes Superstar Exports Pvt. Limited, Pacific Corporate Services Limited, Padmavathiasha Properties & Projects Pvt. Ltd and Mr. N R Ganti.
RBI	Reserve Bank Of India
Registrar	Karvy Computershare Private Limited.
SEBI	Securities and Exchange Board of India.
Specified Date	07.09.2009 (Monday)
Target Company	SQL Star International Limited (SQL)
The Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

DISCLAIMER CLAUSE

1. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SQL STAR INTERNATIONAL LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PACS OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, INDBANK MERCHANT BANKING SERVICES LIMITED, HAS SUBMITTED A DUE-DILIGENCE CERTIFICATE DATED 24.08.2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2 Background of the Offer

2.1 This open offer **(the "Offer")** is being made by M/s. Superstar Exports Private Limited **(the "Acquirer")** and, M/s.Kanishkdeep Stock Consultants Private Limited and Mr. Sunil Gupta **(the Persons Acting in Concert (PAC's)**, **though not participating in the open offer)** pursuant to and in compliance with Regulation 11 (1) and Regulation 12 of the SEBI (SAST) Regulations. Other than the aforesaid, there are no other acquirers or other entities/ Persons Acting in Concert for this Offer. Due to the operation of Regulation 2(1) (e) (1) of the Regulations, M/s. Kanishkdeep Stock Consultants Private Limited and Mr. Sunil Gupta, could be deemed to be acting in concert. However, they are not acting in concert for the purpose of the Offer. The phrase “not participating in the open offer” indicates that the PAC's, Kanishkdeep Stock Consultants and Mr. Sunil Gupta are neither financing the offer nor acquiring any shares or voting rights through the offer.

2.2 The Acquirer and is already part of the Promoter group of the Target Company. The other PAC's i.e. M/s. Kanishkdeep Stock Consultants Private Limited and Mr. Sunil Gupta, does not hold any shares in the Target Company as on date. The Promoter Group collectively holds 70,92,536 equity shares constituting 32.53% of the fully paid up equity share capital of the Target Company.

2.3 The Board of Directors of the Target Company, at its Board meeting held on 31st July 2009, had, subject to the approval of the shareholders at the Extra-ordinary General Meeting held on August 29, 2009 and the approval of the Stock Exchange, authorised the issue of 1,05,25,000 equity shares of the Target Company to the following

Name of the entity	No. of shares issued by way of Preferential Allotment
Superstar Exports Private Limited	300,000
Kanishkdeep Stock Consultants Private Limited	3,200,000
Mr. Sunil Gupta	3,325,000
Sarvapratham Investment Limited	3,700,000

on a preferential basis (the “Preferential Issue”) in accordance with Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto (the “Guidelines”). At the Extra- ordinary General Meeting of share holders held on 29th August 2009, the shareholders authorised the Preferential issue by way of a special resolution under section 81 (1A) and all other applicable provisions under the Companies Act, 1956 at a price of Rs. 10.50 per share (including a premium of Rs. 0.50), subject to the price computed in accordance with SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the Target Company receiving approvals from the stock exchange and other statutory bodies. The Target Company has obtained the in-principle approval from the BSE on 19.11.2009. The Company convened its board meeting on 27.11.2009 and allotted the shares to the above mentioned entities.

2.4 As a result of the preferential issue the present, issued, subscribed and paid-up Equity share capital of the Target Company will increase to Rs. 32,32,50,000/- **(3,23,25,000 equity shares of Rs. 10/- each fully paid up) (the "Emerging Share Capital").** Accordingly after the preferential issue, the Acquirer - Superstar Exports Private Limited shall hold 12.53% of the Emerging Share capital of the Target Company.

2.5 As on date of this LOO, Mr. Sunil Gupta is not on the Board of the Target Company. However, he is proposed to be appointed as a Director and designated as a Co-Promoter of the Target Company and will form part of the Promoter Group of the Target Company, upon completion of the open offer formalities.

2.6 The Acquirer and the PAC's (though not participating in the offer) have neither been allotted nor acquired either directly or through any other person, equity shares in the Target Company during the twelve month period preceding the date of the PA.

2.7 The Acquirer, PAC's and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

2.8 The shareholding of the promoter group in the Target Company as on date of this Letter of Offer is as follows:

Sl. No.	**Name of the Shareholder**	**Number of shares**	**Percentage Holding (%)**
1	Superstar Exports Private Limited	3,750,000	17.20
2	Padmavatiasha Properties and Projects Private Limited	1,250,000	5.73
3	Pacific Corporate Services Limited	2,077,536	9.53
4	Mr. N R Ganti	15,000	0.07
	Total	**7,092,536**	**32.53**

2.9 The acquirer have undertaken, that he will not exercise voting rights on shares acquired through the preferential allotment till the completion of the open offer formalities.

2.10 Except for Mr. C P Khandelwal, who is an independent director in the board of the Target Company, there is no other person representing the Acquirer or the PAC's who may be termed as "insider" with the meaning of clause 2 (e) of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992 as on the date of the PA. He has rescued himself and has not participated in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer. Post PA, Mr C P Khandelwal has been appointed as the Non Executive Chairman of the Target Company, on 30.11.2009.

2.11 Indbank Merchant Banking Services Limited, Manager to the Offer, does not hold any shares in SQL as on the date of this Public Announcement. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Open Offer till the expiry of 15 days from the date of closure of the Open Offer.

3 Details of the Offer

3.1 The Public Announcement (PA), in accordance with Regulation 15 of the SEBI (SAST) Regulations, 1997, was published on 07.08.2009 in all the editions of Financial Express (English National Daily with wide circulation), Jan Satta (Hindi National Daily with wide circulation), and in the below mentioned editions of Andhra Prabha (regional daily with wide circulation at the place where the registered office of the Target Company is located). The details of the editions in which the PA has appeared is given below:

Newspaper	**Language**	**Editions**
Financial Express	English	All Editions
Jan Satta	Hindi	All Editions
Andhra Prabha	Telugu	Hyderabad, Nizamabad, Karimnagar, Suryapet, Vijayawada, Guntur, Rajamundry, Vishakapatnam, Nellore, Tirupati, Ananthapur, Kurnool.

The PA is also available on the SEBI website www.sebi.gov.in

3.2 Pursuant to and subject to the terms and conditions of this Letter of Offer, the Acquirer proposes to acquire up to 64,65,000 fully paid up equity shares **("Shares")** of the Target Company **(the "Offer Size")** representing 20% of the Post Preferential Issue Capital of the Target Company, at a price of Rs.10.50 per Share **(Rupees Ten and Paise Fifty only)** and is subject to deduction of taxes at source as applicable and will be paid accordingly.

3.3 The consideration is payable in cash, subject to terms and conditions mentioned this Letter of Offer.

3.4 The Promoter and the Promoter Group of the Target Company have undertaken not to tender their equity shares in the Offer.

3.5 The offer is in accordance with Regulation 21(2) of the Regulations, and the public shareholding on completion of the offer will not fall below 25% of the listed equity capital of the Target Company.

3.6 The Target Company has no partly paid up shares. The offer is not subject to any minimum level of acceptance and is an unconditional offer.

3.7 This is not a Competitive Bid and there has been no competitive bid to this Offer as on date of this Letter of Offer.

3.8 Neither the Acquirer, nor the PAC's has acquired any shares in the Target Company, after the date of the PA and up to date of this Letter of Offer.

3.9 The offer is not conditional upon any minimum level of acceptance. Accordingly, the Acquirer / PAC will accept all shares tendered by the public shareholders pursuant to the Offer at the Offer price, subject to the shares tendered, not exceeding 64,65,000 shares. In case the number of shares tendered exceeds this number, the acceptance will be made on a proportionate basis in terms of Regulation 21 (6) of the Regulations.

3.10 Any decision for the upward revision in the Offer Price by the Acquirer up to the last date of revision (27.01.2010) or withdrawal of Offer (02.02.2010) would be communicated by way of a public announcement in the same newspapers in which the PA had appeared. In case of an upward revision in the Offer Price, the Acquirer would pay such revised price for all the shares validly tendered any time during the Offer period and accepted under the Offer. The communication regarding the acceptance of shares, which are validly tendered, by the Acquirer under this Offer will take place on or before 20.02.2010, in accordance with the schedule of events set out in this Letter of Offer.

3.11 The offer is subject to the terms and conditions set out in this Letter of Offer that will be sent to shareholders of SQL.

3.12 As the share price cannot be revised during 7(seven) working days prior to the closure of the Offer, it would, therefore, be in the interest of the shareholders to wait until the commencement of that period to know the final offer price and tender their acceptance accordingly.

3.13 Shares that are subject to any charge, lien or encumbrance, any court order / any other attachment / dispute are liable to be rejected in the Offer. Applications in respect of shares that are the subject matter of litigation wherein the shareholders may be prohibited from transferring the shares during the pendency of such litigation are liable to be rejected if the directions / orders permitting transfer of these shares are not received together with the shares tendered under the Offer. The Acquirer will acquire the equity shares together with all rights attached thereto, including the rights to all dividends, bonuses and rights subsequently declared. The tender by any shareholder of any equity shares in the Offer must be absolute, unconditional and unqualified.

4 Object of the Acquisition / Offer

4.1 The Offer to the shareholders of the Target Company is being made pursuant to Regulation (12) and Regulation (11) (1) of the Regulations involving substantial acquisition of Equity shares or voting rights in a Company, along with change in management control of the Target Company

4.2 The Acquirer is the promoter of the Target Company and feels that the Target Company has growth potential and sees the need for consolidation of holdings. The Target Company intends to use the funds generated out of the investments by the Acquirer and the PAC's by way of preferential issue for augmenting working capital requirements, investing in new businesses and other corporate purposes. Further, Mr. Sunil Gupta (one of the PAC's) will be jointly managing and controlling the Target Company along with the Acquirer (Superstar Exports Pvt. Ltd) and other promoters forming part of the Promoter Group of the Target Company.

4.3 As on the date of the Public Announcement, the Acquirer does not have plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalisation of operations, assets, investments, liabilities or otherwise of the Target Company.

4.4 Pursuant to this Offer, the Public Shareholding will not reduce to less than 25% of the voting equity capital of the Target Company, which is consistent with the Target Company meeting the requirements of minimum Public Shareholding laid down in the Listing Agreement.

4.5 The Acquirer and the Persons Acting in Concert may be entitled to appoint additional and/or it's Directors on the Board of Directors of Target Company, upon the completion of the offer, in terms of the Companies Act, 1956 read with the applicable provisions of the SEBI (SAST), Regulations, 1997 (if any).

5 Background of the Acquirer & PAC's

5.1 <u>The Acquirer</u>

5.1.1 Superstar Exports Private Limited was incorporated on 19.01.2004 and is engaged in the business of traders, distributors, importers, dealing & exporting of agricultural, commercial and industrial products and investments. The registered office of the Acquirer is situated at 2nd Floor, J K Somani Building, British Hotel Lane, Fort Mumbai 400 023 Phone no. 022 66198000; Fax No.: 022 30298029.

5.1.2 The Company is an unlisted Company and belongs to the “Systematix Group” comprising of M/s. Systematix Corporate Services Limited, M/s. Systematix Capital Services Limited, M/s. Southern Shares and Stocks Limited, M/s. Southern Commodities & Brokers Private Limited and M/s. Shiva Shakthi Real Estate Private Limited.

5.1.3 The Acquirer Company is already a promoter of the Target Company and the open offer will lead to further consolidation in its holdings in the Target Company.

5.1.4 The Acquirer Company was promoted by Mr. Vijay Dargar and Mr. Sanjay Gupta. The Company was acquired by Mr. C P Khandelwal on 12.03.2004, who is currently the Chairman of the Company.

5.1.5 The details of the Board of Directors of the Superstar as on date of the PA are as follows:

Name Designation	Residential Address	Date of Appoint ment	Director Identifi cation Number	Qualification / University	Experience
Mr. C P Khandelwal	Embassy Appt., B 41 Neapease Road, Near P D Park Mumbai 400 036	12.03.2004	00016373	F.C.A Institute of Chartered Accountants of India	Around 25 years of experience in the areas of Merchant Banking, Investment Banking, Capital Market, etc.
Mr. Nikhil Khandelwal	No 72, Arihant Castle, Flat No 2C, Landsons Road, Kilpauk, Chennai 600 010	12.03.2004	00016387	MBA Indian School of Business, Hyderabad	Around two years of experience in the areas of Equity Research, Risk Management

5.1.6 The shareholding pattern of the Acquirer as on date of the PA is as follows:

Sl. No.	Name of the Shareholder	Number of shares	Percentage (%)
1	Mr. Nikhil Khandelwal	100	0.03
2	Mr. C P Khandelwal	9900	2.81
3	Findeal Investment Pvt. Ltd.	42500	12.06
4	Magicline Trading Co. Ltd.	90000	25.53
5	Rightplaza Trading Co. Pvt. Ltd.	120000	34.04
6	Thirdwave Mercantile Co. Pvt. Ltd.	90000	25.53
	Total	**352500**	**100**

5.1.7 Findeal Investment Private Limited, Magicline Trading Co. Pvt. Ltd, RightPlaza Trading Co. Pvt. Ltd and Thirdwave Mercantile Co. Pvt. Ltd., are unlisted companies, which are currently headed by Mr. C P Khandelwal.

5.1.8 The details of the financial performance of the Superstar Exports Private Limited are as follows:

Profit & Loss Statement	Rs. In Lakhs		
Particulars for the year ending	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Income from Operations	10.64	1360.38	41.57
Other Income	0.00	0.00	0.00
Total Income	10.64	1360.38	41.57
Total Expenditure	17.11	135.93	0.21
Profit Before Prior Period Adjustments / Exceptional Items	-6.47	1224.45	41.35
Prior Period Adjustments / Exceptional Items	0.00	0.00	0.00
Profit Before Depreciation & Tax	-6.47	1224.45	41.35
Interest	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00
Profit Before Tax	-6.47	1224.45	41.35
Provision for Tax	0.00	0.00	0.00
Profit / (Loss) after tax	-6.47	1224.45	41.35

Balance Sheet	Rs. In Lakhs		
Particulars for the year ending Sources of Funds	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Sources of Funds			
Equity Share Capital	35.25	35.25	5.25
Reserves & Surplus (excl. Revaluation Reserves)	2996.68	3003.15	458.70
Net worth	3031.93	3038.40	463.95
Secured Loans	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00
Total	3031.93	3038.40	463.95
Uses of Funds			
Net Fixed Assets	1.59	3.60	0.00
Investments	0.00	0.00	0.00
Current Assets			
Closing Stock	5340.58	5223.13	4587.49
Sundry Debtors	489.47	880.81	0.00
Loans, Advances & Deposits	470.00	399.20	56.15
Cash in Hand & Bank Balance	2.38	168.82	2.20
Total Current Assets	6302.44	6671.96	4645.84
Less: Current Liabilities	3272.10	3637.16	4181.89
Net Current Assets	3030.34	3034.80	463.95
Total Misc. Expenditure not written off	0.00	0.00	0.00
Total	**3031.93**	**3038.40**	**463.95**

Other Financial Data

	31.03.2009 (Audited)	31.03.2008 (Audited)	31.03.2007 (Audited)
Dividend (%)	0.00	0.00	0.00
Earnings Per Share	-0.02	3.47	0.79
Book Value Per Share	8.60	8.62	8.84
Return on Net worth	0.00	0.40	0.09

Source: As audited by Prashant Wakhariya & Co, Chartered Accountants Membership No.: 048877 having their office at B1, Sadichha Apt., Gr. Floor, Rokadia Lane, Borivalli (W), Mumbai 400 0092.

5.1.9 Reasons for Rise / Fall in PAT

Financial year ended March 31st 2009 vis - a - vis year ended 31st March 2008

Superstar incurred a loss of Rs. 6.47 Lakhs for the financial year ended 31st March 2009 compared to a profit of Rs. 1224.45Lakhs during the financial year ended 31st March 2008. The Company booked a short term capital loss of Rs. 1,00,629. The stock markets also touched lows, during the financial year, making it difficult for Superstar to book profits.

Financial year ended March 31st 2008 vis - a - vis year ended 31st March 2007

Superstar's income increased substantially to Rs. 1224.45 Lakhs during the financial year ended 31.03.2008 in comparison to Rs. 41.35 Lakhs during the financial year ended 31.03.2007, due to prudent investment decisions made by the management, coupled with the rise in the stock prices in the Indian Stock Markets.

Financial year ended March 31st 2007 vis - a - vis year ended 31st March 2006

Superstar's income increased to Rs. 41.35 Lakhs from a loss of Rs. 32.94 Lakhs on account of the dividend income and interest income realized by the Company through its prior investments. The Company also made prudent investment decisions.

5.1.10 The significant accounting policies followed by Superstar Exports are

5.1.10.1 The basis of accounting is based under Historical cost convention and are in accordance with requirements of the Companies Act 1956.

5.1.10.2 Preliminary Expenditure has already been written off in previous year.

5.1.10.3 Investments have been taken at Cost Value & Market Value is reflected for the reporting purpose only

5.1.11 The net worth of the acquirer as per the certificate dated 05.10.2009 issued by M/s. Prashant Wakhariya & Co., Membership No.: 048877, B1 Sadichha Apt, Gr. Floor, Rokadia Lane, Borivali (W), Mumbai 400 092; Tel: 022 28922369, 22937350; E-mail: pwco@hotmail.com is Rs. 30,31,93,216/-.

5.1.12 As per the audited accounts for year ended 31.03.2009, there are no contingent liabilities.

5.1.13 There are no changes in the Board of Directors of Superstar Exports Private Limited from the date of the PA till the date of this Letter of Offer

5.1.14 Superstar had earlier acquired 12,50,000 shares of the Target Company, through the preferential allotment of shares in August 2005 triggering provisions of SEBI SAST Regulations. As mandated by SAST Regulations, the acquirer came out with an open offer in September 2005.

5.2 Person's Acting in Concert (PAC's) though not participating in the offer

5.2.1 Kanishkdeep Stock Consultants Private Limited

5.2.1.1 Kanishkdeep Stock Consultants Private Limited is a subsidiary of the Acquirer and is not participating in this Open Offer. The registered office of the Company is at 18, Sindhi Colony, Gumanpura, Kota, Rajasthan 324 007.

5.2.1.2 The Company is an unlisted Company.

5.2.1.3 The Acquirer holds 29199 equity shares of the face value of Rs. 10/- of Kanishkdeep Stock Consultants Private Limited representing 99% of the issued and paid up share capital of Kanishkdeep Stock Consultants Private Limited. The only other shareholder is Mr. C P Khandelwal who holds 1 share.

5.2.1.4 Kanishkdeep Stock Consultants Private Limited was incorporated on 19.02.2007 (CIN: U67120RJ2007PTC023816) with the main object as to act as consultants, advisors and investment in the field of shares, debentures and debenture stocks.

5.2.1.5 The details of the Board of Directors of Kanishkdeep Stock Consultants Private Limited as on date of the PA i.e. 07.08.2009 are as follows:

Name Designation	Residential Address	Date of Appointment	Director Identification Number	Qualification / University	Experience
Mr. B S Rajpurohit	101, Triveni Apts, Marve Road, Midchoki, Malad (West), Mumbai 400 064	5.9.2008	00171666	B.Com, LLB Nagpur University	Around 20 years of experience in the areas of legal, accounts, operations etc.
Mr. Manoj Gupta	35/2 Vallabh Nagar, Indore, Madhya Pradesh 452 001	5.9.2008	01608828	B.Com Vikram University, Ujjain	Around 10 years of experience in the areas of audit, accounts, taxation etc.

5.2.1.6 The details of the financial performance of Kanishkdeep Stock Consultants Private Limited are as follows

Profit & Loss Statement	Rs. In Lakhs		
Particulars for the year ending	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Income from Operations	0.00	864.68	0.00
Other Income	7.50	267.15	0.00
Total Income	7.50	1131.83	0.00
Total Expenditure	8.10	1124.91	0.05
Profit Before Prior Period Adjustments / Exceptional Items	-0.60	6.92	-0.05
Prior Period Adjustments / Exceptional Items	0.04	0.04	0.04
Profit Before Depreciation & Tax	-0.64	6.88	-0.09
Interest	0.00	0.00	0.00
Depreciation	0.19	0.14	0.00
Profit Before Tax	-0.82	6.75	-0.09
Provision for Tax	0.00	1.75	0.00
Profit / (Loss) after tax	-0.82	5.00	-0.09

Balance Sheet	Rs. In Lakhs		
Particulars for the year ending Sources of Funds	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Sources of Funds			
Equity Share Capital	2.92	193.00	1.00
Reserves & Surplus (excl. Revaluation Reserves)	194.17	4.91	0.00
Net worth	197.09	197.91	1.00
Secured Loans	0.00	0.00	0.00
Unsecured Loans	231.20	473.50	0.00
Total	428.29	671.41	1.00
Uses of Funds			
Net Fixed Assets	0.28	0.46	0.00
Investments	0.00	0.00	0.00
Net Current Assets	427.94	670.84	0.77
Total Misc. Expenditure not written off	0.07	0.11	0.23
Total	428.29	671.41	1.00

Other Financial Data

	31.03.2009 (Audited)	31.03.2008 (Audited)	31.03.2007 (Audited)
Dividend (%)	0.00	0.00	0.00
Earnings Per Share	- 0.03	0.00	- 0.01
Book Value Per Share	6.75	0.10	0.10
Return on Net worth	0.00	0.03	- 0.09

5.2.1.7 Reasons for Rise / Fall in PAT

Financial year ended March 31st 2009 vis - a - vis year ended 31st March 2008

The Company made a loss of Rs. 83,000, for the financial year ended 31.03.2009, as they were not able to undertake sales. With increase in the value of the inventories at the disposal of the Company, coupled with the economic recession which resulted in un-conducive environment in the stock markets the Company was not able to maintain its profitability.

Financial year ended March 31st 2008 vis - a - vis year ended 31st March 2007

The Company earned a net profit after tax of Rs. 5 Lakhs during the financial year ended 31.03.2008, in comparison to a loss of Rs. 0.09 during the financial year ended 31.03.2007. There was an increase in sales of the Company to 8.65 Crores, which contributed to the profits. The Company took prudent investment decisions, which resulted in the Company booking profits.

Financial year ended March 31st 2007 vis - a - vis year ended 31st March 2006

This was the first year of operation of the Company and hence no major transactions occurred during this year.

5.1.1.8 The significant accounting policies followed by Kanishkdeep are

5.2.1.8.1 The financial statements have been prepared under the historical cost convention and on the basis of going concern

5.2.1.8.2 Preliminary expenses are to be written off over a period of 5 years.

5.2.1.8.3 Fixed Assets are based on cost less depreciation

5.2.1.8.4 Stocks have been taken as valued and confirmed by directors of the Company

5.2.1.9 The Company does not any contingent liability as on 31st March 2009.

5.2.1.10 The net worth of the Kanishkdeep Stock Consultants Pvt. Limited as per the certificate dated 04.08.2009 issued by M/s. Prashant Wakhariya & Co., Membership No.: 048877 B1 Sadichha Apt, Gr. Floor, Rokadia Lane, Borivali (W), Mumbai 400 092; Tel: 022 28922369, 22937350; E-mail: pwco@hotmail.com is Rs. 1,95,59,609/-.

5.2.1.11 Kanishkdeep Stock Consultants does not hold any shares in the Target Company as on date of the PA.

5.2.2 <u>**Mr. Sunil Gupta**</u>

Mr. Sunil Gupta aged 47 is an IT professional having 25 years of industry experience. He has Bachelors degree in Electronics Engineering from Indore University, a Post graduate in Management from Symbiosis Institute of Management and has also under gone various executive education programs in Indian Institute of Management and Indian School of Business. He is the Director at Collabera Enterprise Solutions Private Limited (formerly Optibiz Software Technologies Pvt. Ltd.), IVL India Pvt. Ltd, Technosoft Resources Consulting Pvt Ltd and a visiting faculty teaching information technology at Indian Institute of Management. He was also a member of IT task force constituted by the Government of Kerala.

The net worth of Mr. Sunil Gupta as per the certificate dated 20.07.2009 issued by M/s. Roy Varghese & Associates, Membership No.: 208789, Indian Bank Building, Pattom, Trivandrum 695 004; Tel: 0471 2541174/2541934; E-mail: Trivandrum@rva.in is Rs. 8,08,02,725/-

Mr. Sunil Gupta does not hold any shares in the Target Company as on date of the PA.

5.3 Superstar Exports Private Limited is the sole Acquirer in this offer. The cost incurred on the open offer will be solely borne by the Acquirer. There is no written agreement / understanding by way of which Mr. Sunil Gupta shall be coming into the joint control post the completion of the open offer. Since Mr. Sunil Gupta has vast experience in the field of IT, it has been orally agreed between the acquirer and Mr. Sunil Gupta that on completion of the offer formalities, he shall be drafted into the Company, for improving the business of the Company. Apart from this, there is no agreement by the Acquirer with any other person including the PACs in connection with the offer and no other person/ entity proposes to take part in the acquisition

5.4 The acquirer is already a promoter in the Target Company and currently holds 17.20% of the share capital and has sufficient knowledge and experience in the IT industry, the main activity carried out by the Target Company.

5.5 Declaration under Regulation 16 (ix) of the Regulations

5.5.1 As of date of this PA, the Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

5.5.2 The Acquirer/ PACs undertake that they shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

6 Declaration in terms of Regulation 21 (2)

The Offer is as per the provisions of Regulation 21 (2) of the Regulations. Pursuant to this Offer, the Public Shareholding will not reduce to less than 25% of the voting equity capital of the Target Company.

7 Background of Target Company (SQL Star International Limited)

7.1 SQL Star International Limited was incorporated on 1st July 1987 as a Private Limited Company as "IT Consulting Services Private Limited" with its Registered office at 71, Anand Lok, New Delhi 110 049. The Company shifted its registered office to B20, Burmah Shell Co-Op Housing Society, Nr. Aradhana Apts., R K Puram, Sector B, Ring Road, New Delhi 110 022 with effect from March 1990. On 4th May 1990, the name of the Company was changed to SQL Star People (India) Private Limited. On 3rd May 1993, the Company was converted into a Public Limited Company and the name was changed to SQL Star People (India) Limited. On the 18th July 1996, the Company was renamed as SQL Star International Limited. On January 2006 the Company shifted its Registered office to Hyderabad (SQL House, Plot No. 13, Infocity, Madhapur, Hyderabad 500 081) from New Delhi (3rd Floor, Andhra Association Building, 24-25 Institutional Area, Lodhi Road, New Delhi 110 003). With effect from January 2007, the Company again shifted to 4th Floor, B Block, 8-2-120/113, Sanali Info Park, Road No. 2, Banjara Hills, Hyderabad 500 033. From there, the Company again shifted on July 2009 to its present address: SQL Star House, No. 8-2-293/174/A25 Road No. 14, Banjara Hills, Hyderabad 500 034.

7.2 The registered office of the Company is situated at SQL Star House, No. 8-2-293/174/A 25 Road No. 14, Banjara Hills, Hyderabad 500 034, Andhra Pradesh, India. Telephone No: 040-23101600 Fax No.: 040-23101670 E-mail: corporate.affairs@sqlstar.com.

7.3 The initial promoters of the Target Company are Dr. Ashok K Agarwal, Mr. Brij K Tankha, Dr. Kishore B V Buddhiraju, Mr. Pradeep Gupta, Mr. Satish Arora and Mr. Subhash C Bhatia. The Company went Public in the year 1999. The current promoters of the Company acquired the management control on 23.07.2005, by giving an open offer pursuant to the SEBI(SAST) Regulations.

7.4 The main areas of operations of the Company are Software Development & Services, Education & Training and e-Governance

7.5 The shares of the Company are listed on the Bombay Stock Exchange (BSE), the New Delhi Stock Exchange (DSE) and the Hyderabad Stock Exchange (HSE)

7.6 The main objects of the Target Company are

7.6.1 To carry on the business of sale, distribution, import, export, lease or hire, sell on hire purchase or installments system to construct, develop, enter into agreements for setting up the same in whole or part or any other way to deal in Micro Processor based all Mini and Micro Computers, Digital and Analog Computers and other Computers and Data Processing Systems etc.,

7.6.2 To render organization development services, staff development and training services and assistance in equipment handling and establishing of systems and procedures etc.,

7.7 The Company has three wholly owned subsidiaries namely International SQL Star Pte. Ltd., Singapore, SQL Star International Inc., USA and SQL Star International Pty. Ltd., Australia

7.8 The share capital structure of SQL as on date of the PA is as follows

Particulars	No. Of Shares/ Voting rights	% of Voting Rights
Authorized Capital (4,00,00,000 equity shares of Rs. 10 each)	Rs. 40,00,00,000	100%
Issue Capital (2,18,00,000 equity shares of Rs. 10 each)	Rs. 21,80,00,000	100%
Subscribed Capital (2.18,00,000 equity shares of Rs. 10 each)	Rs. 21,80,00,000	100%
Paid-up Capital (2.18,00,000 equity shares of Rs. 10 each)	Rs. 21,80,00,000	100%
Partly Paid up Equity Shares	NIL	NIL

7.9 The Company has obtained share holders permission to allot 4,825,000 share warrants i.e. 3,325,000 to Mr. Sunil Gupta and 1,500,000 to Mr. Raj Ganti at a price of Rs. 10.50 per warrant, in its Extra-Ordinary General Meeting held on 29.08.2009. The share warrants are convertible into equity shares within 18 months from the date of issue of warrants and on completion of the payment obligations. The Company obtained the listing approval from BSE on 19.11.2009. On receipt of the same, the Company convened its board meeting on 27.11.2009 and allotted the warrants to the Mr. Sunil Gupta and Mr. Raj Ganti. Mr. Sunil Gupta and Mr. Raj Ganti vide their undertaking dated 09.11.2009, have undertaken not to convert the share warrants allotted to them, until the end of 15 days after the closure of this offer. Further the Company, does not have any partly paid up equity shares and hence voting right in case of partly paid up equity shares is NIL.

7.10 Capital History of SQL Star International Limited

Date of Allotment	No of shares allotted	%of shares allotted	Cumulative paid up share capital (No. of Shares)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/others)	Status of regulatory compliance with SEBI (SAST) Regulations and other relevant provisions where applicable.
01.07.1987	200	100.00%	200	Subscriber to the Memorandum &Articles of Association	Ex-Promoters*	Complied
09.11.1989	200	50.00%	400	Preferential Allotment	Ex-Promoters*	Complied
28.12.1990	3,000	88.24%	3,400	Preferential Allotment	Ex-Promoters*	Complied
22.03.1991	25,600	88.28%	29,000	Preferential Allotment	Ex-Promoters*	Complied
31.05.1991	31,000	51.67%	60,000	Preferential Allotment	Ex-Promoters*	Complied
20.03.1993	26,500	30.64%	86,500	Preferential Allotment	Public	Complied
07.04.1993	3,50,856	80.22%	4,37,356	Preferential Allotment	Public	Complied
10.04.1993	83,125	15.97%	5,20,481	Preferential Allotment	Public	Complied
29.09.1993	1,05,900	16.91%	6,26,381	Preferential Allotment	Ex-Promoters*	Complied
30.04.1994	2,41,750	27.85%	8,68,131	Preferential Allotment	Ex-Promoters*	Complied
20.07.1994	5,11,250	37.06%	13,79,381	Preferential Allotment	Ex-Promoters*, UTI (VECAUSII), UTI & RCTC	Complied
17.11.1994	5,75,250	29.43%	19,54,631	Preferential Allotment	Ex-Promoters*, UTI (VECAUSII), UTI & RCTC	Complied
29.04.1995	2,30,000	10.53%	21,84,631	Preferential Allotment	Ex-Promoters*, UTI (VECAUSII), UTI & RCTC	Complied
17.07.1995	1,65,660	7.05%	23,50,291	Preferential Allotment	Ex-Promoters*	Complied
30.01.1996	4,47,000	15.98%	27,97,291	Preferential Allotment	Ex-Promoters*	Complied
09.09.1996	1,75,000	5.89%	29,72,291	Preferential Allotment	Ex-Promoters*	Complied
09.05.1997	3,000	0.10%	29,75,291	Employee Stock Option Scheme	Employee	Complied
08.08.1997	34,100	1.13%	30,09,391	Employee Stock Option Scheme	Employee	Complied
5.09.1997	10,00,000	24.94%	40,09,391	Rights issu	Ex-Promoters* & Public	Complied
03.01.1998	11,10,000	21.68%	51,19,391	Preferential Allotment	ICICI Software Fund	Complied
12.05.1998	31,100	0.60%	51,50,491	Employee Stock Option Scheme	Employee	Complied
11.08.1998	15,45,147	23.08%	66,95,638	Bonus	Ex-Promoters*	Complied
21.09.1998	3,54,362	5.03%	70,50,000	Preferential Allotment	Ex-Promoters*	Complied
04.12.1998	4,00,000	5.37%	74,50,000	Preferential Allotment	Employee	Complied
15.07.1999	3,50,000	4.49%	78,00,000	Public Issue	Ex-Promoter*	Complied
15.07.1999	26,00,000	25.00%	1,04,00,000	Public Issue	Public	Complied
31.10.2000	(1,300)	-0.01%	1,03,98,700	Forfeited	Public	Complied
31.01.2001	1,300	0.01%	1,04,00,000	Reissue of Forfeited Shares	Employee	Complied

25.03.2002	31,20,000	23.08%	1,35,20,000	Rights Issue	Ex-Promoters* & Public	Complied
20.08.2005	12,50,000	8.46%	1,47,70,000	Allotment made on Preferential basis - Superstar Exports Pvt. Ltd	Current Promoters**	Complied
31.08.2005	12,50,000	7.80%	1,60,20,000	Allotment made on Preferential basis - Padmavatiasha Properties & Projects Pvt Ltd	Current Promoters**	Complied
15.12.2005	17,50,000	9.85%	1,77,70,000	Allotment made on Preferential basis - Bennett, Coleman & Co. Ltd	Public	Complied
19.02.2007	40,00,000	18.37%	2,17,70,000	Allotment made on Preferential basis - Superstar Exports Pvt Ltd + Naishadh Paleja + Rajni Jain	Current Promoters** & Public	Complied
14.06.2007	30,000	0.14%	2,18,00,000	Allotment made on Preferential basis - Mitta Janardhan	Public	Complied
27.11.2009	1,05,25,000	32.56%	3,23,25,000	Allotment made on Preferential basis	Superstar, Kanishkdeep, Sunil Gupta and Sarvapratham Investments	Complied

*Ex Promoters Dr. Ashok Kumar Aggarwal, Mr. Brij Kumar Tankha, Dr. Kishore B V Buddhiraju, Mr. Pradeep Gupta, Mr. Satish K Arora, Mr. Subhash C Bhatia.

** Current Promoters Superstar Exports Pvt. Ltd, Pacific Corporate Services Ltd, Padmavathiasha Properties & Projects Pvt. Ltd, Mr. N R Ganti.

7.11 Status of compliance with Chapter II of the Regulations by SQL

7.11.1 As per the information provided by SQL, the Company has filed the requisite disclosures under Regulation 8 of the Regulations with the Stock Exchanges wherever applicable from time to time. The following are the instances in which there has been a delay in filing the disclosures.

7.11.2 There was a delay of 30 days in filing the requisite disclosures under Reg. 8 (A) (4) for the quarter ended 30th June 2009 and a delay of 26 days for the quarter ended 30th September 2009. There has been a delay of 4 days in filing the disclosure under Reg. 7 (3) on 31.01.2007.

7.12 Status of compliance with Chapter II of the Regulations by the Promoter group and other major shareholders

7.12.1 As per the information provided by SQL, the promoter group and other major shareholders has filed requisite disclosures under Regulation 8 of the Regulations with the Stock Exchanges within the respective due dates, wherever applicable from time to time expect for the below mentioned instances

7.12.2 Pacific Corporate Services, one of the promoters of the Target Company has not made the disclosures under Reg. 7 (1), 7(1A) and 7(2) for its market purchase of 7,00,000 equity shares constituting 3.21% of the voting capital made on 26.04.2005.

7.12.3 There was a delay of 3 days in 21.4.2007, for filing the disclosure under Reg. 8(1) and 8 (2) by Mr. N R Ganti. SEBI may initiate action against the promoters of the Target Company at a later stage in terms of the regulations and provisions of the SEBI Act for non/ delayed compliance of the Takeover Regulations.

7.13 Compliance with the Listing requirements of the Stock Exchanges

7.13.1 The Equity shares of the SQL Star International Limited ("Target Company") are listed on the Bombay Stock Exchange Ltd (BSE), the Hyderabad Stock Exchange and the New Delhi Stock Exchange with effect from 03.09.1999. After the Initial Public Offer in 1999, SQL's equity shares were listed on the Bombay Stock Exchange (BSE), the New Delhi Stock Exchange and the Hyderabad Stock Exchange (the Regional Stock Exchange). In its 19th Annual General Meeting held on 18.08.2006, the Company obtained shareholder's approval by passing a special resolution for voluntary delisting the equity shares from the New Delhi Stock Exchange and the Hyderabad Stock Exchange. However the Company has not initiated any steps in this direction and has been filing returns and paying listing fees to all the three stock exchanges.

7.13.2 As per the information provided by SQL, the Company has complied with the listing requirements of the BSE and no punitive action has been initiated against the Company by the BSE.

The provisions of Corporate Governance and provisions under Clause 49 of the Listing Agreement are complied with by SQL Star International Limited. The details of compliance as on 30th June 2009 are given as under

	Particulars	Clause of Listing agreement	Compliance Status Yes / No	Remarks
I	**Board of Directors**	49 (1)	Yes	
	(A) Composition of Board	49 (IA)	Yes	
	(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes Yes	
	(C) Other provisions as to Board and Committees	49 (IC)	Yes	
	(D) Code of Conduct	49 (ID)	Yes	Code of Conduct has been displayed on the Company's website (www.sqlstar.com)
II	**Audit Committee**	49 (II)		
	(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
	(B) Meeting of Audit Committee	49 (IIB)	Yes	
	(C) Powers of Audit Committee	49 (IIC)	Yes	
	(D) Role of Audit Committee	49 (IID)	Yes	
	(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III	**Subsidiary Companies**	49 (III)	Yes	
IV.	**Disclosures**	49 (IV)		
	(A) Basis of related party transactions	49 (IV A)	Yes	
	(B) Board Disclosures accounting policies	49 (IV B)	NA	
	(C) Risk Management	49 (IV C)	Yes	
	(D) Proceeds from public issues, rights issues, preferential issues etc	49 (IV D)	NA	
	(E) Remuneration of Directors	49 (IV E)	Yes	Has been disclosed in the Annual Report for the FY 2008-09
	(F) Management	49 (IV F)	Yes	
	(G) Shareholders	49 (IV G)	Yes	
V	**CEO/CFO Certification**	49 (V)	Yes	Has been disclose d in the Annual Report for the FY 2008-09
VI	**Report on Corporate** Governance	49 (VI)	Yes	Has been disclosed in the Annual Report for the FY 2008-09
VII	**Compliance**	49 (VII)	Yes	Has been disclosed in the Annual Report for the FY 2008-09

7.14 The Board of Directors of SQL as on date of Public Announcements is as follows:

Name, Designation & Age	Director's Identification Number	Residential Address	Date of Appointment	Qualification/ University	Experience
Mr. N R Ganti, Chairman & Managing Director 60	00021592	Flat No. 101, Apurupa, Plot No. 45, HUDA Heights, MLA Colony Road, No. 12 Banjara Hills, Hyderabad 500 034	27.06.2005	MBA Institute of Public Enterprise – Osmania University	More than 30 years of varies and rich experience in the Finance and Management spheres.

Mr. K Jayabharath Reddy, Independent Director 72	00038342	"Prashanti", 6-3-1186/ 6 Begumpet Hyderabad – 500 016	27.06.2005	M A Economics, Madras University M A Economic Statistics, Delhi School of Economics Visiting Fellow Oxford University, UK	More than 35 years in the Indian Administrative Services. Versatile experience in General Administration, Financial and Industrial Management
Mr. Jai Narain Khandelwal, Independent Director 44	00709023	286/A – Lata Kunj Talwandi, Kota , Rajasthan-324001	12.05.2005	B Com, Rajasthan University FCA Institute of Chartered Accountants of India	More than 15 years of experience in dealing with various financial matters and tax planning.
Mr. C P Khandelwal, Independent Director 50	00016373	Embassy App t., B 41 Neapease Road, Near P D Park Mumbai 400 036	23.01.2007	FCA Institute of Chartered Accountants of India	Around 25 years of experience in the areas of Merchant Banking, Investment Banking, Capital Market, etc.

Mr. C P Khandelwal represents the Acquirer on the Board of the Target Company. He has rescued himself and has not participated in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.

*** The following are the changes in the Board of Directors of SQL, post the Public Announcement till the date of LOO

Mr. N R Ganti, Chairman and Managing Director of the Company, resigned from his position with effect from November 2009. He will be acting as the Strategic Advisor to the Company. The BOD in its meeting held of 27.11.2009, took note of his resignation and relieved him from his duties by the close of business hours of 30.11.2009.

Mr. C P Khandelwal, has been appointed as a Non Executive Chairman and it has been decided that, till such time a new Managing Director is appointed, the functions of the Company will be managed by the Board.

7.15 SQL acquired TalentFuse Incorporation USA, on June 2007. TalentFuse Inc. is a 5 year old San Diego based Company in the high end tech-staffing business. TalentFuse provides high end staffing solutions and employs over 100 consultants. The Company was acquired for $4,275,000 (Four Million Two Hundred and Seventy Five Thousand U S dollars). The acquisition was intended to increase the vertical reach of SQL Star.

7.16 The brief audited consolidated financial statements of SQL Star International Ltd. are as under:

Profit & Loss Statement	Rs. In Lakhs		
Particulars for the year ending	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Income from Operations	8685.35	10252.82	6967.70
Other Income	33.15	61.87	106.77
Total Income	8718.50	10314.70	7074.47
Total Expenditure	8605.87	9468.67	6492.33
Profit Before Prior Period Adjustments / Exceptional Items	112.63	846.03	582.13
Prior Period Adjustments / Exceptional Items	2692.49	0.00	-1500.92
Profit Before Depreciation & Tax	-2579.86	846.03	2083.06
Interest	0.00	0.00	0.00
Depreciation	423.08	307.82	219.89
Profit Before Tax	-3002.94	538.21	1863.16
Provision for Tax	270.29	153.49	-189.31
Profit / (Loss) after tax	-3273.23	384.72	2052.47

Balance Sheet	Rs. In Lakhs		
Particulars for the year ending	**31.03.2009 (Audited)**	**31.03.2008 (Audited)**	**31.03.2007 (Audited)**
Sources of Funds			
Equity Share Capital	2180.48	2180.48	2199.42
Reserves & Surplus (excl. Revaluation Reserves)	-1235.39	2137.05	1637.59
Net worth	945.08	4317.53	3837.01
Secured Loans	235.23	227.24	514.93
Unsecured Loans	955.91	893.67	0.00
Total	2136.22	5438.44	4351.94
Uses of Funds			
Net Fixed Assets	4344.97	3717.61	1638.99
Investments	0.00	0.00	0.00
Net Current Assets	2721.53	2746.34	3751.56
Total Misc. Expenditure not written off	0.00	0.00	0.00
Total	7066.50	6463.96	5390.55

Other Financial Data	31.03.2009 (Audited)	31.03.2008 (Audited)	31.03.2007 (Audited)
Dividend (%)	0.00	0.00	0.00
Earning Per Share	-0.15	0.02	0.09
Book Value Per Share	0.04	0.20	0.17
Return on Net worth	-3.46	0.09	0.53

7.17 Reasons for Rise / Fall in PAT

Financial year 2009 -2008

SQL earned a total income of Rs. 8718.50 Lakhs in FY 2009-08 as against total income of Rs. 10314.70 Lakhs in FY 2008-07. The Company posted a net loss of Rs. 3273.22 Lakhs in FY 2009-08 as against a profit of Rs. 384.72 Lakhs posted in FY 2008-07. The slump was mainly to due to the Prior period adjustments made during the financial year. The details of prior period adjustments are as follows:

★ Provision for Diminution in value of investments in US subsidiary - Rs. 2690 Lakhs

★ Earlier year Interest - Rs. 2.49 Lakhs, totaling to Rs. 2692.48 Lakhs

Further, the Company's foreign exposure both in terms of receivables and payables were not hedged.The Company's profit before Prior period adjustments is Rs. 112.63 in FY 2009-08 against Rs. 846.03 in FY 2008-07. This was mainly due to the global recession that continues to the affect the IT industry, the core business area of the Company.

Financial year 2008-2007

SQL earned a total income of Rs. 10314.70 Lakhs in FY 2008-07 as against total income of Rs. 7074.47 Lakhs in FY 2007-06. The Company posted a net profit of Rs. 384.72 Lakhs in FY 2008-07 as against a profit of Rs. 2052.47 Lakhs posted in FY 2007-06. The slump was mainly due losses carried forward from the previous year and higher margins, coupled with the slow down experienced by the IT industry as a whole.

Financial year 2007-2006

SQL earned a total income of Rs. 7074.70 Lakhs in FY 2007-06 as against total income of Rs. 3751.63 Lakhs in FY 2006-07. The Company posted a net profit of Rs. 2052.47 Lakhs in FY 2007-06 as against a loss of Rs. 3240.14 Lakhs posted in FY 2006-07. The rise in profits is due to expansion of its business profile, which enhanced its reach into market segments.

7.18 The significant accounting policies followed by SQL are as under:

- ★ The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles applicable accounting standards
- ★ The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.
- ★ Fixed Assets are stated at cost less depreciation. Cost of Acquisition includes freight, duties and installation expenses net of taxes and duties eligible for credit
- ★ Advances Paid for acquisition of fixed assets and cost of assets(net of taxes and duties eligible for credit) not put to use before the year end are disclosed under Capital Work-in-Progress.
- ★ Inventories are valued on FIFO basis at lower of cost and net realizable value.
- ★ Intellectual Property Rights are stated at cost less amortization. All costs incurred for development are carried forward till development is complete.
- ★ Revenue is recognized and expenditure is accounted for on their accrual, where there is no uncertainty as to measurement or collectability

Foreign Currency Transactions: Transactions in Foreign exchange are initially recognized at the rates prevailing on the dates of transactions. Exchange difference arising out of restatement of foreign currency liabilities incurred for acquisition of fixed assets are translated prevailing on the last working day of the accounting year is adjusted to the cost of fixed assets.

7.19 Contingent Liabilities as at March 31, 2009

(Rs. In Lakhs)

a)	Claims against the Company not acknowledged as debts	**203.46**
b)	Bank Guarantees	**60.83**
c)	Income Tax demands contested in Appeal before Income Tax Authorities	**261.77**
d)	Sales Tax demands contested in Appeals	**21.65**
e)	Export Obligation on account of Imports	**14.83**
	Total	**562.54**

7.20 The Pre and Post offer Equity shareholding pattern of SQL are as follows:

	Shareholder's Category	Shareholding & voting rights prior to the agreement / acquisition and offer		Shares/ voting rights agreed to be acquired which triggered off the Regulations		Shares/ voting rights to be acquired in open offer (Assuming full acceptance)		Share holding/ voting rights after the acquisition and offer	
		(A)		(B)		(C)		(A)+(B)+(C) = D	
		No.	%	No.	%	No.	%	No.	%
I	**Promoter Group**								
a	Parties to the agreement	NA	NA	NA	NA	NA	NA	NA	NA
II	**Acquirer (Super Star Exports Limited)**	3750000	17.20%	300000	2.85%	6465000	20.00%	10515000	32.53%
c	**PAC's (though not participating in the offer)**								
	Kanishkdeep Stock Consultants Pvt. Ltd	0	0.00%	3200000	30.40%	0.00		3200000	9.90%
	Sunil Gupta	0	0.00%	3325000	31.59%	0.00		3325000	10.29%
	Other Promoters								
	Pacific Corporate Services Limited	2077536	9.53%	0	0.00%	0.00		2077536	6.43%
	Padmavathiasha Projects & Properties Limited	1250000	5.73%	0	0.00%	0.00		1250000	3.87%
	N R Ganti	15000	0.07%	0	0.00%	0.00		15000	0.05%
	Total	7092536	32.53%	6825000	64.85%	6465000		20382536	63.06%
III	**Parties to agreement other than 1 (a) & (2)**	NA	NA	NA	NA	NA	NA	NA	NA
	Promoter Group Total	7092536	32.53%	6825000	64.85%	6465000		20382536	63.06%
IV	**Public (other than the above)**								
	Institutional Investors								
	Mutual Funds & UTI	4500	0.02%		0.00%	0.00		4500	0.01%
	Banks / Fis	1000	0.00%		0.00%	0.00		1000	0.00%
	Total (A)	5500	0.03%		0.00%	0.00		5500	0.02%
	Others								
	Private Corporate Bodies (366)	7491234	34.36%	3700000	35.15%	0.00		11191234	34.62%
	Non Resident Indians (33) / OCB's (2)	173277	0.79%	0	0.00%	0.00		173277	0.54%
	Clearing Members (11)	17672	0.08%	0	0.00%	0.00		17672	0.05%
	Trusts (3)	161980	0.74%	0	0.00%	0.00		161980	0.50%
	Others	6857801	31.46%	0	0.00%	0.00		6857801	21.22%
	Total (B)	14701964	67.44%	3700000	35.15%	0.00		18401964	56.93%
	Total Public (A+B)	14707464	67.47%	3700000	35.15%	(6465000.00)	(20.00%)	11942464	36.94%
	Grand Total (I+ II+ III+ IV)	**21800000**	**100.00%**	**10525000**				**32325000**	**100.00%**

Notes:

- ★ The post preferential allotment is calculated based on the assumption that the offer will be fully subscribed.
- ★ All the percentages in column D are computed based on the "Emerging Voting capital of SQL, post the preferential issue.

7.21 The total number of shareholders in the Public category as on 04.09.2009 is 13852

7.22 Superstar Exports Private Limited is the sole acquirer in this offer. They confirm that they have not entered into any agreement with regards to the acquisition of shares.

7.23 Details of change in shareholding pattern of the Current promoter group of the Target Company and the Status of compliance with SEBI SAST Regulations.

Date of Purchase	Mode of Purchase/ Sale	Shares Purchased / Sold		Cumulative Shareholding		Status of Compliance with SEBI SAST Regulations 1997 and amendments thereto
		No. of Shares	% of share and voting capital	No. of Shares	% of share and voting capital	
26/04/2005	Market Purchase	700000	3.21%	700000	3.21%	Pacific Corporate Services Ltd, has not made the required disclosures under Regulation 7 (1) (A) of the Regulations.
06/08/2005	Preferential Allotment	5000000	22.94%	5700000	26.15%	Open Offer was given under Regulation 10 & 12 as per SEBI SAST Regulations 1997
18/02/2006	Market Purchase	5000	0.02%	5705000	26.17%	Not Applicable
11/09/2006	Market Purchase	43445	0.20%	5748445	26.37%	Not Applicable
13/09/2006	Market Purchase	57105	0.26%	5805550	26.63%	Not Applicable
27/09/2006	Market Purchase	25000	0.11%	5830550	26.75%	Not Applicable
12/10/2006	Market Purchase	120000	0.55%	5950550	27.30%	Not Applicable
13/12/2006	Market Purchase	10000	0.05%	5960550	27.34%	Not Applicable
03/01/2007	Market Purchase	70000	0.32%	6030550	27.66%	Not Applicable
17/01/2007	Market Purchase	15889	0.07%	6046439	27.74%	Not Applicable
19/01/2007	Market Purchase	72556	0.33%	6118995	28.07%	Not Applicable
22/01/2007	Market Purchase	29455	0.14%	6148450	28.20%	Not Applicable
23/01/2007	Market Purchase	98995	0.45%	6247445	28.66%	Not Applicable
24/01/2007	Market Sale	-15902	-0.07%	6231543	28.59%	Not Applicable
01/02/2007	Market Purchase	10000	0.05%	6241543	28.63%	Not Applicable

02/02/2007	Market Purchase	10770	0.05%	6252313	28.68%	Not Applicable
06/02/2007	Market Purchase	4206	0.02%	6256519	28.70%	Not Applicable
09/02/2007	Market Purchase	5373	0.02%	6261892	28.72%	Not Applicable
06/03/2007	Market Purchase	25000	0.11%	6286892	28.84%	Not Applicable
07/03/2007	Market Purchase	19750	0.09%	6306642	28.93%	Not Applicable
09/03/2007	Market Purchase	1000	0.00%	6307642	28.93%	Not Applicable
04/05/2007	Market Purchase	10000	0.05%	6317642	28.98%	Not Applicable
11/05/2007	Market Purchase	58000	0.27%	6375642	29.25%	Not Applicable
15/05/2007	Market Purchase	35000	0.16%	6410642	29.41%	Not Applicable
17/05/2007	Market Purchase	18000	0.08%	6428642	29.49%	Not Applicable
18/05/2007	Market Purchase	42000	0.19%	6470642	29.68%	Not Applicable
21/05/2007	Market Purchase	47049	0.22%	6517691	29.90%	Not Applicable
24/05/2007	Market Purchase	30000	0.14%	6547691	30.04%	Not Applicable
25/05/2007	Market Purchase	25000	0.11%	6572691	30.15%	Not Applicable
29/05/2007	Market Purchase	8600	0.04%	6581291	30.19%	Not Applicable
30/05/2007	Market Purchase	15000	0.07%	6596291	30.26%	Not Applicable
01/06/2007	Market Purchase	7500	0.03%	6603791	30.29%	Not Applicable
04/06/2007	Market Purchase	4073	0.02%	6607864	30.31%	Not Applicable
05/06/2007	Market Purchase	2500	0.01%	6610364	30.32%	Not Applicable
06/06/2007	Market Purchase	2500	0.01%	6612864	30.33%	Not Applicable
08/06/2007	Market Purchase	10000	0.05%	6622864	30.38%	Not Applicable
18/06/2007	Market Purchase	20000	0.09%	6642864	30.47%	Not Applicable
19/06/2007	Market Purchase	30000	0.14%	6672864	30.61%	Not Applicable
17/07/2007	Market Purchase	268000	1.23%	6940864	31.84%	Not Applicable
02/08/2007	Market Purchase	13000	0.06%	6953864	31.90%	Not Applicable

10/08/2007	Market Purchase	2510	0.01%	6956374	31.91%	Not Applicable
24/10/2007	Market Purchase	15000	0.07%	6971374	31.98%	Not Applicable
25/10/2007	Market Purchase	27000	0.12%	6998374	32.10%	Not Applicable
30/10/2007	Market Purchase	22592	0.10%	7020966	32.21%	Not Applicable
13/12/2007	Market Purchase	53500	0.25%	7074466	32.45%	Not Applicable
01/01/2008	Market Purchase	8070	0.04%	7082536	32.49%	Not Applicable
08/01/2008	Market Purchase	10000	0.05%	7092536	32.53%	Not Applicable

7.24 Outstanding Litigations

7.24.1 There is no pending case or restraint order of any Court against this Open offer.

7.24.2 The Target Company has 1 Criminal Revision case pending before the High Court of Guwahati relating disputed business loss amounting to Rs. 3,92,854/-. The suit was dismissed by Hon'ble Justice Mr. P G Agarwal on 08.06.2006. An Instant Revision petition has been filed against the Order and the case is under trail.

7.24.3 The Target Company has 1 civil case pending before the High Court of Hyderabad relating to recovery of Software charges amounting to Rs. 7,50,000/- and 3 civil cases relating to recovery of final settlement dues amounting to Rs. 21,44,624/-.

7.24.4 The Target Company has 1 civil case pending before the High Court of New Delhi relating to recovery of dues amounting to Rs. 8,29,088/- and 4 cases relating to recovery of final settlement dues to ex-employees amounting to Rs. 1,12,20,769/-.

7.24.5 SQL has 1 civil case pending before the City Civil Court, Gurgaon amounting to Rs. 8, 17,870/- relating to Electricity Arrears.

7.25 The details of the Company Secretary of the Target Company - Mrs. Rashida Adenwala,. She is a Practicing Company Secretary and is available at R & A Associates, Company Secretaries, No. 101, Sapthagiri Residency, 1-10-98/A, Chikoti Gardens, Begumpet, Hyderabad 500 016. Phone No: 040 40032244 (4 Lines); Fax No: 040 40032255.

7.26 Mr. K V Sai Prasad is the Compliance Officer of the Target Company, and he is available at the Registered Office of the Target Company, SQL Star House, No. 2-2-293/174/A 25, Road No. 14, Banjara Hills, Hyderabad 500 034. Phone No: 040 23101600; Fax No: 040 23101663; E-mail: saiprasad.kv@sqlstar.com

8 Offer Price and Financial Arrangements

8.1 Justification of Offer Price

8.1.1 The equity shares of SQL Star International Limited are listed and frequently traded on the Bombay Stock Exchange Ltd. (BSE). The shares of the Target Company are also listed on the New Delhi Stock Exchange and the Hyderabad Stock Exchange. The annualized trading turnover during six calendar months preceding the month in which the public announcement has been made in the stock exchange is detailed below:

Name of Stock Exchange	Total No. of shares traded during the 6 calendar months prior to		Total Number of listed shares	Annualised Trading Turnover with reference to the relevant date (as a % to total listed shares)
	the month in which PA is made	the month of the relevant date i.e. 30.07.2009		
(a)	(b)	(c)	(d)	(e=c/d*100)
BSE	2391147	1862959	21,800,000	8.55%

Source: Website www.bseindia.com

The shares of the Target Company are frequently traded in the Bombay Stock Exchange and infrequently traded in the New Delhi Stock Exchange and the Hyderabad Stock Exchange, within the meaning of Regulation 20, Sub-regulation (5), of the Regulations.

8.1.2 The offer price is the highest of the average weekly high and low of closing prices for the shares of the Target Company on BSE for the last 26 weeks and the average of the daily high low of prices of the shares of the Target Company on BSE for the last 2 weeks. Thus, the price is justified in accordance with regulation 2(11) read with explanation (ii) to the same in terms of Regulation 20(4) & 20 (5) of the Regulations as it is the highest of the following:

Price Calculated in terms of Regulation 20 (4)		
1.	Negotiated Price: If the Acquirer/PAC has entered into any agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights exceeding the prescribed percentage	Not Applicable
2.	Highest price paid by Acquirer for acquisition, if any, including by way of allotment in a Public or Rights issue or Preferential issue during the 26 weeks prior to the date of PA.	Rs. 10.50
3.	Higher of 3(a) or 3(b) below	
3 (a)	Average of the weekly high and low of the closing prices of the shares of SQL on the Stock Exchange where it is most frequently traded during the 26 week period preceding the date of the first board meeting i.e. 31.07.2009, authorising the preferential allotment.	Rs.9.29
3(b)	Average of the daily high and low of the prices of the shares of SQL on the Stock Exchange, where it is most frequently traded, during the 2 week period preceding the date of the first board meeting i.e. 31.07.2009, authorising the preferential allotment	Rs10.11
Price Calculated as per Regulation 20 (5)		
1	Negotiated Price: If the Acquirer/PAC has entered into any agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights exceeding the prescribed percentage	Not Applicable
2	Highest price paid by Acquirer for acquisition, if any, including by way of allotment in a Public or Rights issue or Preferential issue during the 26 weeks prior to the date of PA.	Rs. 10.50
3	Other Parameters	
	Return on net worth	- ve
	Book Value per share (Rs.)	0.44
	Earnings per share (Rs.)	- ve
	Price Earning Multiple on the Offer Price (with reference to Offer Price of Rs. 10.50 per share and market price as on 30th July 2009)	- ve
	Industry Average – IT & ITES Education (Source: Capitaline XXIV/09 June 29-July 12, 2009)	32.80

8.1.3 The price and volume data on the BSE used for calculating the prices under 3 (a) above are as follows:

Week daily high/ low

Day No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1	20.07.2009	10.34	9.70	10.02	23697
2	21.07.2009	11.00	9.81	10.40	40411
3	22.07.2009	10.75	9.70	10.22	13101
4	23.07.2009	10.70	9.36	10.03	9409
5	24.07.2009	10.35	9.40	9.87	23725
6	27.07.2009	10.59	9.51	10.05	40031
7	28.07.2009	11.35	10.26	10.80	11601
8	29.07.2009	11.00	9.58	10.29	70552
9	30.07.2009	10.65	9.55	10.10	46070
		Average Price		**10.11**	

Source: Website www.bseindia.com

26 weeks weekly high/ low of closing prices

Week No.	Week		High of the Closing Prices	Low of the Closing Prices	Average	Traded Volume (No. of shares)
	From	To				
1	01-Feb-09	07-Feb-09	6.74	5.97	6.36	39,579
2	08-Feb-09	14-Feb-09	6.82	6.06	6.44	30,229
3	15-Feb-09	21-Feb-09	6.94	6.50	6.72	11,470
4	22-Feb-09	28-Feb-09	6.74	6.40	6.57	10,421
5	01-Mar-09	07-Mar-09	6.98	6.45	6.72	13,048
6	08-Mar-09	14-Mar-09	6.29	6.15	6.22	47,267
7	15-Mar-09	21-Mar-09	6.29	6.14	6.22	14,816
8	22-Mar-09	28-Mar-09	7.01	6.09	6.55	18,487
9	29-Mar-09	04-Apr-09	7.77	6.73	7.25	11,348
10	05-Apr-09	11-Apr-09	9.97	9.86	9.92	40,091
11	12-Apr-09	18-Apr-09	9.85	9.46	9.66	55,426
12	19-Apr-09	25-Apr-09	9.90	9.27	9.59	12,192
13	26-Apr-09	02-May-09	9.75	9.00	9.38	8,834
14	03-May-09	09-May-09	10.41	9.45	9.93	21,173
15	10-May-09	17-May-09	11.00	10.52	10.76	30,657
16	18-May-09	24-May-09	11.65	10.58	11.12	23,137
17	25-May-09	31-May-09	15.59	12.84	14.21	2,07,595
18	01-Jun-09	07-Jun-09	14.85	12.30	13.57	6,25,078
19	08-Jun-09	14-Jun-09	12.20	11.40	11.80	2,29,938
20	15-Jun-09	21-Jun-09	11.10	10.70	10.90	1,59,308
21	22-Jun-09	28-Jun-09	11.10	10.80	10.95	1,27,625
22	29-Jun-09	05-Jul-09	11.50	11.19	11.34	2,34,706
23	06-Jul-09	12-Jul-09	11.05	9.43	10.24	74,533
24	13-Jul-09	19-Jul-09	9.48	8.59	9.03	65,592
25	20-Jul-09	26-Jul-09	10.23	9.63	9.93	1,10,343
26	27-Jul-09	31-Jul-09	10.65	9.69	10.17	1,68,254
	Average Price				**9.29**	

Source: Website www.bseindia.com

8.1.4 There are no partly paid up shares in the Target Company

8.1.5 There is no Non-compete agreement entered into by the Acquirer or the PAC's with the Target Company, its Promoters or the Promoter Group

8.1.6 The acquirer confirms that no compensation either directly or indirectly is being given to the seller (i.e those selling shares under the open offer), apart from the consideration specifically mentioned in this Letter of Offer.

8.2 Financial Arrangements for the Offer

8.2.1 The total financial resources required for this Offer, at Rs. 10.50 (Rupees Ten and Paise Fifty Only) per equity share, assuming full acceptance would be Rs. 6,78,82,500/- (Rupees Six Crore Seventy Eight Lakhs Eighty Two Thousand and Five Hundred only) ("Maximum Consideration").

8.2.2 In accordance with Regulation 28 of the Regulations, an escrow account was created with the Axis Bank, Fort Branch, Mumbai 400 001 on 05.08.2009 in the form of Fixed Deposit of Rs.1,96,00,000/- (Rs. One Crore Ninety Six Lakhs only), being more than 25% of the offer size as required by the Regulations.

8.2.3 The Acquirer has arranged a lien on the cash deposit in favor of the Manager to the Offer. The Manager to the Offer is authorized to realize the value of the escrow in terms of the Regulations.

8.2.4 The shares in the Open Offer are proposed to be solely and entirely acquired by Superstar Exports Private Limited, the Acquirer. The PAC's will not participate in this offer. There is no agreement between the Acquirer and the PACs with regard to the offer and funding arrangement. The Net Worth of Superstar Exports (the acquirer),as per the certificate dated 05.10.2009 issued by M/s. Prashant Wakhariya & Co., Membership No.: 048877, B1 Sadichha Apt, Gr. Floor, Rokadia Lane, Borivali (W), Mumbai 400 092; Tel: 022 28922369, 22937350; E-mail: pwco@hotmail.com is Rs. 30,31,93,216/-.

8.2.5 No borrowings from FIs/ Banks or foreign sources such as NRIs or otherwise is envisaged.

8.2.6 The Acquirer has sufficient financial resources to meet the financial requirements of the offer and financial resources required to implement the offer are already in place. The Merchant Banker to the Offer confirms that adequate funds (liquid resources) are available with the Acquirer through verifiable means to implement this Offer in full.

9 Terms and Conditions of the Offer

9.1 This Offer will open on Friday, 15.01.2010 and will close on Friday 05.02.2010. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, all rights of dividends, bonuses or rights from now on and hereafter.

9.2 This is not a conditional Offer and is not subject to any minimum level of acceptance.

9.3 To the extent of the Offer Size, all the Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer.

9.4 The acceptance of this Offer by the Equity Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer, which is conditional or incomplete in any respect, will be rejected without assigning any reason whatsoever.

9.5 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of the Target Company.

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

9.7 Locked-in Shares: None of the shareholders eligible to participate in this offer are holding locked-in shares.

9.8 Eligibility for accepting the Offer

9.8.1 The Letter of Offer shall be mailed to all Equity Shareholders/ Beneficial Owners holding Shares in dematerialized form (except the Acquirer/PACs and Promoters of the Target Company) whose names appear in the register of the Target Company as on Monday, 07.09.2009, the Specified Date.

9.8.2 This Offer is also open to persons (except the Acquirer/ PACs and Promoters of the Target Company) who own Equity Shares in the Target Company any time before the closure of the offer but are not registered Shareholders (or beneficial owners holding Shares in dematerialized form as on the Specified date).

9.8.3 Accidental omission to dispatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way. A copy of the Letter of Offer (including Form of Acceptance and Form of Withdrawal) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may be downloaded from the site.

9.9 Statutory and Other Approvals required for this Offer

9.9.1 The offer is subject to the receipt of approval from Reserve Bank of India (RBI) under Foreign Exchange Management Act 1999 (FEMA) for acquisition of equity shares by the acquirer from Non-resident persons under the offer.

9.9.2 To the best of knowledge and belief of the Acquirer, as of the date of PA, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 27 of the Regulations. No approvals are required from FIs/ Banks for the Offer.

9.9.3 The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the date of closure of the Offer. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12), SEBI may, if satisfied that the non receipt of approvals was not due to willful default or negligence on part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, at such rates as may be specified by SEBI. Further, if the delay occurs due to willful default of the Acquirer in obtaining the requisite approvals, Regulation 22 (13) of the Regulations will become applicable.

10 Procedure for Acceptance and Settlement

10.1 Acceptance Of The Offer

10.1.1 Name and Address of the persons (Registrars to the Offer) to whom the Equity Shares along with documents required to be submitted therewith, should be sent

Registrars to the Offer	Working days and timings	Mode of delivery
M/s. Karvy Computershare Private Limited Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad 500 081. Phone No: 040 23420815 – 820 Extn: 188 E-Mail: mailmanager@karvy.com Contact Person: Mr. U S Singh	Monday to Friday 10:00 AM to 5:00 PM Saturday 10:00 AM to 1:00 PM	By Post/ Registered Post/ Courier/ Hand delivery

10.1.2 Share holders holding Equity Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Friday, 05.02.2010 in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent along.

10.1.3 Beneficial owners (holders of Equity Shares in Dematerialized Form) who wish to tender their Equity Shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off -market" mode or counterfoil of the delivery instruction in "Off -market" mode, duly acknowledged by the Depository Participant (DP) in favor of the Special Depository Account opened by the Registrar to the Offer, "Karvy Computershare Private Limited - KCPL Escrow Account - SQL Star International Ltd. Open Offer", in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance. The details of the Special Depository Account is given below:

DP Name	Karvy Computershare Private Limited
DP ID Number	IN300394
Beneficiary Account Number	17292558
ISIN	INE399A01018
Market	Off-market
Execution Date	On or before 05.02.2010

10.1.4 The Acceptance Form along with Share Certificates/ copy of delivery instruction to DP and other relevant documents should be sent to the Registrars only. The same should not be sent to the Acquirer/ PACs, the Target Company or Merchant Banker to the Offer.

10.1.5 Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

10.1.6 A copy of the Letter of Offer (including Form of Acceptance and Form of Withdrawal) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

10.1.7 In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of the Target Company in physical form, may send his/ her/ their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the closure of the Offer.

10.1.8 In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to The Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in “Off-market”, or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer.

10.1.9 In case the Share Certificate(s) and Transfer Deeds are lodged with the Target Company /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) (ii) The acknowledgement of the lodgment with, or receipt issued by the Target Company/its transfer agents for the Share Certificate(s) so lodged, and (iii) other documents, as applicable, as specified in clause 10.1.2

10.1.10 Unregistered owners holding Equity Shares in physical Form should enclose (i) Form of Acceptance-cum-Acknowledgement duly completed (or else on plain paper with relevant details as per clause 10.2.2 above) and signed in accordance with instructions contained therein (ii) Original Share Certificates. (iii) Original broker contract note of a registered broker of a recognized Stock Exchange (iv) Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for valid acceptance.

10.1.11 Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any Indemnity.

10.1.12 If the Shares tendered in this Offer by the shareholders of the Target Company are more than the Shares to be acquired under this Offer, the acquisition of Shares from each shareholder will be on a proportionate basis as per provisions of the Regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

10.1.13 The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the date of closure of the Offer. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12), SEBI may, if satisfied that the non receipt of approvals was not due to willful default or negligence on part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, at such rates as may be specified by SEBI.

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

10.1.15 The Registrar will hold in trust the Acceptance Form, Shares, share certificates, transfer deed(s) and/or other documents on behalf of the shareholders of the Target Company who have accepted this Offer, till the cheques/drafts for the consideration are dispatched and unaccepted share certificates/ Shares, if any, are dispatched/ returned to the relevant shareholders.

10.1.16 The payment of consideration for accepted applications will be made by the Acquirer through account payee cheques/ drafts sent by registered post for amount exceeding Rs. 1,500 and otherwise by UCP in accordance with the Regulations. The Acquirer may also choose to credit the payment for the consideration to the shareholder's bank account through ECS, as per bank details furnished in the acceptance form. The acquirer is required to deduct tax at source as may be applicable.

10.1.17 Shareholders who have accepted this Offer by tendering the requisite documents, in terms of the PA / Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of the closure of this Offer, in terms of regulation 22(5A). The withdrawal option can be exercised by submitting the form of withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrars to the Offer on or before Friday, 05.02.2010. The withdrawal option can also be exercised by making an application in plain paper with the following details:

If held in physical form Name, Address, Distinctive numbers, Folio Nos., No of shares tendered/ withdrawn

If held in dematerialized form Name, Address, DP Name, DP ID, Client ID No. of the account from where the shares were tendered, No of shares tendered/ withdrawn, photocopy of the delivery instruction in "Off Market Mode" duly acknowledged by the DP in favor of the Special Depository Account in the name of Registrar

10.1.18 The marketable lot of the Target Company's share is 1 (One only)

11 Documents for Inspection

The following documents will be available for inspection to the shareholders of SQL Star International Limited on all working days between 10:00AM and 5:00PM (except Saturdays between 10:00 AM and 2:00 PM) from the date of this offer letter till the closure of the Offer (i.e. Friday, 05.02.2010) at the office of the Acquirer at the following address 2nd Floor, J K Somani Building, British Hotel Lane, Fort Mumbai 400 023.

11.1 Certificate of Incorporation, Memorandum and Articles of association of SQL Star International Limited.

11.2 Certificates issued by Mr. Prashanth Wakhariya, Proprietor. M/s Prashanth Wakhariya & Co., Chartered Accountants (Membership No 048877), as on 05.10.2009 certifying the Net Worth of the Superstar Exports Private Limited

11.3 Certificates issued by Mr. Prashanth Wakhariya, Proprietor. M/s Prashanth Wakhariya & Co., Chartered Accountants (Membership No 048877), as on 04.08.2009 certifying the Net Worth of the Kanikshdeep Stock Consultants Limited

11.4 The net-worth certificate of Mr. Sunil Gupta 20.07.2009 issued by M/s. Roy Varghese & Associates, Membership No.: 208789

11.5 Undertaking given by Mr. Sunil Gupta and Mr. Raj Ganti, confirming that the share warrants allotted to them will not be converted into equity shares, until the end of 15 days from the date of closure of this offer.

11.6 Copies of Annual Reports of SQL Star International Limited for 2006-07, 2007-08 and 2008-09.

11.7 Copies of Annual Reports of Superstar Exports Private Limited and Kanishkdeep Stock Consultants Private Limited for 2006-07, 2007-08 and 2008-09.

11.8 Letter from Axis Bank, Fort Branch, Sir P M Road, Fort Mumbai 400 001, dated 05.08.2009 confirming creation of Escrow account by the Acquirer for Rs. 1.96 Crores, and marking of lien in favor of Indbank Merchant Banking Services Ltd.

11.9 Published copy of the Public Announcement as it appeared in the Newspapers on 07.08.2009, Friday.

11.10 Copy of Account Opening Form and Agreement for special depository account opened by Registrar to the Offer.

11.11 SEBI Observation Letter No. CFD/DCR/TO/RM/189115/09 dt. 31.12.2009 .

11.12 Due Diligence Certificate dt. 24.08.09 submitted to SEBI by the Manager to the Offer

12 Declaration by the Acquirer

12.1 Superstar Exports Private Limited (the Acquirer) severally accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer laid down in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Signed By

For Superstar Exports Private Limited
Mr. C P Khandelwal
Director

Mr. Nikhil Khandelwal
Director

Place: Mumbai

Date: 05.01.2010

FORM OF ACCEPTANCE-CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer at their address given below)

From
(Name & Full address of Sole/ First Holder)

Offer Opens On: 15.01.2010
Offer Closes On: 05.02.2010

To
M/s. Karvy Computershare Private Limited,
Plot No. 17-24, Vittalrao Nagar,
Madhapur, Hyderabad 500 081
Dear Sirs,

SUB: **Open Offer for purchase of 64,65,000 Equity Shares of SQL Star International Limited representing 20% of its equity voting capital at an Offer Price of Rs.10.50 per fully paid up equity share by Superstar Exports Private Limited (Acquirer)**

I/we refer to the Letter of Offer dated 05.01.2010 for acquiring the equity shares held by me/us in SQL Star International Limited.

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

For Shares in Physical Form

I/We accept the offer and enclose the original share certificate(s) and duly signed transfer deeds in respect of my/our shares as detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive nos.		Number of shares
			From	To	
			Total No. of Shares		

(Please attach an additional sheet of paper and authenticate the same, if the above space is insufficient)

For Shares held in Demat Form

I/We hold the following Equity Shares of SQL Star International Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

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

I/We have done an Off-market transaction for crediting the Shares to the Special Depository Account, “KCPL Escrow Account – SQL Star International Ltd – Open Offer” whose particulars are DP Name: Karvy Computershare Private Limited DP ID IN300394, Client ID 17292558

I/We confirm that the equity shares of SQL Star International 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 note and understand that the share holders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement/Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three working days prior to the date of closure of the offer i.e. 02.02.2010 (Tuesday), by submitting an application in the Form of Withdrawal or on plain paper along with relevant details.

I/ We note and understand that the original share certificate(s) and valid share transfer deed(s)/ shares transferred to Special Depository Account will be held in trust for me/us by Registrar to the Offer until the time the Acquirer gives the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I/ We authorize the Acquirer to accept the shares so offered which they may decide to accept in consultation with the Merchant Banker and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, the equity share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/ We authorize the Acquirer to send by registered post/ Under Certificate of Posting the cheque/ demand draft/pay order, in settlement of the amount to the sole/first holder at the address mentioned above or to credit the proceeds through ECS to our bank account, details of which are mentioned below

So as to avoid fraudulent encashment in transit, the applicants are requested to provide details of Bank account of the sole/first Shareholder and the consideration Cheque will be drawn accordingly.

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	
9 digit MICR Code	

The Permanent Account No. (PAN) Allotted under the Income Tax Act 1961 is as under

Holder	PAN / GIR No.
Sole/ First	
Second	
Third	

Yours Faithfully

Signed & Delivered

Holder	Full Name	Holder’s Signature
Sole/ First		
Second		
Third		

Note: In case of joint holdings all holders must sign. .

Place: Date:

-- Tear along this line --

App No. **Acknowledgement slip** (To be filled in by the shareholder)

Folio No: For Shares tendered against open offer made by Superstar Exports Private Limited

Stamp of Registrar

Date of receipt

Signature of Officer

Received from Mr./Ms./M/s___________________________

Address ____

Folio No.: ______________________________________

Stamp of Registrar

Date of receipt

No. of Share certificates enclosed __________________ Certificate No.________________

Total number of Share(s) enclosed _______________________________

Copy of delivery instruction slip received from DP ID_______________________ Client ID _______________

Note: All future correspondence, if any, should be addressed to Registrars to the Offer.

FORM OF WITHDRAWAL

PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

You have an "Option to Withdraw" the acceptance tendered in response to the offer any time up to three working days prior to the date of closure i.e. on or before 05.02.2010. In case you wish to withdraw your acceptance, please use this form

OFFER SCHEDULE

OFFER OPENS ON : 15.01.2010

LAST DATE FOR WITHDRAWAL : 02.02.2010

OFFER CLOSES ON : 05.02.2010

From
(Name & Full Address of Sole/ First Holder)

To
M/s. Karvy Computershare Private Limited,
Plot No. 17-24, Vittalrao Nagar,
Madhapur, Hyderabad 500 081

Dear Sir,

SUB: Open Offer for purchase of 64,65,000 Equity Shares of SQL Star International Limited representing 20% of its equity voting capital at an Offer Price of Rs.10.50 per fully paid up equity share by Superstar Exports Private Limited(Acquirer)

I/we refer to the Letter of Offer dated 05.01.2010 for acquiring the equity shares held by me/us in SQL Star International Limited.

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

I/ We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/ sent our Form of Acceptance to you on _________ along with original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares/Xerox copy of delivery instruction slip as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

For Shares in Physical Form

Ledger Folio No ______________________

Sr. No.	Cerfificate No.	Distinctive nos.		Number of shares
		From	To	
		Total No. of Shares		

(Please attach an additional sheet of paper and authenticate the same, if the above space is insufficient)

For Shares in Demat Form

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

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed/ credit the shares to my DP Account and authorize you not to remit the consideration as mentioned in the Letter of Offer.

I/We authorize the Acquirer to reject the shares so offered which it may decide in consultation with Merchant Banker and in terms of the Letter of Offer and,

I/We authorize the Acquirer or the Registrar to the Offer to send by registered post the original share certificate(s), transfer deed(s) and other documents tendered by me/us to the sole/first holder at the address mentioned above or credit the shares in Demat form to my/ our DP Account as mentioned above

Yours faithfully,

Signed

	FULL NAME (S)	**SIGNATURE (S)**
First/ Sole Holder		
Second Holder		
Third Holder		

Place: Date:

Note: In case of joint holdings, all holders must sign.

Stamp of Registrar
Date
Signature of
Official

--TEAR HERE--

(Acknowledgment Slip)

Folio No.: **Sl. No.:**

Date of receipt to the offer ______________________

Stamp of Registrar
Date
Signature of Official

Received from Mr./Ms./M/s ____

Address ____

Form of Withdrawal in respect of ________ Number of share certificates Representing ____________ number of shares Copy of instruction slip from DP ID ______________Client ID________________ number of shares_____________