LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Equity Shareholder(s) of Tebma Shipyards Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case, you have recently sold your Equity Shares in Tebma Shipyards Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the purchaser of the Equity Shares or the member of stock exchange through whom the said sale was effected.

INDIA ADVANTAGE FUND - VI (THE "ACQUIRER" or "IAF – VI")

(Registered Office: Prestige Obelisk, 10th Floor, Kasturba Road, Bangalore – 560 001,

Tel.: (+91-80) 4149 7021 Fax: (+91-80) 4149 7027

Make a cash offer at Rs. 233.75 per fully paid-up equity share to acquire 15,55,636 Equity Shares of Rs. 10 each representing 20 % of the existing outstanding voting Equity Share Capital of

TEBMA SHIPYARDS LIMITED (THE "TARGET"/ "TSL")

(Registered Office: III Floor, Khaleeli Centre, 149, Montieth Road, Egmore, Chennai – 600 008,

Tel: (+91-44) 28553040 / 42, Fax: (+91-44) 28553655

For the purpose of computing the voting percentage, the voting rights as at the expiration of fifteen days after the closure of the Offer has been reckoned.

The Offer is being made by the Acquirer pursuant to Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

The Offer to acquire Equity Shares from all the non-resident shareholders including NRI(s), OCB(s) and FII(s) is subject to the Acquirer obtaining the approval of RBI under Foreign Exchange Management Act, 2000. Currently, there are no other statutory approvals required for the purpose of this Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date. In case of non-receipt of the said approvals within time, Securities and Exchange Board of India (SEBI) has the power to grant extension of time to the Acquirer for payment of consideration to shareholders subject to the Acquirer agreeing to pay interest as directed by SEBI.

Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same up to three working days (i.e. July 11, 2007) prior to the date of the Closing of the Offer (i.e. July 16, 2007).

The Acquirer is permitted to revise the Offer Price of Equity Shares/ No. of Equity Shares upward any time up to seven working days prior to the date of the Closing of the Offer. If there is any upward revision in the Offer Price of Equity Shares/ No. of Equity Shares by the Acquirer till the last date of revision viz. July 05, 2007 or in case of withdrawal of the Offer, the same would be informed by way of a Public Announcement in the newspapers mentioned in paragraph 2.2.9 of this Letter of Offer and the same revised price would be payable by the Acquirer to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirer under the Offer.

There is no competitive bid.

The Public Announcement, this Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) are available on SEBI's web-site (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ENAM Financial Consultants Pvt. Ltd., 801/802 Dalamal Towers, Nariman Point, Mumbai – 400 021. Tel.: +91 – 022 - 6638 1800 Fax.: +91 – 022 - 2284 6824 Email: tsl@enam.com Contact Person: Mr. Prabhat Rai	**Cameo Corporate Services Ltd.,** "Subramanian" Building, No. 1, Club House Road, Chennai – 600 002. Tel.: +91 – 044 – 2846 0390 Fax.: +91 – 044 – 2846 0129 Email: tsl@cameoindia.com Contact Person: Mr. N. A. Srinivasan
OFFER OPENS ON : JUNE 27, 2007	**OFFER CLOSES ON : JULY 16, 2007**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day / Date
Public Announcement Date	Monday, March 5, 2007
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Tuesday March 6, 2007
Last date for a Competitive Bid	Monday, March 26, 2007
Date by which Letter of Offer will be despatched to shareholders	Thursday, June 21, 2007
Date of Opening of the Offer	Wednesday, June 27, 2007
Last date for revising the Offer Price / No. of equity Shares	Thursday, July 05, 2007
Last date of withdrawal of tendered application by the shareholders of TSL	Wednesday, July 11, 2007
Date of Closing of the Offer	Monday, JULY 16, 2007
Date by which acceptance/rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted Equity Shares/Share Certificate(s) will be dispatched /credited.	Tuesday, July 31, 2007

RISKS FACTORS

Given below are the risks related to the proposed Offer and associated with the Acquirer:

1. The Acquirer makes no assurance with respect to the trading / market price of the Equity Shares during/after the Offer.
2. Where the number of Equity Shares tendered by the shareholders are more than the Equity Shares agreed to be acquired by the Acquirer, the Acquirer shall accept the Equity Shares received from the shareholders on a proportional basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. As the Equity Shares are traded in compulsory dematerialized segment, the minimum marketable lot for the Equity Shares is 1 (one).
3. In the event of statutory approvals, that may be necessary at a later date, not being received in a timely manner or litigation leading to stay on the Offer, the Offer process may be delayed beyond the schedule of the major activities indicated in this Letter of Offer. Further, the Acquirer reserves the right to withdraw the Offer in the event the requisite statutory approvals that may be necessary at a later date for the purpose of this Offer are refused.
4. There is no assurance with respect to the continuation of the past trend in the financial performance of TSL.

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

CONTENTS

DEFINITIONS

Acquirer / IAF – VI / Investor	India Advantage Fund - VI
Board / Board of Directors	Board of Directors of Tebma Shipyards Limited
CDSL	Central Depository Services (India) Ltd.
DP / Depository Participant	Indian Overseas Bank
Eligible persons for the offer	All owners (registered or unregistered) of equity shares of Tebma Shipyards Limited other than the Acquirer and promoters who are parties to the SHA
Escrow Bank	ABN AMRO Bank
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investors registered with SEBI
FOA / Form of Acceptance	Form of Acceptance-cum-Acknowledgement accompanying this Letter of Offer
Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
Manager / Manager to the Offer / Enam	Enam Financial Consultants Pvt. Ltd.
NRI(s)	Non-Resident Indians
Non-Resident Shareholders	NRIs', OCBs' and FIIs' holding the Equity Shares of TSL
NSDL	National Securities Depository Limited
OCB(s)	Overseas Corporate Bodies
Offer / Open Offer	Open Offer to acquire 15,55,636 Equity Shares of Rs. 10/- each representing 20 % of the outstanding voting equity share capital of TSL at a price of Rs. 233.75/- per share
Offer Period	From February 27, 2007 to July 31, 2007
Offer Price	Rs. 233.75/- per fully paid-up Equity Share of TSL
OTCEI	Over The Counter Exchange of India, Mumbai
Promoters	Promoters of Tebma Shipyards Limited i.e. Mr. B. N. Rao, Mr. Eapen Chacko, Mr. A. K. Singh, Mr. Balasubramanian P. K., Mr. K. A. Thomas and Ms. Kripa Balan
PA / Public Announcement	Public Announcement for the Open Offer issued on behalf of the Acquirer on March 5, 2007
Registrar / Registrar to the Offer	Cameo Corporate Services Limited
RBI	The Reserve Bank of India constituted under the Reserve Bank of India, 1934
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SHA	Share holder's Agreement dated February 27, 2007
Specified Date	March 6, 2007
TSL / Target / Target Company / the Company	Tebma Shipyards Limited
The Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

1 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TEBMA SHIPYARDS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE EQUITY 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 ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ENAM FINANCIAL CONSULTANTS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 16, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

2 DETAILS OF THE OFFER

2.1 Background to the offer

2.1.1 The Board of Directors of Tebma Shipyards Limited has allotted on preferential basis 25,66,800 Equity Shares of Rs. 10/- each at a price of Rs. 233.75/- per share (“Preferential Issue”) to IAF - VI in accordance with the guidelines for preferential issue of SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto (“Guidelines”).

The Preferential Issue has been duly authorised by a resolution passed by the Board of Directors of the Target Company at its meeting held on January 18, 2007 and by the special resolution by the shareholders of the Target Company under Section 81(1A) of the Companies Act, 1956 at the duly constituted Extraordinary General Meeting (“EGM”) held on February 12, 2007 authorising the Board of Directors of the Target Company to issue and allot the above Equity Shares.

Pursuant to the subscription received from Acquirer, the Board of Directors of the Target Company allotted 25,66,800 Equity Shares to Acquirer on 27th February 2007. The entire shareholding of the Acquirer will be locked in for one year and 20% of post preferential issue paid up capital will be locked in for three years.

Prior to the aforementioned Preferential Issue the Acquirer held no shares of the Target Company. Upon the allotment of 25,66,800 Equity Shares, the Acquirer holds 25,66,800 Equity Shares representing 33% of the enhanced fully paid-up equity share capital of the Target Company.

Promoter’s shareholding post preferential allotment will be 20.32% of enhanced paid up share capital of the TSL.

2.1.2 A Share Holders Agreement (“SHA”) dated 27th February 2007 was entered into among (a) the Target Company (b) the Acquirer and (c) the Promoters. Few of the salient features of the SHA are as follows:

- IAF - VI has agreed to subscribe to 2,566,800 Equity Shares of a face value of Rs. 10/- each of the Target Company for cash at a premium of Rs. 223.75 per share aggregating to Rs. 599,989,500
- Upon Closing, Board shall be reconstituted by the Company in consultation with the Investor.

  The Investor has right to nominate such number of Directors in proportion to its shareholding in the Company and its operating Subsidiaries, subject to a minimum of one director. Pursuant to the open offer, if the entire 20% of the Shares are tendered for sale by the Shareholders and hence the Promoter and Promoter Group shareholding of 29.83% of the post preferential paid up share capital of the Company and the Investor's shareholding of 53% of the post preferential paid up share capital of the Company (i.e.33% representing the Subscription Shares + 20% acquired in the Open Offer) crosses the benchmark of 75% of the paid up share capital of the Company, then, the Promoters and Promoter Group shall have to bring down their stake in the Company within the stipulated time and in such manner in consultation with OTCEI such that the combined shareholding of the Investor and Promoters/Promoter Group goes below the benchmark of 75% of the paid up share capital of the Company.

- No decision on any of the fundamental issues shall be taken at any meeting of the shareholders without the consent of IAF - VI. Such fundamental issues include amongst others Amend its Articles of association or Memorandum of Association; Changes the nature of its business, Approves or amends its annual business plan, any profit sharing schemes or any budgets; Approves the aggregate remuneration of the directors, CEO, COO & CFO or other key personnel; Appoints or makes changes in senior management, i.e. CEO, COO and CFO; etc
- The Company, the Promoters and the Acquirer have agreed that the Subscription Amount shall be used for the purpose of funding the expansion plans of the Company i.e. funding the construction of a new shipbuilding facility at Malpe, Karnataka and for working capital.
- The Company shall give the first right of refusal to the Investor in case of further issuance of shares in the Company. The right to invest would be at the same valuation as that given by a third party willing to invest in the Company.
- The Company shall, and the Promoters shall procure that the Company shall, make a Qualified Initial Public Offering ('QIPO") on or before March 31, 2010

2.1.3 The total Promoters and Promoter Group holding in the Target Company prior to the Preferential Issue was 23,20,551 Equity Shares of Rs.10/- each forming 44.52 % of the pre preferential issue equity share capital of the Target Company. The Acquirer was holding nil shares prior to allotment of shares through preferential issue by TSL to Acquirer on February 27, 2007. As on the date of PA, the holding of Promoters and Promoter Group including that of the Acquirer in the Target Company as a result of the Preferential Issue would increase to 48,87,351 Equity Shares representing 62.83% of the post preferential equity share capital of the Target Company.

2.1.4 Post-preferential allotment, as on the date of PA, the Promoters hold 15,80,541 Equity Shares of Rs. 10/- each representing 20.32% of the post preferential fully paid-up equity share capital of TSL. The Promoters and IAF – VI will be in joint control of the Company.

2.1.5 The Offer to the shareholders of TSL is being made by the Acquirer in accordance with Regulations 10 and 12 of the Regulations, consequent to the Preferential Issue referred to in paragraph 2.1.1 above, on account of substantial acquisition of Equity Shares and joint control.

2.1.6 The Acquirer and the Target have not been prohibited by SEBI from dealing in securities, in terms of directions under Section 11B of SEBI Act or under any of the regulations made under the SEBI Act. Further, there has been no action taken by any regulatory authority against the trustees / directors of the Acquirer or against the promoters / directors of the Target. Except as mentioned in this Letter of Offer, there has been no legal action taken against the Target.

2.2 THE OFFER

2.2.1 Consequent to the above Preferential Issue, Acquirer is making an Open Offer in accordance with regulations 10 and 12 of the Regulations to the shareholders of the Target Company (other than the Acquirer and Promoters of TSL, who are also signatories to SHA also) to acquire 15,55,636 fully paid-up Equity Shares of Rs. 10/- each of TSL ("Equity Shares"), representing 20% of the outstanding voting equity share capital (post Preferential Issue) of TSL, at a price of Rs. 233.75 per fully paid-up Equity Share (the "Offer Price") payable in cash (the "Offer" or "Open Offer"). The Offer is in accordance with regulations 10 and 12 of the Regulations, consequent to the Preferential Issue referred to in paragraph 2.1.1 above, on account of substantial acquisition of Equity Shares and joint control.

2.2.2 Acquirer presently holds 25,66,800 Equity Shares of the Target Company, which have been acquired through Preferential Issue. Per share price paid for these Equity Shares was Rs. 233.75. The Acquirer has not acquired any equity share of TSL during the 12 months preceding the date of PA other than the above-mentioned Preferential Allotment. Further, the Acquirer has neither acquired nor sold any shares of TSL from the date of the PA to the date of the Letter of Offer.

2.2.3 For the purpose of this Offer, there is no Person(s) Acting in Concert ("PAC") with the Acquirer.

2.2.4 The Offer is not conditional on any minimum level of acceptance.

2.2.5 This is not a Competitive Bid

2.2.6 There has been no change in the Board of Directors of the Target Company as a consequence of the Preferential Issue as on the date of PA and as on the date of the LOF.

2.2.7 The Offer is subject to the terms and condition set out herein and in the Letter of Offer ("LOF") that would be sent to the shareholders of TSL.

2.2.8 There are no partly paid-up shares of TSL.

2.2.9 The PA, as per regulation 15(1) of the Regulations, was made in the following newspapers on March 5, 2007 & March 6, 2007:

Newspaper	Language	Editions & Date
Financial Express	English	Mumbai, Pune, Kolkata, Chennai, Hyderabad, Bangalore and Kochi editions (March 5, 2007**)** Delhi, Chandigarh & Ahmedabad editions (March 6, 2007)
Dinamalar	Tamil	Chennai (March 5, 2007)
Jansatta	Hindi	Delhi & Kolkata (March 6, 2007)

A copy of the PA is also available on SEBI's website (www.sebi.gov.in).

If there is any upward revision in the Offer Price of Equity Shares/ No. of Equity Shares by the Acquirer till the last date of revision viz. July 05, 2007 or in case of withdrawal of the Offer, the same would be informed by way of a public announcement in the newspapers in which the original PA was published on March 5, 2007; and the same revised price would be payable by the Acquirer to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirer under the Offer.

2.2.10 The Offer to acquire Equity Shares from all the non-resident shareholders including NRI(s), OCB(s) and FII(s) is subject to the Acquirer obtaining the approval of RBI under Foreign Exchange Management Act, 2000. Currently, there are no other statutory approvals required for the purpose of this Offer. However, the Acquirer reserves the right to withdraw the Offer in the event the requisite statutory approvals that may be necessary at a later date for the purpose of this Offer are refused.

2.2.11 The Equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer. The Equity Shares will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter. If the number of shares tendered is more than the shares called for in the open offer, the offer will accepted on the proportional basis Provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

2.2.12 As on the date of the Letter of Offer, the Manager to the Offer does not hold any share in the Target.

3 RATIONALE FOR THE ACQUISITION AND OFFER

3.1 This Offer to the shareholders of TSL is made pursuant to regulations 10 and 12 of the Regulations consequent to the Preferential Issue of Equity Shares to Acquirer as explained in paragraph 2.1.1 above and for substantial acquisition of Equity Shares with joint control.

3.2 TSL made the preferential issue to augment its long term resources for the construction of a new shipbuilding facility at Malpe, Karnataka and for working capital. The Acquirer believes that this investment shall help the Company to develop its new yard.

3.3 To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of TSL. The Board of Directors of TSL will take appropriate decisions in these matters. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of TSL in the next two years except in the ordinary course of business of TSL and except to the extent mentioned above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of TSL except with the prior approval of the shareholders of TSL.

4 INFORMATION ON INDIA ADVANTAGE FUND - VI (THE "ACQUIRER" / "IAF – VI")

4.1 India Advantage Fund - VI having its registered office at Prestige Obelisk, 10th Floor, Kasturba Road, Bangalore – 560 001, was setup in-terms of the Indenture of Trust dated September 23, 2005, between Western India Trustee & Executor Company Limited and ICICI Venture Funds Management Company Limited. The Indenture of Trust was executed in the state of Tamil Nadu. IAF - VI is constituted under the provisions of the Indian Trust Act, 1882 with Western India Trustee & Executor Company Limited as its Trustees. The Fund is managed by ICICI Venture Funds Management Company Limited ("Fund Manager"/ "Investment Manager"), who is also settler of IAF - VI.

4.2 IAF - VI is currently engaged in the activities of investing in equity, quasi-equity and equity related instruments issued by companies, industrial and commercial undertakings. Various banks and institutions including ICICI Bank Ltd. and foreign investors have contributed to the Fund. IAF - VI is not listed on any stock exchange in India or abroad. Further, IAF – VI is not registered with SEBI.

4.3 Details of the Board of Trustees of Western India Trustee & Executor Company Limited are as below:

Sr. No.	Name of Director	Residential Address	Qualification & Experience	Date of Appointment
1.	Mr. K. D. Hodavadekar Chairman	A/D 63, Twin Towers, Prabhadevi Mumbai - 400025	M. Com, LLB, CAIIB More than 30 years in Banking	February 14, 2007
2.	Shri G. Soundarrajan Director	Flat No. 2, "Mahalaxmi" Parajat Co-operative Housing. Society, Near Ambedkar Garden Chembur, Mumbai	M.A., LLB, FCS	May 5, 2007
3.	Shri R. P. Maheshawari Managing Director	B-204 Twin Towers, Prabhadevi Mumbai - 400025	M.Com, CFA, CAIIB 22 years in IDBI Bank	February 14, 2007

As on the date of this Letter of Offer, none of the Trustees of India Advantage Fund - VI is on the Board of Directors of TSL.

4.4 Financial highlights of IAF - VI:

Since, the first draw-down of contribution of IAF-VI was affected in June 2006; there are no separate audited accounts for March'06. The first audited financial of IAF – VI, which is for the period from October 14, 2005 to March 31, 2007 is given below:

(Rs. in Lacs)

Particulars	For Period from October 14, 2005 to March 31, 2007
Profit on Sale of units of mutual fund	148.44
Unrealised gain on units of mutual funds	99.62
Other Income	65.90
Total Income	313.96
Total Expenditure	1480.28
Profit Before Depreciation Interest and Tax	(1166.32)
Depreciation	Nil
Interest	Nil
Profit before tax	(1166.32)
Provision for tax	Nil
Profit after tax	(1166.32)
Balance Sheet Statement	**March 31, 2007**
Assets	
Investments	13,319.27
Cash & Cash equivalents	18,773.35
Other Current Assets	4,329.69
Less: Current Liabilities	463.89
Total	35958.42
Uses of funds	
Settlors Contribution	0.10
Capital	39759.43
Advance received towards Capital	10.21
Accumulated Surplus	(1166.32)
Unrealised Investment Reserve	(2645.00)
Total	35958.42
Other Financial Data	
Dividend (%)	-
Earning Per Share (Rs.) (annualised)	-
Return on Networth (%)(annualised)	-
NAV Per Units (Rs.) (March 31, 2007)	90.40

4.5 As certified by management of IAF – VI, there was no contingent liability as of the date of the PA.

4.6 Except the Equity Shares of the Target allotted to IAF - VI through the preferential issue mentioned in the paragraph 2.1.1, there was no earlier acquisition of the Equity Shares of the Target by IAF - VI.

4.7 IAF - VI has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section

11B of the SEBI Act, 1992, as amended (the “SEBI Act”) or under any other regulation made under the SEBI Act.

4.8 The Acquirer has duly complied with the provisions of Chapter II of the Regulations.

4.9 Besides TSL, IAF VI has controlling stake in Clinvest Holding Private Limited (“CHPL”). IAF – VI holds 100% share in the company.

a. Name of Company: Clinvest Holding Private Limited

b. Date of incorporation: September 20, 2006

c. Nature of Business : CHPL is incorporated to carry on the business as Clinical Research Organisation (CRO) or invest in companies undertaking CRO. The Company holds 45% in Swiss Biosciences AG, a company incorporated under the Laws of Switzerland, as a joint venture with Wockhardt Group.

d. Equity capital, Reserves (excluding revaluation reserves): 63,92,09,830

e. Total Income : Nil

f. Profit After Tax (PAT): Nil

g. Earnings Per Shares (EPS): Nil

h. Net Asset Value (NAV) : 8,648.49* per share

I The above company is not a sick industrial company.

* Assuming the holders of optionally convertible preference shares exercise their tight to convert the optionally convertiable preference shares into equity share at the agreed ratio in future. All the financial disclosures of CHPL are based on unaudited numbers

4.10 IAF- VI has acquired 1,368,333 shares of Rs. 10/- each of Electrotherm (India) Limited, which accounts for 14.98% stake of the company. Electrotherm (India) Limited is listed on the Bombay Stock Exchange, Ahmedabad Stock Exchange and Madhya Pradesh Stock Exchange.

4.11 Unit Capital of IAF – VI has been subscribed as on March 31st, 2007:

Investor’s Category	No. of units	Value as on March 31st, 2007 (Rs.)
Paid up Capital		
Class “A” investors	**35,292,086@ Rs. 100/-**	**3,52,92,08,600**
Add: Calls in arrears		**43,04,34,200**
Total Class “A” investors	**39,596,428@Rs. 100/-**	**3,95,96,42,800**
Class “B” investors	**1,63,001@ Rs. 100/-**	**16,300,100**
Total Paid Up Capital		**3,97,59,42,900**

Class A & Class B investors consists of Offshore investors, Domestic Financial Institutions, Domestic Corporates, Domestic HNI’s and others.

4.12 All necessary disclosure as per Annexure I to the standard format for letter of offer have been duly made.

5 DISCLOSURE IN TERMS OF REGULATION 21(2)

Read alongwith paragraph 7.6, the Offer will not result in public shareholding being reduced to a level below the limit specified in the Listing agreement with the stock exchange for the purpose of listing on continuous basis.

6 FUTURE PLANS/STRATEGIES OF THE ACQUIRER WITH REGARD TO THE TARGET COMPANY

IAF VI’s future plans for Tebma are to support Tebma in scaling up its business model from constructing tugs and dredgers for domestic customers to larger Platform Supply Vessels (PSVs) for global customers. The Acquirer will work with the management of Tebma to improve its systems and processes, record keeping abilities and also strengthen its team to cope with the new scale of affairs, which would be a critical factor for its success.

7 INFORMATION ON TEBMA SHIPYARDS LIMITED (THE “TARGET” / “TSL”)

7.1 TSL having its registered office at III Floor, Khaleeli Centre, 149, Montieth Road, Egmore, Chennai – 600 008, Tel: (+91-44) 2855 3040 / 42, Fax: (+91-44) 2855 3655, was incorporated as Tebma Engineering Private Limited on 09.07.1984 under the provisions of the Companies Act, 1956. Subsequently, the name was changed to Tebma Engineering Limited on 21.10.1993 and further changed to Tebma Shipyards Limited on 17.07.1998. TSL was listed with OTCEI on January 30, 1995

7.2 The promoters of TSL are Mr. Eapen Chacko, Mr. P. K. Balasubramanian, Capt. B. N. Rao, Mr. K.A. Thomas, Mr. A.K. Singh and Ms. Kripa Balan.

7.3 Tebma Shipyards Limited is one of the leading shipyards in the private shipbuilding sector in India. Tebma Shipyards Ltd. has received the ISO 9001 certification from BVQI in respect of its design and construction process. The products of the company spans a wide range of workboats and other vessels and include tugs, platform supply vessels, amphibious and conventional cutter suction dredgers, pilot launches and other ocean going vessels including barges, pontoons, floating cranes etc. Tebma has built over 115 vessels to date catering to the requirements of a diverse clientele including leading ports, defence establishments, power plants, shipping companies, lake authorities and dredging service providers both in the public as well as the private sector. Tebma has also executed some export orders to Singapore. Tebma has two construction facilities one located at Chengalpattu, at a distance of 70 km from Chennai and the other coming up at Malpe, Near Udupi, South Karnataka.

7.4 The Share Capital of the Target Company as at the date of PA pursuant to the Preferential Issue comprises of 77,78,180 fully paid-up Equity Shares of Rs. 10/- each aggregating Rs. 777.82 Lacs. There are no partly paid-up Equity Shares of TSL as at the date of PA. The Pre-preferential Issue and Post-preferential Issue details of equity share capital are as under:

Pre-preferential Issue:

Issued and paid-up Equity Share Capital	No. of Equity Shares/ (Face Value of Rs. 10/-)	% of Equity Shares / Voting Rights
Fully paid-up Equity Shares (a)	52,11,380	100.00
Partly paid-up Equity Shares (b)	-	-
Total Issued and paid-up Equity Shares (a+b)	52,11,380	100.00
Total Voting Rights	52,11,380	100.00

Post-preferential Issue and as on date of PA:

Issued and paid-up Equity Share Capital	No. of Equity Shares/ (Face Value of Rs. 10/-)	% of Equity Shares/ Voting Rights
Fully paid-up Equity Shares (a)	77,78,180	100.00
Partly paid-up Equity Shares (b)	-	-
Total Issued and paid-up Equity Shares (a+b)	77,78,180	100.00
Total Voting Rights	77,78,180	100.00

7.5 The capital build-up of TSL since its incorporation is as follows:

Date of Allotment	Number of Equity Shares Issued	% of Equity Shares Issued	Cumulative Paid-up Equity Share Capital (in Rs.)	Mode of Allotment	Identity of allottees (Promoters/ ex-promoters/ others)	Status of Compliance
Since Incorporat-ion upto Initial Offer for Sale pursuant to the Letter of Offer dated December 12, 1994	26,05,690	33.50	2,60,56,900	Various Allotments incl. Subscription to MoA, Rights & Bonus Issue and Preferential allotment	Promoters & Others	Complied
24/09/1996	13,02,845	16.75	3,90,85,350	Bonus issue 1:2	Promoters & Others	Complied
03/08/1998	13,02,845	16.75	5,21,13,800	Bonus issue 1:3	Promoters & Others	Complied
27/02/2007	25,66,800	33.00	7,77,81,800	Preferential allotment	IAF VI	Complied
TOTAL	77,78,180	100.00				

7.6 Except Mr. P K Balasubramanian, other promoters i.e. Mr. Eapen Chacko, Capt. B. N. Rao, Mr. K.A. Thomas, Mr. A.K. Singh and Ms. Kripa Balan do not form part of the Management team after their retirement. In view of this, the close relatives of the said promoters, who form part of the promoters group, no longer wish to be categorized under the promoters group. Since the SHA has been signed by the Promoters of TSL only and not by the promoter group, the shareholders forming part of the promoter group shall be considered at par with public shareholders and are eligible to receive the letter of offer and to tender their equity shares in the Offer. Further, post-offer, shareholding of promoter group, who are not parties to agreement, shall be shown under the public category irrespective of their post offer shareholding

7.7 The consolidated date wise equity share capital of promoters and promoters group are as given below:

Consolidated date wise build up of promoters and promoters group						
Date of Auisition / Sales	**Acquired / Allotted**	**Sold**	**No. of Shares held**	**Remarks**	**% of total paid up capital**	**Total paid up capita(No. of Shares)**
31/03/1997	-	-	1439937	-	36.84	3908535
30/12/1997	11600	-	1451537	-	37.14	3908535
31/03/1998	40100	-	1491637	-	38.16	3908535
03/08/1998	497203	-	1988840	Bonus Shares 1:3	38.16	5211380
09/12/1998	25000	-	2013840	-	38.64	5211380
14/08/1999	-	2300	2011540	-	38.6	5211380
14/02/2000	51668	2700	2060508	Transmission	39.54	5211380
21/06/2000	2	-	2060510	-	39.54	5211380
23/08/2000	9600	-	2070110	-	39.72	5211380

Consolidated date wise build up of promoters and promoters group						
Date of Auisition / Sales	**Acquired / Allotted**	**Sold**	**No. of Shares held**	**Remarks**	**% of total paid up capital**	**Total paid up capita(No. of Shares)**
29/06/2001	1	-	2070111	-	39.72	5211380
11/7/2001	40700	-	2110811	-	40.5	5211380
27/02/2002	7000	-	2117811	-	40.64	5211380
31/03/2003	12800	-	2130611	-	40.88	5211380
30/09/2004	100	-	2130711	-	40.88	5211380
20/06/2006	123000	-	2253711	-	43.25	5211380
30/11/2006	66840	-	2320551	-	44.53	5211380

7.8 Details of change in the shareholding pattern of the promoter are as given below:

Mr P.K. Balasubramanian						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	155250	-	3.97	3908535
03/08/1998	51749	-	206999	Bonus shares 1:3	3.97	5211380
21/06/2000	1	-	207000	-	3.97	5211380
27/02/2002	7000	-	214000	-	4.10	5211380
31/03/2003	12800	-	226800	-	4.35	5211380

Mr Eapen Chacko						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	204750	-	5.24	3908535
03/08/1998	68249	-	272999	Bonus shares 1:3	5.24	5211380
21/06/2000	1	-	273000	-	5.24	5211380

Capt B.N.Rao						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	218700	-	5.59	3908535
31/03/1998	40100	-	258800	-	6.62	3908535
03/08/1998	86264	-	345064	Bonus shares 1:3	6.62	5211380
14/02/2000	51668	-	396732	Transmission	7.61	5211380
07/11/2001	40700	-	437432	-	8.39	5211380

Mr A.K.Singh						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	182917	-	4.67	3908535
30/12/1997	300	-	183217	-	4.69	3908535
03/08/1998	61072	-	244289	Bonus shares 1:3	4.69	5211380

Mr K.A.Thomas						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	123240	-	3.15	3908535
03/08/1998	41080	-	164320	Bonus shares 1:3	3.15	5211380

Mrs. Kripa Balan						
Date of Purchase/ Sale	**Purchase**	**Sale**	**Balance**	**Remarks**	**% to total Paid-up Capital**	**Total Paid-up Capital (No. Of Shares)**
31/03/1997	-	-	83700	-	2.14	3908535
03/08/1998	27900	-	111600	Bonus shares 1:3	2.14	5211380
30/09/2004	100	-	111700	-	2.14	5211380
20/06/2006	123000	-	234700	-	4.5	5211380

7.9 TSL, its Promoters and major shareholders (except the Acquirer who has invested in the Target on February 27, 2007) have delayed in their filings required under the Regulations, for the Financial Years 1997 till 2006 and hence not complied with the provisions of chapter II of the Regulations to that extent. For the failure to comply with the provisions of Chapter II, SEBI may initiate appropriate action against the Target and its promoters / major shareholders at a later stage.

7.10 The Equity Shares of TSL are listed only on OTCEI and are infrequently traded. Further, the above Preferential Issue of 25,66,800 Equity Shares, has also received listing and trading approval from OTCEI on March 14, 2007

7.11 The listing of securities of TSL has never been refused at any time by any of the stock exchanges in India or abroad. Further, there has been no suspension of trading of its shares in OTCEI.

7.12 There are no outstanding convertible instruments of the TSL as on date of the PA.

7.13 TSL has duly complied with the various requirements under the Listing Agreement with OTCEI from time to time. Further, no penal actions have been initiated by OTCEI or SEBI against TSL till date.

7.14 As on the date of PA, the Board of Directors of TSL was as below:

Name	Designation	Qualification & Experience (No. of years)	Date of Appointment	Residential Address
Shri P. K. Balasubramanian	Managing Director	A Ship Wright, has over 35 years of experience in marine related industries	September 21, 2003	6-A Coromandel Towers 816/817, Poonamalle High Road, Kilpauk, Chennai – 600 010.
Shri P.V. Krishna	Wholetime Director	Commerce graduate with CAIIB qualification. He has over 25 years of experience in finance, accounts and banking.	September 1, 2006	Flat No. 210, Vandana Towers, 10 Haddows Road, Chennai – 600 006.
Shri B. Jayakumar	Wholetime Director	AMIE (Mechanical Engineering) MBA from Open University Business School, Milton Keynes, UK and First class marine Chief Engineer (Foreign Going). He has been associated with ship building industry for the past 16 years.	November 20, 2006	Q 101, The Atrium 49 Kalashetra Road, Thiruvanmiyur, Chennai – 600 041.
Shri G. Sriram	Director	B. Tech graduate has over 27 years experience in Project Management and Engineering, Analysis and optimization of operations, financial analysis of projects and operations, Quality system Management and Environment and safety management.	August 8, 2005	27, Kanakasrinagar Cathedral Road, Chennai – 600 086.
Shri Hendrikus Van Berk	Director	Mechanical Engineer from Delft University of Technology, Netherlands has 25 years experience in the field of Dredging, construction of dredging equipments, marketing, development and production of dredging equipments having been employed in the past with Van Oord / VO2, Dredging contractors, De Groot, Nijkerk, Damen Shipyards Group, IH Colland NV Sliedrecht and Marweb/ VNSI, Zoetermeer.	December 16, 2005	Hoefijzerlaan 49, 3981 GL Bunnik, Netherlands

As on date of PA, none of the directors of TSL represent the Acquirer.

7.15 No merger / de-merger or spin off has taken place in TSL during the period of last three years.

7.16 Details of change of name since inception as follows:

Date	Change of name	
	From	To
21.10.1993	Tebma Engineering Private Limited	Tebma Engineering Limited
17.07.1998	Tebma Engineering Limited	Tebma Shipyards Limited

7.17 The audited financial highlights of TSL for the last three years as certified by Mr. V. Pichaikutty of M/s. V. Pichaikutty & Associates., Chartered Accountants (Membership No. 4369) Chennai, vide their report dated June 18, 2007 are as given below:

(Rs. in Lacs)

Particulars	31.03.05	31.03.06	31.03.07
Income from operations	4266.67	8763.72	13747.62
Other Income	164.00	166.00	156.10
Total Income	4430.84	8929.64	13903.72
Total Expenditure	4124.24	8157.92	12807.69
Profit Before Depreciation Interest and Tax	306.60	771.72	1096.03
Depreciation	8.87	44.82	103.89
Interest	100.64	201.84	382.93
Profit before tax	197.09	525.06	609.21
Provision for tax	25.57	75.00	186.50
Profit after tax	171.52	450.06	422.71
Balance Sheet Statement			
Sources of funds			
Paid up Equity share capital	521.14	521.14	777.82
Reserves and Surplus (excluding revaluation reserves)	362.76	714.08	6880.00
Secured loans	-	699.30	1968.34
Unsecured loans	-	-	-
Deferred tax liability	4.96	25.42	42.22
Total	888.86	1959.94	9668.38
Uses of funds			
Net fixed assets and Capital WIP	422.57	1632.03	3965.07
Investments	42.99	21.85	21.85
Net current assets	375.69	306.06	5681.46
Deferred Tax Asset	-	-	-
Profit and Loss Account	39.32	-	-
Miscellaneous Expenditure not written off	8.29	-	-
Total	888.86	1959.94	9661.38
Other Financial Data			
Dividend (%)	-	10%	-
Earning Per Share (Rs.) (annualised)	3.29	8.64	7.77
Return on Networth (%)(annualised)	19.40%	36.43%	21.25%
Book Value Per Share (Rs.)	16.96	23.70	98.45

7.18 The brief reasons for fall/rise in total income and PAT for the financial year 2005 and 2006 are given below

2006 v. 2005	Performance of the Company improved during the year. The reason for increase in income as on March 31, 2006 as compare to March 31, 2005 is consequent to higher order book position, due to which the turnover of the company has doubled. Further better management of all operational activities and better cash flow management have contributed significantly to increase profits
2007 v. 2006	Reasons for fall of PAT of March'07 as compare to March'06 is on account of higher provision for tax

7.19 The reasons for fall in EPS for FY07 as compare to FY06 is on account of fall in PAT coupled with increase in Paid up Share Capital

7.20 The reasons for increase in secured loans for FY07 as compare to FY06 is on account of loan taken from State Bank of India and State Bank of Hyderabad for setting up a new Shipyard at Malpe, Near Udupi, Karnataka

7.21 Pre and post-Offer shareholding pattern of TSL, as on the date of Letter of Offer is as follows:

Shareholders' category	**Shareholding & voting rights prior to the agreement/ acquisition and offer.**		**Shares /voting rights agreed to be acquired through Preferential Issue which triggered off the Regulations.***		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer***	
	A		**B**		**C**		**D = A+B+C**	
	No. of Shares	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
(1) Promoter group								
a. Parties to agreement, if any	1580541	30.32	-	-	-	-	1580541	20.32
b. Promoters other than (a) above	740010	14.20	-	-	-	-	-	-
Total 1(a+b)	2320551	44.52	-	-	-	-	1580541	20.32
(2) Acquirer								
a. Main Acquirer -India Advantage Fund - VI	-	-	2566800	33.00	1555636	20.00	4122436	53.00
b. PAC	-	-	-	-	-	-	-	-
Total 2 (a+b)	-	-	2566800	33.00	1555636	20.00	4122436	53.00
(**3) Parties to agreement other than(1) & (2) above**	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement, Acquirer & PAC)								
a. FIs/MFs/FIIs/Banks/ NRIs/OCBs, SFIs (Indicate names) Bank - Indian Overseas Bank	159433	3.06	-	--	-	-		
b. Others	2731396	52.41	-	-	-	-		
Total (4)(a+b)	2890829	55.47	-	-		-	2075203	26.68
GRAND TOTAL (1+2+3+4)	5211380	100.00	-	-	-	-	7778180	100.00

- *The percentage under column B&D are based on post preferential paid up capital of the company.
- Total number of shareholders as on January 26, 2007 is 1841.

7.22 As per the undertaking given by one of the Promoter and Managing Director of TSL, Mr. P.K. Balasubramanian, there has been no substantial change in the Promoters' holding in TSL since 1st April 1997, which requires any compliance with the provisions of the SEBI (SAST) Regulations/other applicable Regulations under the SEBI Act and other statutory requirements.

7.23 TSL has duly complied with all provisions under Clause 49 of the listing agreement relating to corporate governance.

7.24 TSL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

7.25 As certified by the TSL, there are no pending litigation except as mentioned herein below

Cases filed against the company

a.) FIR No. 13/2001 has been filed by the J&K State Vigilance Organisation under Section 5 (1) (d) read with Section 5 (2) Prevention of Corruption Act, read with Section 120-B, RPC, in connection with a case related to purchase of 2 Nos. Weed Harvesting Dredger machines by Lakes and Waterways Development Authority (LAWDA) Srinagar. This case is related to supply of the Weed Harvesting Dredger machines. The matter is pending before the Special Court, Anti Corruption, Srinagar, J & K. Upon petition by TSL, the Hon'ble High Court of J & K had granted stay of further proceedings in the said case. Matter is still pending.

b) FIR No. 35/2000 for alleged commission of offences under Section 5 (1) (c)(d) read with Section 5 (2) of the J& K Prevention of Corruption Act, read with Section 409, 468, 471 and 120-B RPC, has been filed by the J&K State Vigilance Organisation in connection with supply of Dredger spare parts to Lakes and Waterways Development Authority (LAWDA) Srinagar. This case is related to supply of Dredger spare parts. The matter is pending before the Special Court, Anti Corruption, Srinagar, J & K. Upon petition by TSL, the Hon'ble High Court of J & K had granted stay of further proceedings in the said case. Matter is still pending.

Case filed by the Company

Company has filed a case against J & K Lakes and Waterways Development Authority (LAWDA) Srinagar for recovery of the dues towards supply of Weed Harvester Dredgers. Favourable Order has been passed by the Hon'ble High Court of J & K and the Lawyer has been asked to initiate action for recovery of dues.

7.26 The name and details of the Compliance Officer of TSL are as under:

Mr. P. R. Kannan,
III Floor, Khaleeli Centre,
149, Montieth Road, Egmore,
Chennai – 600 008, India
Tel: (+91-44) 2855 3040 / 42,
Fax: (+91-44) 2855 3655

8 OFFER PRICE AND FINANCIAL ARRANGEMENTS

8.1 Justification for the Offer Price

8.1.1 The Equity Shares of TSL are listed only on OTCEI.

8.1.2 The Equity Shares of TSL is infrequently traded on OTCEI within the meaning of regulation 20(5) sub clause (i). As per OTCEI, the securities of TSL was last traded on 11th December, 1999 at Rs. 2.25/-

8.1.3 In accordance with regulations 20(5) of the Regulations, the Offer Price of Rs. 233.75/- per share is higher of the following:

a.	The negotiated price under the agreement for acquisition of share or voting rights or deciding to acquire shares or voting rights	Not Applicable
b.	The highest price paid by the Acquirer or persons acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 weeks period prior to the date of Board of Directors' meeting for preferential issue i.e. January 18, 2007	Not Applicable
c.	The highest price paid by the Acquirer or persons acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 weeks period prior to the date of public announcement i.e. March 5, 2007, which is by way of preferential allotment	Rs 233.75
d.	Other Parameters based on the audited accounts of TSL for financial year ended on March 31, 2007	
	(i) Return on Networth (%)	21.25
	(ii) Book Value per Share (Rs.)	98.45
	(iii) Earning Per Share (Rs.)	7.77
	(iv) Price Earning Ratio	30.10

M/s. V Pichaikutty & Co., Chartered Accountants, have vide their report dated June 19, 2007, stated that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union Vs. Hindustan Lever Limited, 1995 (83 Com case 30), the Value Per Share of the Target Company (on a weighted average basis) would be Rs. 99.75/- per share (as per CCI formula), considering the Net Asset Value of Equity Shares of Rs. 98.45 /- per share as on March 31, 2007 and the Earning Based Value per share (PECV) of Rs. 101.05/-.

8.1.4 There is no non-compete agreement.

8.1.5 In opinion of the Manager to the Offer, the Offer Price of Rs. 233.75/- per fully paid-up equity share of TSL is justified in terms of Regulation 20(11) of the Regulations.

8.1.6 The Acquirer has not acquired any Equity Shares of TSL from the date of PA up to the date of Letter of Offer.

8.1.7 If the Acquirer, acquires equity shares of TSL from the date of PA up to 7 working days (i.e. upto July 05, 2007) prior to the date of closing of the Offer, the offer price shall not be less than the highest price paid by the Acquirer

8.2 FINANCIAL ARRANGEMENTS FOR THE OFFER

8.2.1 The Acquirer has made firm financial arrangements for financing the acquisition of Equity Shares under the Offer, in terms of regulation 16 (xiv) of the Regulations. The Acquirer has adequate internal cash resources to discharge the obligation under the offer.

8.2.2 The maximum purchase consideration payable by the Acquirer in the case of full acceptance of the Offer (i.e. 15,55,636 fully paid-up Equity Shares of Rs. 10/- each at the rate of Rs. 233.75 per Equity

Share) would be Rs. 36,36,29,915/-. A lien on 85,247 units of Standard Chartered Liquidity Manager Plus Fund – Growth having a face value of Rs. 1,000/- each has been marked in favour of Enam Financial Consultants Pvt. Ltd., Manager to the Offer, by IAF - VI, in terms of regulation 28(4)(c) of the Regulations. The paid-up value of 85,247 units is Rs. 8,52,47,000 and the market price of such units on the date of creation of escrow account i.e. March 3, 2007 was Rs. 9,09,84,106; which was more than 25% of the maximum consideration payable by the Acquirer i.e. Rs. 9,09,07,479. The total value of such units as on June 18, 2007 is 9,31,50,113, which exceeds the escrow amount stipulated under regulation 28(2).

8.2.3 India Advantage Fund - VI is the holder 85,247 units of Standard Chartered Liquidity Manager Plus Fund – Growth Plan, and has deposited the same in the escrow account. These units are free of lien/ encumbrances. Further, these units are not carrying any voting rights.

8.2.4 The Manager to the Offer has been empowered by the Acquirer to realise the value of the above mentioned escrow account by sale or otherwise. Further, if there is any deficit on realisation of value of the securities, the Manager to the Offer shall make good any such deficit in accordance with Regulation 28(7) of the Regulations.

8.2.5 In accordance with Regulation 28(10) of the Regulations, the Acquirer has also made a cash deposit of Rs. 36,36,300 (being 1% of the purchase consideration payable under this Offer) in the Escrow Account with ABN AMRO Bank. The Manager to the Offer has been empowered to operate the Escrow Account.

8.2.6 The Acquirer has made firm financial arrangements for the Maximum Consideration by way of resources which are adequately liquid including cash and marketable securities. M/s. Adithya And Vishwas, Chartered Accountants (signing partner Mr. Adithya Y. S. having membership no. 209786, office located at #38, 8th Cross, 8th Main, 2nd Block, Jayanagar, Banglore, Tel: 91 – 080 – 26572669), have confirmed vide their letter dated February 27, 2007 that the Acquirer has made the firm arrangements for meeting their obligations under the Regulations. Further, as per the audited financial statements as at March 31, 2007 of the Acquirer, the net assets of the Acquirer was Rs. 3,59,58,42,306; which includes cash & cash equivalents aggregating Rs. 1,87,73,35,333 and Investments aggregating Rs. 1,33,19,27,000; which are sufficient to fulfill the obligations of the Acquirer for this offer.

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

9 TERMS AND CONDITIONS OF THE OFFER

9.1 The Acquirer made a Public announcement on March 5, 2007 for the Offer. The Offer is not subject to any minimum level of acceptance. The Offer will be made to the shareholders of TSL and the Letter of Offer (“LOF”) together with the Form of Acceptance cum Acknowledgement (“FOA”), the Form of Withdrawal (‘FOW”) and Transfer Deed (“TD”) (for shareholders holding shares in physical form) will be mailed to those shareholders of TSL, other than Acquirer and signatories to SHA of TSL, whose names appear on the Register of Members of TSL and the beneficial owners of the shares whose names appear on the beneficial records of the respective share depositories, at the close of business hours of March 06, 2007 (the “Specified Date”).

9.2 The Acquirer will accept the locked-in shares from the shareholders of TSL whether acquired pursuant to the offer; and the same can be transferred to the acquirer subject to the continuation of the residual lock -in period in the hands of the acquirer.

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

9.4 The Offer is subject to terms and conditions set out in the PA and in the Letter of Offer that would be sent to the shareholders of TSL as on the Specified Date.

9.5 The Offer to acquire Equity Shares from all the non-resident shareholders including NRI(s), OCB(s) and FII(s) is subject to the Acquirer obtaining the approval of RBI under Foreign Exchange Management Act, 2000. Currently, there are no other statutory approvals required for the purpose of this Offer. However, the Acquirer reserves the right to withdraw the Offer in the event the requisite statutory approvals that may be necessary at a later date for the purpose of this Offer are refused.

9.6 The Offer will open on June 27, 2007 and close on July 16, 2007.

9.7 The Offer is not subject to any minimum level of acceptance. The acceptance of the Offer is entirely at the discretion of the equity shareholders of TSL. Each shareholder of TSL to whom the Offer is being made, is free to offer his shareholding in TSL, in whole or in part while accepting the Offer.

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

9.9 Equity shares tendered in the Offer by the shareholders of TSL shall be free from lien, charges and encumbrances of any kind whatsoever.

9.10 Equity shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of TSL may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such Equity Shares are received together with the Equity Shares tendered under the Offer prior to the date of Closing of the Offer.

9.11 Shareholders of TSL 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 working days prior to the date of Closing of the Offer i.e. July 11, 2007.

9.12 The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and other documents during transit. The equity shareholders of TSL are therefore advised to adequately safeguard their interest in this regard.

9.13 If the Acquirer decides to make upward revisions in the Offer Price / Number of equity shares to be acquired, in accordance with regulation 26 of the Regulations, such upward revision will be made not later than July 05, 2007 (seven working days prior to the date of closure of the Offer). Such revisions/ amendments would be affected by making a Public Announcement in the same newspapers in which the original Public Announcement was being made.

In case of an upward revision in the Offer price, the revised price will be payable to all the shareholders (who have validly tendered their shares in the Offer period) to the extent of their shares being accepted.

10 STATUTORY / OTHER APPROVALS FOR THE OFFER

10.1 The Offer for acquiring and transferring the Equity Shares held by non-resident shareholders who tender in this Offer is subject to the Acquirer obtaining the appropriate approval from RBI under the Foreign Exchange Management Act 1999 (“FEMA”). The necessary application will be made by the Acquirer in this regard after the Closure of Offer.

10.2 As of the date of PA, to the best of the knowledge of the Acquirer there are no other statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are not obtained.

10.3 The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer.

10.4 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 the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the Offer provided the Acquirer- agrees to pay interest to the shareholders beyond 15 days.

10.5 If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in regulation 28 (12) (e) of the Regulations.

10.6 The Acquirer reserves the rights to withdraw the Offer in the event of the requisite statutory approvals that may be necessary at a later date for the purpose of this Offer are refused.. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which the original Public Announcement was made.

10.7 The Offer is not subject to the approvals from Financial Institutions/Banks who have provided loans or financial assistance, as applicable.

11 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

11.1 The offer will be made to the shareholders of TSL and the Letter of Offer together with the Form of Acceptance cum Acknowledgement ("FOA") will be mailed to those shareholders of TSL (other than the Acquirer and the Promoters of TSL who are parties to the SHA) whose names appear on the register of members of TSL and the beneficial owners of the shares whose names appear on the beneficial records of the respective share depositories, at the close of business hours March 6, 2007 (the "Specified Date").

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

11.3 The Acquirer has appointed M/s. Cameo Corporate Services Limited ("CCSL") as Registrar to the Offer.

11.4 M/s. Cameo Corporate Services Limited has set up the following centers to collect the acceptances being tendered in this Offer:

Name & Address of Collection Centers	Contact Person	Mode of Delivery	Telephone / Mobile No.	Fax No.
Cameo Corporate Services Ltd. 304, Sai Sadan, 76-78, Mody Street Fort, **Mumbai** 400 001	Mr. Milind S. Dalvi Executive	Hand delivery only	022 – 2264 4325	022 – 2264 4325
Cameo Corporate Services Ltd. 9-1-152A, Second floor Sebastian Road **Secunderabad** – 500 003	Mr. G Nagesh Executive	Hand delivery only	040-6453 7951	040 – 6453 7951
Cameo Corporate Services Ltd 'Subramanian Building' No1. Club House Road **Chennai** 600 002	Mr. Srinivasan Sr. Manager	Post and Hand delivery	044 – 2846 0390	044 – 2846 0129

Name & Address of Collection Centers	Contact Person	Mode of Delivery	Telephone / Mobile No.	Fax No.
Cameo Corporate Services Ltd. C/o. Dynamic Projects 196-A, G. Arabinda, Sarani, **Kolkata** - 700 004	Mr. Gautam Sarkar	Hand delivery only	033 - 25333706	033 - 24551077 033 - 25333706
Cameo Corporate Services Ltd C/o. Sterling Services 3202, Dispensary Lane, Opp. Dispensary, Pahar Ganj, **New Delhi** – 110 055	Mr. Sohan Singh	Hand Delivery only	011 – 41698865 011 - 23581484	011 – 41698462
Cameo Corporate Services Ltd C/o. S/LIC, Block No. 7, House No. 77, 5 Phase, KHB Colony, YELAHANKA, New Town, **Bangalore –** 560 064	Mr. S. Ramakrishnan	Hand Delivery only	098810198440	
Cameo Corporate Services Ltd. C/o. Kanj & Associates Company Secretaries 3-4 Aishwarya Sankul S.No.17 Near Sangam Press, G A Kulkarani Road, Opp. Joshi Railway Museum, Kothrud, **Pune** – 411 038	Mr. Athavale Mahesh Anant	Hand Delivery only	020-56204591 020-56296055 09822595741	020-25461561
Cameo Corporate Services Ltd. C/o. Mr. A Dalal Kunjal Pr. Company Secretary 205, Pawanhans Complex Behind Chamunda Restaurant Opp. Sub. Jail, Ring Road **Surat** – 395 002	Mr. A Dalal Kunjal	Hand Delivery Only	0261-2366670 09227900395	0261-2366670
Cameo Corporate Services Ltd. C/o. M. Balasubramanian 101,First Dal Complex Opp. Bata Show Room Ashram Road, Ahmedabad **- 380 009**	Mr. M Balasubramaian	Hand delivery only	09327055153	
Cameo Corporate Services Ltd C/o. Mr. Viral Shangvi MJP Associates Pr. Company Secretary 707 Star Plaza, Phulchhab Chowk **Rajkot 360 001**	Mr. Viral Shangvi	Hand Delivery only	0281-3045040 09825216607	0281-3045040

The documents can be tendered at the above centers between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday. The centers will be closed on Saturdays, Sundays and public holidays.

11.5 Shareholders of TSL, other than the Acquirer and Promoters of TSL who are parties to the SHA who wish to avail this Offer should forward the under mentioned documents, by hand delivery on days and during the business hours mentioned above, at any of the collection centers listed above, or by registered post to the Registrar to the Offer, Cameo Corporate Services Limited., at their office at Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002 Tel.: (+91-44) 2846 0390 Fax: (+91-44) 2846 0129 Email: tsl@cameoindia.com Contact Person: N. A. Srinivasan, so as to reach the Registrar on or before July 16, 2007 (i.e. the date of Closing of the Offer).

In case of dematerialised Equity Shares, the shareholders should ensure that the credit to the Special Depository Account mentioned below should be received on or before July 16, 2007. In order to ensure this, Beneficial Owners should tender the Delivery Instructions at least two working days prior to July 16, 2007 (i.e. the date of closing of the Offer). Form of Acceptance of such dematerialised Equity Shares not credited to the Special Depository Account before the date of closing of this Offer is liable to be rejected.

No document should be sent to the Acquirer, Promoters who are parties to the agreement or to the Manager to the Offer or TSL.

11.6 Procedure for Equity Shares held in Physical Form

- **Registered shareholders of TSL should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order in which their name(s) appear in the Register of Members and as per the specimen signature lodged with TSL;
  - Original Equity Share Certificate(s);
  - Valid Share Transfer Deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with TSL and duly witnessed at the appropriate place. The Transfer Deed should be left blank, except for the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. A blank share transfer form is enclosed along with this Letter of Offer.

    Incase of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the Offer has been accepted.

    Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with TSL or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a *bona fide* owner of such Equity Shares.

- **Unregistered owners of Equity Shares of TSL should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein;

- Original Equity Share Certificate(s);
- Original Broker Contract Note;
- Valid Share Transfer Deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance.
- The acknowledgement received, if any, from TSL in case the Equity Shares have been lodged with TSL. Such persons should instruct TSL and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection center as mentioned in 11.4 above. The applicant should ensure that the certificate(s) reach the designated collection center before the date of closing of the Offer.

Unregistered owners can send their acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited., at the collection centers as mentioned in paragraph 11.4 above, on plain paper stating Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in "Off-market" mode in case of Equity Shares held in dematerialised form and the original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

Unregistered owners if they so desire may also apply on the Form of Acceptance downloaded from the SEBI's website (www.sebi.gov.in).

11.7 Procedure for Equity Shares held in Demat Form

- **Beneficial Owners should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account and in the same order therein. The Form of Acceptance has to be tendered by the beneficial holder of Equity Shares only.

    Incase of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted.
  - A photocopy or counterfoil of the Delivery Instructions in "off market" mode, duly acknowledged by the beneficial owners depository participant and filled as per the details of the Special Depository Account given below.
  - Registrar to the Offer has for the purpose of this Open Offer, opened a Special Depository Account with National Securities Depository Ltd. ("NSDL") named **"**Cameo Corporate Services Ltd – Escrow A/c. Tebma Shipyard Limited - Open Offer" with Indian Overseas Bank, the details of which are given below:

DP Name	Indian Overseas Bank
DP ID	IN302437
Client ID	20117150
Account Name	Cameo Corporate Services Ltd – Escrow A/c. -Tebma Shipyard Limited - Open Offer
Depository	National Securities Depository Limited

Shareholders, having their beneficiary account with Central Depository Services (India) Ltd., ("CDSL") have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL. Since the Equity Shares of TSL are in compulsory demat mode, the minimum marketable lot for such shares will be one.

- **Shareholders who have sent their Equity Share Certificates for dematerialisation should enclose:**

  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein by the sole/ joint Equity Shareholders whose name appears on the Equity Share Certificate and in the same order in which their name(s) appears in the Register of Members and as per the specimen signature lodged with TSL.

  - A copy of the dematerialisation request form duly acknowledged by the Equity Shareholders depository participant.

  Such Equity Shareholders should ensure that the credit of their Equity Shares tendered under Offer to the Special Depository Account is made on or before the date of closing of the Offer, otherwise the same are liable to be rejected. Alternatively, if the Equity Shares sent for dematerialisation are yet to be processed by the Equity Shareholders depository participants, the Equity Shareholders can withdraw their dematerialisation request and tender the Equity Share Certificates in the Offer as per procedure mentioned in paragraph 11.6 above.

11.8 Procedure to be adopted in case of non-receipt of the Letter of Offer

- **By Equity Shareholders holding Equity Shares in physical form**

  In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited, at the collection centers as mentioned in paragraph 11.4 above, on plain paper stating their Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form, so as to reach the Registrar to the Offer on or before the date of Closing of the Offer.

  Shareholders who have lodged their Equity Shares for transfer with TSL must also send the acknowledgement received, if any, from TSL towards such lodging of Equity Shares.

  Shareholders who have sent their equity share certificates for dematerialization should send a copy of the dematerialized request form duly acknowledged by their depository participant.

- **By Equity Shareholders holding Equity Shares in dematerialised form**

  Beneficial Owners may send the acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited at the collection centers as mentioned in paragraph 11.4 above, on plain paper, stating Name, Address, Number of Equity Shares held, Number of Equity Shares offered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account, the details of which are mentioned in paragraph 11.7 above, so as to reach the Registrar to the Offer on or before the Closing of the Offer.

  Shareholders, having their beneficial account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

  No indemnity is required while sending the acceptance of the Offer on plain paper.

Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Form of Acceptance downloaded from SEBI web site (www.sebi.gov.in).

11.9 The consideration received by shareholders for shares accepted in the Offer will be subject to the capital gains tax applicable as per the Income-tax Act, 1961. Further, the securities transaction tax will not be applicable on shares accepted in this Offer.

11.10 As per the provisions of Section 196D (2) of the Income Tax Act, 1961, and as amended ("the Income Tax Act), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115 AD of the Income Tax Act. However, while tendering their Equity Shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate ("NOC") or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.

Non-resident shareholders of TSL should also submit a copy of the permission received from Reserve Bank of India for acquisition of Equity Shares of TSL. Incase of its non – submission, the Acquirer reserve the right to reject such Equity Shares tendered.

11.11 The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include, but are not limited to:

i) duly attested death certificate and succession certificate in case of single shareholder;

ii) duly attested Power of Attorney if any person apart from the shareholder has signed the Form of Acceptance and/or transfer deed(s);

iii) in case of companies, the necessary corporate authorization (including Board Resolutions);

iv) any other relevant documentation.

11.12 The Registrar to the Offer will hold in trust the Equity Shares and equity share certificates, Form of Acceptance, the transfer form(s), shares lying in credit of the special depository account and other documents on behalf of the shareholders of TSL, who have tendered in the Offer, until the cheques/drafts for the consideration and/or the unaccepted Equity Shares/ equity share certificates are dispatched/returned. The Acquirer would not have access to these Equity Shares till such time.

11.13 Equity Shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of TSL may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such Equity Shares are received together with the Equity Shares tendered under the Offer prior to the date of Closing of the Offer.

11.14 The Acquirer shall accept all valid fully paid up shares tendered (except those which are withdrawn, within the date specified for withdrawal). Equity shares will be acquired by the Acquirer free from lien, charges and encumbrances of any kind whatsoever and together with all the rights attached thereto including the right to dividend, bonus and rights issue thereafter.

11.15 If the number of shares tendered by the shareholders is more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) on a proportional basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

11.16 The consideration for the Equity Shares accepted by the Acquirer will be paid by crossed account payee cheques/demand drafts. Such cheques/demand drafts exceeding Rs. 1,500/- or unaccepted Equity Share certificates, transfer forms and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk, to the sole/first shareholder/unregistered owner. Cheques/demand drafts for Rs 1,500/- or less will be sent under certificate of posting. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

In case of dematerialised Equity Shares, the Equity Shares would reside in the Special Depository Account as mentioned above. The Registrar to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for the credit to the beneficial account of the Acquirer. The Equity Shares held in dematerialised form to the extent not accepted as a result of non-payment/ part payment of consideration by the Acquirer under the Offer will be released to the Beneficial Owner's Depository Account with the respective beneficial owners depository participant as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owners.

11.17 In terms of regulation 22(5A) of the Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of Closing of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before July 11, 2007.

The withdrawal option can be exercised by submitting the Form of withdrawal as enclosed with the Letter of Offer.

a. Shareholders should enclose the following:

i. For Equity Shares held in demat form:

Beneficial owners should enclose:

- Duly signed and completed Form of Withdrawal accompanying the LOF. The signature(s) should be attested by the depository participant.
- Acknowledgement slip in original/Copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

ii. For Equity Shares held in physical form:

Registered Shareholders should enclose:

- Duly signed and completed Form of Withdrawal accompanying the LOF.
- Acknowledgement slip in original/Copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.
- In case of partial withdrawal, valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen

signatures registered with TSL and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Acknowledgement slip in original/Copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.

In case of non-receipt of Form of withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details;

- In case of physical shares: Name; Address; Distinctive Numbers; Folio Number, Number of Shares tendered and to be withdrawn and
- In case of dematerialized shares: Name; Address; Number of Shares offered and number of shares to be withdrawn; DP name; DP ID; Beneficiary Account Number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favour of the special depository account.

b. Marketable lot for the Equity Shares of the TSL will be one Share

c. The withdrawal of Shares will be available only for the Share certificates/Shares that have been received by the Registrar to the Offer/Special Depository Escrow Account.

d. The intimation of returned shares to the Shareholders will be at the address as per the records of the TSL/Depository as the case may be.

e. The Form of Withdrawal should be sent only to the Registrar to the Offer.

f. In case of partial withdrawal of shares tendered in physical form by the registered shareholder, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from TSL.

g. Partial withdrawal of tendered shares can be done only by the Registered shareholders/Beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

h. Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

11.18 Investors should note that shares and other relevant documents should not be sent to the Acquirer / Target Company.

11.19 The physical shares withdrawn by the shareholders tendered in open offer would be returned by registered post to the respective shareholder.

11.20 Barring unforeseen circumstances and factors beyond their control, the Acquirer intend to complete all procedures relating to the Offer, including payment of consideration to the shareholders who have accepted the Offer, within 15 days from the date of closing of this Offer and for the purpose open a special account as provided under regulation 29 of the Regulations.

Provided that where the Acquirer is unable to make the payment to the shareholders who have accepted the Offer before the said period of 15 days due to non-receipt of requisite statutory approvals, if any, SEBI may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the

Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time, in accordance with regulation 22(12) of the Regulations.

12 DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the shareholders of TSL at the office of TSL - III Floor, Khaleeli Centre, 149, Montieth Road, Egmore, Chennai – 600 008, , India on all working days, from the date of opening of the Offer till the closing of the Offer, between 10.00 a.m. and 1.00 p.m., except Saturdays, Sundays and Holidays:

1. Trust deed of The Western India Trustee and Executor Company Ltd.
2. Certificate of Incorporation, Memorandum and Articles of Association of TSL.
3. Annual Report of TSL for Financial Year 2005, 2006 & 2007.
4. Certificate dated June 19, 2007 by M/s. V. Pichaikutty & Co., Chartered Accountants stating that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union Vs. Hindustan Lever Limited, 1995 (83 Com case 30), the Value Per Share (on a weighted average basis) of the Target Company would be Rs. 99.75/- per share (as per CCI formula), considering the Net Asset Value of Equity Shares of Rs. 98.45 /- per share as on March 31, 2007 and the Earning Based Value per share (PECV) of Rs. 101.05/-.
5. Certificate from M/s. Adithya And Vishwas, Chartered Accountants (signing partner Mr. Adithya Y. S. having membership no. 209786) confirming vide their letter dated February 27, 2007 that the Acquirer has made the firm arrangements for meeting their obligations under the Regulations.
6. Copy of the SHA, dated February 27, 2007 entered into among the Acquirer, Promoters of TSL and TSL.
7. Listing cum Trading approval letter 0352/LSTG/07/097 dated March 14, 2007 received from OTCEI for listing and trading of preferential issue of 25,66,800 Equity Shares allotted to IAF – VI.
8. Copy of the authorization letter dated June 20, 2007, authorizing Mr. Sumit Chandwani to be authorized signatory on behalf of ICICI Venture Management Funds Limited, Investment Manager to IAF - VI to do all acts, things and deeds in the name of and on behalf of IAF - VI in connection with the proposed acquisition of the Equity Shares in the Target.
9. A copy of the Cash Escrow agreement between IAF - VI, ABN AMRO Bank and Enam Financial Consultants dated February 27, 2007.
10. A copy of the lien cum pledge agreement between IAF - VI and Enam Financial Consultants dated March 1, 2007.
11. A copy of letter dated March 01, 2007 issued by CAMS confirming that lien towards 85,247 units of Standard Chartered Liquid Manager Plus Fund – Growth is marked in favour of Enam Financial Consultants Pvt. Ltd.
12. Letters from the Escrow Bank confirming cash deposit of Rs. 36,36,300/- deposited in the Escrow Account and a lien marked in favor of the Manager to the Offer.
13. A published copy of Public Announcement issued on March 5, 2007.
14. Copy of the observation letter from SEBI, dated June 7, 2007 in terms of proviso to regulation 18(2) of the Regulations.

13 DECLARATION BY THE ACQUIRER

ICICI Venture Funds Management Company Limited, investment manager to IAF – VI and Board of Trustees of IAF – VI accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance, Form of Withdrawal and also for ensuring compliance with the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. Mr. Sumit Chandwani has been authorised by the Management Committee of the investment manager of the Acquirer to be their authorised signatory to the Letter of Offer.

By Order of the Board,

For, India Advantage Fund - VI (the "Acquirer")

Sd/-
Mr. Sumit Chandwani
(Authorised Signatory)

Place: Mumbai
Date: June 20, 2007

Enclosed:

a) Form of Acceptance-cum-Acknowledgement

b) Form of Withdrawal

c) Transfer Deed, if applicable

Tear along this line

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer ONLY at their Collection Centers as mentioned herein)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OPENS ON	: June 27,2007
CLOSES ON	: July 16,2007
LAST DATE OF WITHDRAWAL	: July 11,2007

To,

Cameo Corporate Services Limited
"Subramanian Building", No.1,
Club House Road, Chennai – 600 002
Tel: +91 – 44 – 2846 0390
Fax: +91 – 44 – 2846 0129

Dear Sir,

Sub.: Open Offer to acquire 15,55,636 fully paid-up Equity Shares of Rs. 10/- each of Tebma Shipyards Limited ("TSL") representing 20 % of the outstanding voting equity share capital of TSL at a price of Rs. 233.75/- per fully paid-up Equity Share, payable in cash by India Advantage Fund – VI ("IAF – VI" or the "Acquirer")

I/We refer to the Letter of Offer dated June 20, 2007 for acquiring the Equity Shares held by me/us in TSL. I/We, the undersigned, have read the Letter of Offer, and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM

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

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
	TENDERED				
1.					
2.					
3.					
4.					
Total No. of Certificates			Total No. of Equity Shares		

Please attach an additional sheet of paper if the above space is insufficient.

FOR SHARES HELD IN DEMAT FORM

I/We accept the Offer and enclose photocopy/counterfoil of the Delivery Instructions duly acknowledged by my/our depository participant in respect of my/our Equity Shares as detailed below:

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

I/We have done an off market transaction for crediting the Equity Shares to the Special Depository Account with NSDL named as "**Escrow Account – Tebma Shipyards Limited - Open Offer**", whose particulars are:

DP ID Number: IN 302437; DP Name: Indian Overseas Bank; Client ID Number: 20117150; Depository: National Securities Depository Limited

Shareholders of TSL, having their beneficiary account with Central Depository Services (India) Ltd.., ("CDSL"), have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

I/We have enclosed the following documents:

Enclosures (Please tick as appropriate) (Refer paragraph 11.7 of the Letter of Offer):

- ☐ No objection Certificate/Tax Clearance Certificate under Income-tax Act, 1961, for Non-resident shareholders as applicable.
- ☐ RBI permission obtained by Non-resident Shareholders for holding Equity Shares of TSL hereby tendered in the Offer
- ☐ Power of Attorney
- ☐ Corporate authorization in case of company
- ☐ Death Certificate/ Succession Certificate
- ☐ Others (please specify): ____

I/We confirm that the Equity Shares of TSL which are being tendered herewith by me/us under the Offer, are free from lien, charges and encumbrances of any kind whatsoever. I/we are not debarred from dealing in shares of TSL.

I/We note and understand that the Equity Shares/ Equity Share Certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pays 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 authorise the Acquirer to accept the Equity Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorise the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares that they may decide to accept in terms of the Letter of Offer and I/we further authorise the Acquirer to split/consolidate the Equity Share Certificates comprising the Equity Shares that are not acquired to be returned to me/us and for the aforesaid purpose the Acquirer is hereby authorised to do all such things and execute such documents as may be found necessary and expedient for the purpose.

I/We authorise the Acquirer to send by registered post/speed post/UCP the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned above.

The Permanent Account No. (PAN/GIR No.) allotted under the Income Tax Act 1961 is as under:

	1st Shareholder	**2nd Shareholder**	**3rd Shareholder**
PAN/GIR No.			

Yours faithfully,

Signed and Delivered

	Full Name(s) of the Shareholder(s)	**Signature**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		
Fourth Shareholder		

Note: In case of joint holdings, all holders must sign. A corporation must affix its rubber stamp and necessary Board Resolution must be attached.

Tel No. ______________________; Fax No. ______________________; Email:________________________________

Place : __________ Date : _________

In order to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in electronic form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the consideration payment will be issued with the said bank particulars.

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

.... **Tear along this line** ....

Cameo Corporate Services Limited **Acknowledgement Slip**

Subramanian Building", No.1, Club House Road, Chennai – 600 002.

Unit: TSL

FOLIO NO. ____________________ **Sr. No.** ________________________

Received from Mr. /Ms. ____

Address____

____

Form of acceptance cum acknowledgement,# __________________ Number of equity share Certificates for _______________ Equity Shares/ # Copy of Delivered Instruction to (DP) for ____________ Equity Shares

Delete whatsoever is not applicable

Signature of official and Date of Receipt	**Stamp of Collection Centre**

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling this Form of Acceptance.
2. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Equity Shareholders of TSL. Each equity shareholder of TSL to whom this Offer is being made, is free to offer his equity shareholding in TSL in whole or in part while accepting the Offer.
3. Shareholders should enclose the following:

Procedure for Equity Shares held in Physical Form

- **Registered shareholders of TSL should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order in which their name(s) appear in the Register of Members and as per the specimen signature lodged with TSL;
  - Original Equity Share Certificate(s);
  - Valid Share Transfer Deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with TSL and duly witnessed at the appropriate place. The Transfer Deed should be left blank, except for the signatures as mentioned above. A blank share transfer form is enclosed along with this Letter of Offer.

    Incase of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the Offer has been accepted.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with TSL or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a *bona fide* owner of such Equity Shares

- **Unregistered owners of Equity Shares of TSL should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
  - Original Equity Share Certificate(s);
  - Original Broker Contract Note;
  - Valid Share Transfer Deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance.
  - The acknowledgement received, if any, from TSL in case the Equity Shares have been lodged with TSL. Such persons should instruct TSL and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection center as mentioned. The applicant should ensure that the certificate(s) reach the designated collection center before the date of closing of the Offer.

  Unregistered owners can send their acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited., at the collection centers as mentioned, on plain paper stating Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in “Off-market” mode in case of Equity Shares held in dematerialised form and the original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

  Unregistered owners if they so desire may also apply on the Form of Acceptance downloaded from the SEBI’s website (www.sebi.gov.in).

Procedure for Equity Shares held in Demat Form

- **Beneficial Owners should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account and in the same order therein. The Form Of Acceptance has to be tendered by the beneficial holder of Equity Shares only.

    Incase of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted.
  - A photocopy or counterfoil of the Delivery Instructions in “off market” mode, duly acknowledged by the beneficial owners depository participant and filled as per the details of the Special Depository Account given below.
  - Registrar to the Offer has for the purpose of this Open Offer, opened a Special Depository Account with National Securities Depository Ltd. (“NSDL”) “Cameo Corporate Services Ltd – Escrow A/c. - Tebma Shipyard Limited - Open Offer”, whose particulars are:

    DP ID Number: IN302437; DP Name: Indian Overseas Bank; Client ID Number: 20117150; Depository: National Securities Depository Limited.

    Shareholders, having their beneficiary account with CDSL, have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL. Since the Equity Shares of TSL are in compulsory demat mode, the minimum marketable lot for such shares will be one.

The Beneficial Owners who hold Equity Shares in dematerialised form are required to execute a trade by tendering the Delivery Instructions for debiting their Beneficial Account with beneficial owners' depository participant and crediting the above mentioned Special Depository Account. **The credit in the Special Depository Account should be received on or before July 16, 2007 In order to ensure this, Beneficial Owners should tender the Delivery Instructions at least two working days prior to date of closing of the Offer**.

The Delivery Instructions to be given to the depository participant should be in "For Off Market Trade" mode only. For each Delivery Instruction the Beneficial Owner should submit separate Form of Acceptance.

- **Shareholders who have sent their Equity Share Certificates for dematerialisation should enclose:**
  - Form of Acceptance duly completed and signed in accordance with the instructions contained therein by the sole/ joint Equity Shareholders whose name appears on the Equity Share Certificate and in the same order in which their name(s) appears in the Register of Members and as per the specimen signature lodged with TSL.
  - A copy of the dematerialisation request form duly acknowledged by the Equity Shareholders depository participant.

  Such Equity Shareholders should ensure that the credit of their Equity Shares tendered under Offer to the Special Depository Account is made on or before the date of closing of the Offer, otherwise the same are liable to be rejected. Alternatively, if the Equity Shares sent for dematerialisation are yet to be processed by the Equity Shareholders depository participants, the Equity Shareholders can withdraw their dematerialisation request and tender the Equity Share Certificates in the Offer as per procedure mentioned in paragraph 11.6 above.

Procedure to be adopted in case of non-receipt of the Letter of Offer

- **By Equity Shareholders holding Equity Shares in physical form**

  In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited, at the collection centers as mentioned in paragraph 11.4 above, on plain paper stating their Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form, so as to reach the Registrar to the Offer on or before the date of Closing of the Offer.

  Shareholders who have lodged their Equity Shares for transfer with TSL must also send the acknowledgement received, if any, from TSL towards such lodging of Equity Shares.

  Shareholders who have sent their equity share certificates for dematerialisation should send a copy of the dematerialised request form duly acknowledged by their depository participant.

- **By Equity Shareholders holding Equity Shares in dematerialised form**

  Beneficial Owners may send the acceptance of the Offer in writing to the Registrar to the Offer, Cameo Corporate Services Limited at the collection centers as mentioned in paragraph 11.4 above, on plain paper, stating Name, Address, Number of Equity Shares held, Number of Equity Shares offered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account, so as to reach the Registrar to the Offer on or before the Closing of the Offer.

  Shareholders, having their beneficial account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

  No indemnity is required while sending the acceptance of the Offer on plain paper.

  Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Form of Acceptance downloaded from SEBI web site (www.sebi.gov.in).

4. Where the number of Equity Shares offered for sale by the shareholders are more than the Equity Shares agreed to be acquired by the Acquirer under this Offer, they shall, accept the offers received from the shareholders on a proportional basis, in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided, that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is under the marketable lot.

5. In case of joint holdings, all the holders whose names appears on the Equity Share Certificate or in the beneficiary account must sign this Form of Acceptance in the same order in which these names appears on the register of members/ beneficial account and as per the specimen signature(s) lodged with TSL or the beneficial owner's depository participant.

6. In case of physical Equity Shares, the enclosed transfer deed should be duly signed as transferors by all shareholders in the same order and as per specimen signatures lodged with TSL and should be duly witnessed at the appropriate place. The Transfer Deed should be left blank, excepting the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar Authority holding a Public Office and authorised to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. PLEASE DO NOT FILL UP ANY DETAILS ON THE TRANSFER FORM. Relevant Equity Share Certificates must be annexed.

7. The shareholders of TSL who have sent their Equity Shares certificates for dematerialisation should submit their form of acceptance and other documents, as applicable, along with a copy of the dematerialisation request form duly acknowledged by their DP. Shareholders of Equity Shares of TSL who have sent their Equity Shares for transfer should enclose, Form of Acceptance duly completed and signed, copy of the letter sent to TSL (for transfer of shares) and valid share transfer form(s).

8. In case of bodies corporate, proper corporate authorization should be enclosed.

9. The Acquirer shall accept all valid fully paid up shares tendered (except those which are withdrawn, within the date specified for withdrawal). Equity shares will be acquired by the Acquirer free from lien, charges and encumbrances of any kind whatsoever and together with all the rights attached thereto including the right to dividend, bonus and rights issue thereafter.

10. If the number of shares tendered by the shareholders is more than the offer size, the acquisition from each shareholder will be as per regulation 21(6) of the Regulations, on a proportionate basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. As the Shares trade in compulsory dematerialized segment, the minimum marketable lot for the Shares is 1 (one).

11. The consideration for the Equity Shares accepted by the Acquirer will be paid by crossed account payee cheques/demand drafts. Such cheques/demand drafts exceeding Rs. 1,500/- or unaccepted Equity Share certificates, transfer forms and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk, to the sole/first shareholder/ unregistered owner. Cheques/demand drafts for Rs 1,500/- or less will be sent under certificate of posting. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

    In case of dematerialised Equity Shares, the Equity Shares would reside in the Special Depository Account as mentioned above. The Registrar to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for the credit to the beneficial account of the Acquirer. The Equity Shares held in dematerialised form to the extent not accepted as a result of non-payment/ part payment of consideration by the Acquirer under the Offer will be released to the Beneficial Owner's Depository Account with the respective beneficial owners depository participant as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owners.

12. In terms of regulation 22(5A) of the Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of Closing of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before July 11, 2007.

13. All owners of Equity Shares, registered or unregistered, who own the Equity Shares of TSL, except the Acquirer and the Promoters of TSL who are parties to the SHA, at any time prior to the Closing of the Offer, are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, Cameo Corporate Services Limited, at the collection centers mentioned hereunder in paragraph 11, on or before the Closing of the Offer, i.e. July 16, 2007 on plain paper stating Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in "Off-market" mode in case of Equity Shares held in dematerialised form and the original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

14. As per the provisions of Section 196D (2) of the Income Tax Act, 1961, and as amended ("the Income Tax Act), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115 AD of the Income Tax Act. However, while tendering their Equity Shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate (**"NOC") or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.**

    Non-resident shareholders of TSL should also submit copy of the permission received from Reserve Bank of India for acquisition of Equity Shares of TSL. Incase of its non – submission, the Acquirer reserve the right to reject such Equity Shares tendered

15. Shareholders of TSL, other than the Acquirer and the promoters who are also signatories to the SHA who wish to avail this Offer should forward the under mentioned documents, by hand delivery on days and during the business hours mentioned below, at any of the collection centres listed below, or by registered post to the Registrar to the Offer, Cameo Corporate Services Limited, at their office at "Subramanian Building", No.1, Club House Road, Chennai – 600 002, Tel.: (+91-44) 2846 0390; Fax: (+91-44) 2846 0129; Email: tsl@cameoindia.com; Contact Person: Mr. N. A. Srinivasan, so as to reach the Registrar on or before July 16, 2007 (i.e. the date of closing of the Offer).

Name & Address of Collection Centers	**Contact Person**	**Mode of Delivery**	**Telephone / Mobile No.**	**Fax No.**
Cameo Corporate Services Ltd. 304, Sai Sadan, 76-78, Mody Street Fort, **Mumbai** 400 001	Mr. Milind S. Dalvi Executive	Hand delivery only	022 – 2264 4325	022 – 2264 4325
Cameo Corporate Services Ltd. 9-1-152A, Second floor Sebastian Road **Secunderabad** – 500 003	Mr. G Nagesh Executive	Hand delivery only	040-6453 7951	040 – 6453 7951
Cameo Corporate Services Ltd 'Subramanian Building' No1. Club House Road **Chennai** 600 002	Mr. Srinivasan Sr. Manager	Post and Hand delivery	044 – 2846 0390	044 – 2846 0129
Cameo Corporate Services Ltd. C/o. Dynamic Projects 196-A, G. Arabinda, Sarani, **Kolkata** - 700 004	Mr. Gautam Sarkar	Hand delivery only	033 - 25333706	033 - 24551077 033 - 25333706
Cameo Corporate Services Ltd. C/o. Sterling Services 3202, Dispensary Lane, Opp Dispensary, Pahar Ganj, **New Delhi** – 110 055	Mr. Sohan Singh	Hand Delivery only	O11 – 41698865 011 - 23581484	011 – 41698462
Cameo Corporate Services Ltd. C/o. S/LIC, Block No. 7, House No. 77, 5 Phase, KHB Colony, YELAHANKA, New Town, **Bangalore –** 560 064	Mr. S. Ramakrishnan	Hand Delivery only	098810198440	
Cameo Corporate Services Ltd. C/o. Kanj & Associates Company Secretaries 3-4 Aishwarya Sankul S.No.17 Near Sangam Press, G A Kulkarani Road, Opp. Joshi Railway Museum, Kothrud **Pune** – 411 038	Mr. Athavale Mahesh Anant	Hand Delivery only	020-56204591 020-56296055 09822595741	020-25461561
Cameo Corporate Services Ltd. C/o. Mr. A Dalal Kunjal Pr. Company Secretary 205, Pawanhans Complex Behind Chamunda Restaurant Opp. Sub. Jail, Ring Road **Surat** – 395 002	Mr. A Dalal Kunjal	Hand Delivery Only	0261-2366670 09227900395	0261-2366670
Cameo Corporate Services Ltd. C/o. M. Balasubramanian 101,First Dal Complex Opp. Bata Show Room Ashram Road, **Ahmedabad** - 380 009	Mr. M Balasubramaian	Hand delivery only	09327055153	
Cameo Corporate Services Ltd. C/o. Mr. Viral Shangvi MJP Associates Pr. Company Secretary 707 Star Plaza, Phulchhab Chowk **Rajkot 360 001**	Mr. Viral Shangvi	Hand Delivery only	0281-3045040 09825216607	0281-3045040

The Equity Shares can be tendered at the above centers between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday. The centers will be closed on Saturdays, Sundays and public holidays.

No document should be sent to the Acquirer or the Manager to the Offer or TSL.

Note : All future correspondence, if any, should be addressed to Registrar to the Offer: Cameo Corporate Services Limited, at their office at "Subramanian Building", No.1, Club House Road, Chennai – 600 002, Tel.: (+91-44) 2846 0390; Fax: (+91-44) 2846 0129; Email: tsl@cameoindia.com; Contact Person: Mr. N. A. Srinivasan (Please read paragraph 11 of the Letter of Offer titled « PROCEDURE FOR ACCEPTANCE AND SETTLEMENT » before filling this offer

Tear along this line

(**Please read paragraph 11 of the Letter of Offer titled "Procedure for Acceptance & Settlement" before filing this form)**

FORM OF WITHDRAWAL

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OPENS ON	:June 27,2007
CLOSES ON	:July 16, 2007
LAST DATE OF WITHDRAWAL :	July 11, 2007

To,

Cameo Corporate Services Limited,
Subramanian Building", No.1,
Club House Road, Chennai – 600 002.
Tel: +91 – 44 – 2846 0390
Fax: +91 – 44 – 2846 0129

Dear Sir,

Sub.: Open Offer to acquire 15,55,636 fully paid-up Equity Shares of Rs. 10/- each of Tebma Shipyards Limited ("TSL") representing 20 % of the outstanding voting equity share capital of TSL at a price of Rs. 233.75/- per fully paid-up Equity Share, payable in cash by India Advantage Fund – VI ("IAF – VI" or "the Acquirer")

I/We refer to the Letter of Offer dated June 20, 2007 for acquiring the Equity Shares held by me/us in TSL.

I/We, the undersigned, have read the Letter of Offer including procedure for withdrawl of equity shares tendered by me/us in the Offer as mentioned in Paragraph 11 of the Letter of Offer and unconditionally agree to the terms and condition and procedure mentioned therein.

I/We, have read I/we hereby consent unconditionally and irrevocably to withdraw my/our Equity Shares as mentioned below from the offer and I/We further authorize the Acquirer to return to me /us, the tendered equity share certificate(s)/share(s) at my/our sole risk.

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

I/We note that this Form of withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal (i.e. July 11, 2007).

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

I/We also note and understand that the Acquirer will return Original Share Certificate(s), Share Transfer Deed(s) and Equity Shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively.

SHARES IN PHYSICAL FORM

The particulars of withdrawal of original shares certificates and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
	TENDERED				
1.					
2.					
3.					
	WITHDRAWN				
1					
2.					
3.					
Total No. of Certificates			**Total No. of Equity Shares**		

Please attach an additional sheet of paper if the above space is insufficient.

SHARES IN DEMAT FORM

I/We hold the following Equity Shares in dematerialized Form and tendered the Equity Shares in the Offer through an off-market transaction for crediting the Shares to the Special Depository Account with NSDL - "Escrow Account – Tebma Shipyards Limited Open Offer", whose particulars are:

DP ID Number: IN 302437; DP Name: Indian Overseas Bank; Client ID Number: 20117150; Depository: National Securities Depository Limited

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP.

The particulars of the account from which my/our Shares have been tendered are as detailed below:

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

Address of First/Sole Shareholder: ____

____

Tel. No.: ____________________ Fax No.:_ __________________ E-mail : ____________________________

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

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

In case of dematerialized Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and delivered	Full Name(s)	Signature(s)	Verified and Attested by us. Please affix the stamp of DP (in case of demat Shares)/ Bank (in case of physical Shares)
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			
Fourth Shareholder			

Note: In case of joint holders all must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place :

Date :

.... **Tear along this line** ....

Acknowledgement Slip

Cameo Corporate Services Limited

Subramanian Building", No.1, Club House Road, Chennai – 600 002.

Unit: TSL

FOLIO NO. __________________ **Sr. No.** ____________________

Received from Mr. /Ms. ____

Address ____

____

Form of Withdrawal,#Number of share Certificates for ___________________________ Equity Shares/

Copy of Delivered Instruction to (DP) for __________ Equity Shares

Delete whatsoever is not applicable

Signature of official and Date of Receipt	Stamp of Collection Centre

Note: All future correspondence, if any, should be addressed to Registrar to the Offer: Cameo Corporate Services Limited, at their office at Subramanian Building", No.1, Club House Road, Chennai – 600 002. Tel.: (+91-44) 2846 0390; Fax: (+91-44) 2846 0129; Email: tsl@cameoindia.com; Contact Person: Mr. N. A. Srinivasan.

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