

# LETTER OF OFFER

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s)/beneficial owner(s) of **Anil Products Ltd., (APL/Target Company)**. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment consultant or Manager / Registrar to the Offer. In case you have sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement, Form of Withdrawal and Transfer Deed (in case of physical form) to the Member of Stock Exchange through whom the said sale was effected.

**Bharti Consumer Marketing Pvt Ltd., Agallochun Investments Pvt. Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd (previously known as Aseem Realty Pvt. Ltd.), Rahil Marketing Pvt. Ltd (previously known as Abloom Investments Pvt. Ltd.), Agrani Marketing Limited and Ascent Learning Pvt. Ltd. (hereinafter referred to as “Acquirers”)**

**Registered Office:** #301, Aniket, C G Road, Navrangpura, Ahmedabad – 380009, Gujarat, India  
**Tel No:** 079-2642-4388; **Fax No:** 079-6605-3886; **Email:** agranilmktg@gmail.com

**CASH OFFER AT RS.76.06/- (RUPEES SEVENTY SIX AND SIX PAISE ONLY) (WHICH INCLUDES INTEREST COMPONENT OF RUPEES THREE AND SIX PAISE ONLY) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF RS. 10/-(RUPEES TEN ONLY) EACH**



pursuant to Regulation 11(1) of and in compliance with, Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto (the ‘SEBI (SAST) Regulations’)

**TO ACQUIRE 19,53,234 FULLY PAID UP EQUITY SHARES OF RS. 10/- EACH**  
 representing 20.00 % of the paid up and voting capital of

### ANIL PRODUCTS LIMITED

**Registered Office:** PO Box 10009, Anil Road, Ahmedabad - 380 025, Gujarat, India.  
**Tel. No:** 91-79-2220-3222; **Fax No:** 91-79-2220-0731; **Email:** info@anil.co.in; **Website:** www.anil.co.in

- This offer is not conditional as to any minimum level of acceptance.
- This is not a competitive bid.
- There has been no revision of Offer Price, till the date of this Letter of Offer.
- As on the date of this Letter of Offer, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.
- **Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto 3 working days prior to the date of closure of the Offer. The Last date for such withdrawal is Tuesday, August 11, 2009.**
- The Acquirers can revise the Offer price upto 7 working days prior to the date of closure of the Offer. The last date for such revision is Wednesday, August 05, 2009. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same Newspapers where the original Public Announcement had appeared. **Consideration at the same rate will be paid for all Equity Shares tendered anytime during the Offer period.**
- **If there is a competitive bid;**  
**The public offers under all the subsisting bids will close on the same date.**  
**As the offer price cannot be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore be in the interest of Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
- The Registration of all the Intermediaries associated with the Offer, viz. Transwarranty Capital Private Limited - Manager to the Offer and Link Intime India Private Limited - Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.
- A copy of this Letter of Offer (including the Form of Acceptance cum Acknowledgement, Form of Withdrawal) and Public Announcement are available on SEBI’s website i.e. www.sebi.gov.in from the offer opening date viz. Wednesday, July 29, 2009.
- All the future correspondence, if any should be addressed to the Registrar to Offer shown below.
- All the public shareholders (registered or unregistered) of shares of the Target Company are eligible to participate in the offer any time before the closing of the offer.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>TRANSWARRANTY CAPITAL PVT. LTD.</b>                      403, Regent Chambers, Nariman Point                      Mumbai – 400 021                      Telephone: +91-22-4001-0800/900                      Fax: +91-22-4001-0888/999                      E Mail: apl.openoffer@transwarranty.com                      Investor Grievance id: customercare@transwarranty.com                      SEBI Regn. No. 1NM 000010965                      Website: www.transwarranty.com                      Contact Person: Mr.Dilip Jagad</p>	 <p><b>LINK INTIME INDIA PVT LTD</b>  <small>(Formerly INTIME SPECTRUM REGISTRY LTD)</small>  <b>LINK INTIME INDIA PVT. LTD.</b>  <b>Unit: Anil Products Limited – Open Offer</b>                      C-13 Pannalal Silk Mills Compound,                      L.B.S Marg, Bhandup (West), Mumbai – 400 078                      Telephone: +91-22 25960320                      Fax: +91-22 25960329                      Email: apl.offer@linkintime.co.in                      SEBI Registration No : INR 000004058                      Website : www.linkintime.co.in                      Contact Person: Mr.Nilesh Chalke</p>
OFFER OPENS ON : WEDNESDAY, JULY 29, 2009	OFFER CLOSSES ON: MONDAY, AUGUST 17, 2009

(For schedule of major activities relating to the Open Offer, please refer next page)

**SCHEDULE OF MAJOR ACTIVITIES:**

<b>Activity</b>	<b>Original Schedule Day &amp; Date</b>	<b>Revised Schedule Day &amp; Date</b>
Public Announcement (PA) date	Thursday, April 30, 2009	Thursday, April 30, 2009
Specified date *	Tuesday, May 19, 2009	Tuesday, May 19, 2009
Last date for a competitive bid	Thursday, May 21, 2009	Thursday, May 21, 2009
Last date by which Letter of Offer will be dispatched to the shareholders of Anil Products Limited	Saturday, June 13, 2009	Friday, July 24, 2009
Date of Opening of the Offer	Friday, June 19, 2009	Wednesday, July 29, 2009
Last date for revising the Offer price/ number of shares.	Friday, June 26, 2009	Wednesday, August 05, 2009
Last date of withdrawal of tendered application by the shareholders of Anil Products Limited	Thursday, July 02, 2009	Tuesday, August 11, 2009
Date of Closure of the Offer	Wednesday, July 08, 2009	Monday, August 17, 2009
Last date of communicating/ rejection/ acceptance and payment of consideration for accepted applications.	Thursday, July 23, 2009	Tuesday, September 01, 2009

\* Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the letter of offer would be sent. Owners (registered or unregistered) of the shares [(except the Acquirers and the Promoter and the Promoter group of Anil Products Limited (APL))] are eligible to participate in the Offer any time before the Closure of the Offer.

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 5.00 p.m. on Monday August 17, 2009.

## **RISK FACTORS:**

### **Risks related to the Transaction, the Proposed Offer and in associating with the Acquirers:**

#### **Risk Factors relating to the Transaction**

1. Association of APL with the Acquirers does not warrant any assurance with respect to the future financial performance of APL.

#### **Risk Factors related to the Proposed Offer**

1. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration as the Acquirers has 15 days time from date of closure of offer to make payment of consideration. Further, they will not be able to take advantage of any favorable price movements in the market.
2. As on date of this Letter of Offer, no statutory approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date. The dispatch of consideration can be delayed beyond 15 days from date of closure of offer, in case any statutory approval, which becomes so applicable on a later date, is not received. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment, subject to, the Acquirers agreeing to pay interest to the Shareholders for delay beyond 15 days from date of Closure of Offer.

#### **Risks involved in associating with the Acquirers**

1. The Acquirers make no assurance with respect to the market price of the shares of APL, which would prevail both during the Offer period and upon completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.
2. The Acquirers make no assurance with respect to the financial performance of APL.
3. This Offer has been made to the shareholders of APL pursuant to the Preferential warrants to the Acquirers under provisions of Companies Act, 1956 and the guidelines for Preferential warrants contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto (the "Guidelines"). In the event of non-compliance of provisions relating to the Preferential warrants by the Acquirers or by APL, SEBI or other Regulatory Authorities may pass appropriate directions.

*The Risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of APL or the Acquirers or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of APL are advised to consult their stockbroker or investment consultant, for further risks with respect to their participation in the Offer.*

## TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
1	Disclaimer Clause	5
2	Details of the Offer	6
3	Background of the Acquirers	8
4	Compliance with Regulation 21(2) & Clause 40 A of listing agreement	26
5	Background of the Target Company	26
6	Offer Price and Financial Arrangements	33
7	Terms and Conditions of the Offer	38
8	Procedure for Acceptance and Settlement of the Offer	39
9	Procedure for Withdrawal of Application	41
10	Documents for Inspection	44
11	Declaration by the Acquirers	45
	Form of Acceptance-cum-Acknowledgement & Form of Withdrawal	46

### DEFINITIONS/ABBREVIATIONS

1	Acquirers	<ol style="list-style-type: none"> <li>1. Bharti Consumer Marketing Pvt Ltd.,</li> <li>2. Agallochun Investments Pvt Ltd.,</li> <li>3. Aught Investments Pvt Ltd.,</li> <li>4. Anil Hospitality Ventures Ltd., (previously known as Aseem Realty Pvt Ltd.,)</li> <li>5. Rahil Marketing Pvt Ltd., (previously known as Abloom Investments Pvt Ltd., )</li> <li>6. Agrani Marketing Ltd and</li> <li>7. Ascent Learning Pvt Ltd,</li> </ol>
2	AGM	Annual General Meeting
3	APL /Target Company	Company whose Equity Shares are proposed to be acquired viz. Anil Products Limited.
4	ASE	Ahmedabad Stock Exchange Ltd
5	Book Value	Book Value of each Equity Share as on the date referred to
6	BSE	Bombay Stock Exchange Ltd
7	CDSL	Central Depository Services (India) Ltd
8	CPA	Corrigendum to the Public Announcement
9	Depositories	Collectively NSDL and CDSL
10	DP	Depository Participant
11	EGM	Extraordinary General Meeting
12	EPS	Earnings per Equity Share, for the period under reference and annualized
13	FDI	Foreign Direct Investment
14	FEMA	Foreign Exchange Management Act
15	FII	Foreign Institutional Investors
16	FIPB	Foreign Investment Promotion Board
17	FI	Financial Institutions
18	FOA	Form of Acceptance-cum - Acknowledgement
19	FOW	Form of Withdrawal
20	FY	Financial Year
21	LOO	Letter of Offer
22	Merchant Banker/ Manager to the Offer	Transwarranty Capital Pvt. Limited
23	NAV	Net Asset Value of Equity Shares
24	NRI	Non-Resident Indian
25	NRIs	Non Resident Indians and persons of Indian origin residing abroad
26	NSDL	National Securities Depository Ltd

27	Offer	Open Offer for the acquisition of 19,53,234 fully paid up equity shares of the face value of Rs. 10/- each of Anil Products Limited at a price of Rs. 76.06/- (which includes interest component of Rs. 3.06/-) per fully paid up equity share
28	Offer Size	19,53,234 fully paid up equity shares of the face value of Rs. 10/- each.
29	PA/ Public Announcement	Announcement of the Offer made by the Acquirers in dailies, on Thursday, April 30, 2009.
30	PAT	Profit after Tax
31	Persons eligible to participate in the Offer	All Equity Shareholders of the Target Company, other than the Promoter & Promoters group shareholders of the Target Company. Both registered and unregistered Shareholders can participate in the Offer
32	Persons not eligible to participate in the Offer	Promoter & Promoters Group shareholders of the Target Company including the Acquirers.
33	RBI	Reserve Bank of India
34	Reference Date	August 29, 2007 being the date of the Board Meeting of the Target Company, which decided upon the preferential allotment
35	Registrar to the Company	Pinnacle Share Registry (P) Limited
36	Registrar to the Offer	Link Intime India Pvt Limited
37	Regulations / Takeover Regulations / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date
38	RONW	Return on Net Worth
39	RTGS	Real Time Gross Settlement
40	SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading Regulations) 1992 as amended.
41	SEBI/Board	Securities and Exchange Board of India
42	SFIs	State level Financial Institutions
43	Shares	Equity Shares
44	Specified Date*	Tuesday, May 19, 2009

\* Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the letter of offer would be sent. Owners (registered or unregistered) of the shares (except the Acquirers and the Promoter and the Promoter group of Anil Products Limited (APL) are eligible to participate in the Offer any time before the closure of the Offer.

#### 1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ANIL PRODUCTS LIMITED (APL), THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, OR THE COMPANY WHOSE SHARES IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. TRANSWARRANTY CAPITAL PVT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 28, 2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIRMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

## **2. DETAILS OF THE OFFER**

### **2.1 Background of the Offer**

- 2.1.1** This Offer is being made to the equity shareholders of Anil Products Ltd., ("APL" or "the Target Company") by the Acquirers to acquire 19,53,234 fully paid-up equity shares of Rs. 10/- each, representing 20% of the Voting Capital of APL at a price of Rs. 76.06 (Rupees Seventy Six and Six Paise Only) (including an interest component of Three Rupees and Six Paise only) per equity shares (the "Offer Price"), payable in cash, in terms of Regulation 11(1) of SEBI (SAST) Regulations, 1997.
- 2.1.2** Bharti Consumer Marketing Pvt. Ltd., Agallochun Investments Pvt Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd., (previously known as Aseem Realty Pvt. Ltd.) Rahil Marketing Pvt. Ltd., (previously known as Abloom Investments Pvt. Ltd.) Agrani Marketing Limited and Ascent Learning Pvt Ltd, all having their registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380009 Tel No: 079 – 26401911; Fax No: 079- 6605-3886 Email ID: agranilmarketing@gmail.com (hereinafter referred to as "the Acquirers") are making an open Offer to the Public Shareholders (i.e. Shareholders other than the Acquirers & promoter group shareholders) of Anil Products Limited., ("APL", "the Target Company") to acquire 19,53,234 Equity Shares of Rs. 10/- each, at a price of Rs 76.06/- (Rupees Seventy Six and Six Paise Only,) which includes price at Rs. 73.00 and simple interest @ 10% on Rs.73 from April 02, 2009 till date of payment of consideration under this offer. The offer is at a price of Rs. 76.06 (Rupees Seventy Six and Six Paise Only) (including an interest component of Three Rupees and Six Paise only), representing 20% of the issued, subscribed, paid up and voting capital of APL, after the exercise of warrants allotted on a preferential basis to the promoters group shareholders on April 11, 2009.
- 2.1.3** The Board of Directors of the company had in their meeting held on August 29, 2007 decided to convene an Annual General Meeting of the Shareholders on September 28, 2007 to consider allotment of 23,66,166 Equity Warrants on a preferential basis which entitles the holder of the warrants to get One (1) Equity Share of APL per warrant held within 18 months from the date of allotment at a price of Rs 60 per share and the members in the said Annual General Meeting approved the same. The Board of Directors allotted the warrants on October 12, 2007.
- 2.1.4** Out of the warrants allotted, 3,38,360 warrants were allotted to Bharti Consumer Marketing Pvt. Ltd., 3,83,320 warrants were allotted to Agallochun Investments Pvt. Ltd., 3,71,490 warrants were allotted to Aught Investments Pvt. Ltd., 3,59,660 warrants were allotted to Aseem Realty Pvt. Ltd., (now Anil Hospitality Ventures Ltd) 4,61,400 warrants were allotted to Abloom Investments Pvt. Ltd., (now Rahil Marketing Pvt. Ltd.,) 3,62,020 warrants were allotted to Agrani Marketing Ltd., and 89,916 warrants were allotted to Ascent Learning Pvt. Ltd., all forming part of the promoter group. The last date for exercise of conversion was April 11, 2009 and the shareholders have exercised their option to convert the warrants into shares on this date. They have paid Rs. 60 per share, which includes Rs. 6/- paid at the time of allotment of warrants. The premium paid per share is Rs. 50 per share. The preferential allotment was made in accordance with Sec 81(1A) of the Companies Act 1956 and the applicable provisions of the guidelines for preferential issue under SEBI (Disclosure and Investor Protection) Guidelines 2000 and subsequent amendments thereto. There are no partly paid Shares.
- 2.1.5** The paid up and voting capital of APL was 74,00,000 Equity Shares of Rs. 10/- each before the said conversion of warrants and the paid up and voting capital of APL after the conversion of warrants is 97,66,166 Equity Shares of Rs. 10/- each.
- 2.1.6** The purpose of the acquisition is to consolidate holding of the promoters / promoter group and compliance with Regulation 11(1) of the Regulations. There will not be any change in control over APL, consequent to this Offer. The Acquirers do not intend to make any changes in the Board of Directors / Management of APL.
- 2.1.7** As on the date of the PA, the promoters of the Acquirers forming part of the promoter group presently holds 66,42,706 Equity Shares constituting 68.02% of the paid up capital of APL. The promoter group of APL (including the Acquirers) together holds 67,12,286 Equity Shares of APL constituting 68.73% of the voting capital.
- 2.1.8** The promoter group of APL (including the Acquirers) were holding 43,46,120 Equity Shares, constituting 58.73% of the voting Capital, prior to exercise of warrants. After exercise of warrants, the holding of the Promoter Group, including the Acquirers is 67,12,286 Equity Shares constituting 68.73% of the expanded subscribed, paid up and voting equity share capital.
- 2.1.9** The Acquirers, the Target Company and its Promoters / Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken against them by SEBI.
- 2.1.10** Shri Shripal Sheth is the Chairman and Managing Director of APL and Shri Amol S Sheth is the Managing Director of APL and they represent all the Acquirers on the Board of APL. They shall recuse themselves and not participate in any matter concerning or relating to the offer in accordance with Regulation 22(9) of the Regulations.
- 2.1.11** Acquirers are hereby marking an open offer pursuant to and in compliance with the provisions of Regulation 11 (1) of the SEBI (SAST) Regulations, to the public shareholders of Anil products Limited to acquire 19,53,234 fully paid-up equity shares ('Shares') of Rs.10/- each representing 20% of the fully paid-up equity share capital at a price of Rs. 73.00

(Rupees Seventy Three only) per share('Offer Price') plus interest of Rs.3.06 per share, [Interest calculated @ 10% p.a. for delay in payment of consideration (as per table given below), payable in cash ('Offer') subject to the terms and conditions mentioned hereinafter.

### Computation of interest for delayed period

Date of the Conversion of Warrants into Equity shares	Proposed Date of payment of consideration for shares accepted	Delay in No. of days	Offer Price (Rs. Per share)	Rate of Interest p.a. (%)	Interest for the delayed period (Rs. per share)
11.04.2009	01.09.2009	153	73.00	10%	3.06

### 2.2 Details of the proposed Offer

**2.2.1** Acquirers has made a Public Announcement, as per Regulation 15 (1) of the Regulations, which was published in all editions of one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily published at the place where the registered office of the Target Company is situated and one regional language published at the place where the Equity Shares of the Target Company are most actively traded.

Newspaper	Language	Editions	Date of PA
Business Standard (covers all editions)	English	Mumbai, Delhi, Kolkata, Bhubaneswar, Pune, Bangalore, Chennai, Hyderabad , Lucknow, Chandigarh, Kochi & Ahmedabad editions	April 30, 2009
Business Standard	Hindi	Kolkata, Chandigarh, New Delhi, Patna, Bhopal, Mumbai and Lucknow edition	April 30, 2009
Lokmat	Marathi	Mumbai	April 30, 2009
Economic Times	Gujarati	Gujarat	April 30, 2009

**2.2.2** Further, a Corrigendum to the Public Announcement (CPA) was published on July 22, 2009 in the following news papers, where the Original Public Announcement was published.

Newspaper	Language	Editions	Date of CPA
Business Standard (covers all editions)	English	Mumbai, Delhi, Kolkata, Bhubaneswar, Pune, Bangalore, Chennai, Hyderabad , Lucknow, Chandigarh, Kochi & Ahmedabad editions	July 22, 2009
Business Standard	Hindi	Kolkata, Chandigarh, New Delhi, Patna, Bhopal, Mumbai and Lucknow edition	July 22, 2009
Lokmat	Marathi	Mumbai	July 22, 2009
Economic Times	Gujarati	Gujarat	July 22, 2009

**2.2.3** A copy of the Public Announcement and Corrigendum to the Public Announcement is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

**2.2.4** The offer is to acquire 19,53,234 Equity Shares of Rs. 10/- each, at a price of Rs. 76.06/- (Rupees Seventy Six and Six Paise Only) (which includes interest component of Three Rupees and Six Paise Only), representing 20% of the issued subscribed paid up and voting capital of APL, after the preferential allotment of 23,66,166 Equity Shares to the promoter group.

**2.2.5** There are no partly paid Shares

**2.2.6** The consideration will be paid in Cash. There is no differential price since entire consideration is payable in cash

**2.2.7** This is not a competitive bid

**2.2.8** This Offer is not conditional as to any minimum level of acceptance

**2.2.9** Since the cumulative holdings of the Promoters Group of APL (including Acquirers) is more than 55% of the paid up Equity Share Capital of the Target Company, the Acquirers / Promoter Group Shareholders of APL shall not make any further acquisitions of Equity Shares/voting rights in APL through market purchases or otherwise except through this open offer. Any upward revision of the Offer will be made at least 7 working days prior to the date of closure of the Offer and announced through a public announcement in same newspapers in which the original public announcement was made

- 2.2.10 Details of competitive bids, if any: No competitive Bid has been received.
- 2.2.11 Transwarranty Capital Pvt. Ltd., Manager to the Offer does not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer
- 2.2.12 There is no agreement by the Acquirers with any person/entity, in connection with this offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other person/entity proposes to take part in the acquisition.
- 2.2.13 The Acquirers and the other promoter group shareholders of APL have not acquired any Equity Shares of APL after the date of PA. The acquirers shall not acquire any further Equity Shares except under this offer, as the cumulative holdings of the promoters / persons in control of the Target Company is more than 55% of the issued and paid up Equity Share capital after the preferential allotment.

### 2.3 OBJECTS AND PURPOSE OF ACQUISITION AND FUTURE PLANS

- 2.3.1 The promoter group of APL holds 43,46,120 Equity shares of Rs. 10/- each comprising 58.73% of paid-up equity share capital of the company. The Board of Directors of the company had in their meeting held on August 29, 2007 decided to allotment of 23,66,166 Equity Warrants on a preferential basis which entitles the holder of the warrants to get One (1) Equity Share of APL per warrant held within 18 months from the date of allotment at a price of Rs 60/- per share. By virtue of this post conversion of preferential warrants, the holding of the promoter group (including Acquirers) increased from 43,46,120 to 67,12,286 Equity shares comprising from 58.73% to 68.73% which triggers the SEBI Take over code
- 2.3.2 The Post Preferential warrants conversion will result in substantial acquisition of equity shares and voting rights by the Acquirers under Regulation 11(1) accompanied with no change in control of the Target Company. The Acquirers making this Offer to the public shareholders of the Target Company in accordance with Regulation 11(1) of the SEBI (SAST) Regulations
- 2.3.3 After conclusion of the Open Offer, assuming full acceptances in the Offer, the Acquirers would hold 88.73% of the Voting Capital of APL
- 2.3.4 The object of the acquisition is substantial acquisition of shares of APL, resulting in consolidation of holdings of the promoters / promoter group.
- 2.3.5 Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth. The present activities will be continued. The additional infusion of funds through preferential allotment will enable APL to meet normal capital expenditure which is expected to enhance the financial position significantly
- 2.3.6 The Offer will not result in change in control of APL. There is No changes in the Board of Directors of APL are contemplated by the Acquirers, consequent to this acquisition.
- 2.3.7 The Acquirers do not have any plan to dispose off or otherwise encumber any assets of in the succeeding two years from the date of Closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders.
- 2.3.8 There is no conflict of interest or potential conflict of interest between the other ventures of the Acquirers and the Target Company.

### 3. BACKGROUND OF THE ACQUIRERS

- 3.1 The Acquirers are Bharti Consumer Marketing Pvt. Ltd., Agallochun Investments Pvt. Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd., (previously known as Aseem Realty Pvt. Ltd.) Rahil Marketing Pvt. Ltd., (previously known as Abloom Investments Pvt. Ltd.) Agrani Marketing Limited and Ascent Learning Pvt. Ltd, all corporate entities registered under the Companies Act, 1956.
- 3.2 There has been delay in making Public Announcement for acquisition of shares by Bharti Consumer Marketing Pvt Ltd., Agallochun Investments Pvt. Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd (previously known as Aseem Realty Pvt. Ltd.) Rahil Marketing Pvt. Ltd (previously known as Abloom Investments Pvt. Ltd.) Agrani Marketing Limited and Ascent Learning Pvt. Ltd. (hereinafter referred to as "Acquirers"). The Acquirers will opt for the Consent Scheme under SEBI Guidelines for Consent Orders for regularizing the delay made in complying with the provisions of the SEBI (SAST) Regulations, 1997. In case, Acquirers fails to fail the application with in the specified time, may initiate adjudication proceedings against the acquirers under section 15H of the SEBI Act, 1992.

#### 3.3 Bharti Consumer Marketing Pvt. Ltd.

- 3.3.1 Bharti Consumer Marketing Pvt. Ltd., was incorporated under the Companies Act, 1956 on October 22, 1997, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of dealing in all types of consumer materials, goods, and merchandise.



- 3.3.2 The Target company has been promoted by Shri Shripal C Sheth and Shri Amol S. Sheth
- 3.3.3 The main objects of Bharti Consumer Marketing Pvt. Ltd., are “To distribute, market, deal in all types and kinds of consumer materials, goods, articles, things and merchandise.”
- 3.3.4 The shares of Bharti are not listed on any stock exchange
- 3.3.5 The Board of Directors of Bharti Consumer Marketing Pvt. Ltd., as on date of the PA i.e. Thursday, April 30, 2009 is as under:

Name & Qualification	Experience	Date of Appointment	Residential Address
Shri Shripal C Sheth., BE (chemical)	More than 30 years experience in the food and chemical industry	09/09/2003	Plot No: 96/6, Koteshwar Village, Post Motera, Dist Gandhinagar – 382424
Shri Amol S Sheth (B.Com)	Involved in finance and business administration	06/04/1998	Plot No: 96/6, Koteshwar Village, Post Motera, Dist Gandhinagar – 382424

**Shri Amol S Sheth and Shri Shripal C Sheth represent the acquirers on the Board of Directors of APL and shall recuse themselves** and not participate in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.

- 3.3.6 The brief Audited Financials of Bharti Consumer Marketing Pvt. Ltd., for the last 3 years and unaudited results for the year ended March 31, 2009 (certified by the Auditor) is given below:

(Rs. in Lacs)

	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
<b>Profit &amp; Loss Statement</b>				
Sales Less Sales Returns	0.00	0.00	0.00	42.26
Other Income	4.58	4.99	3.20	3.36
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>4.58</b>	<b>4.99</b>	<b>3.20</b>	<b>45.62</b>
Total Expenditure	1.99	1.07	0.21	42.40
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	2.59	3.92	2.98	3.22
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	2.59	3.92	2.98	3.22
Profit Before Tax after Extraordinary income/Extra ordinary exp.	2.59	3.92	2.98	3.22
Less: Provision for Taxes	0.00	0.00	0.00	0.05
Profit After Tax Before Extraordinary items.	2.59	3.92	2.98	3.16
Profit After Tax after Extraordinary Items.	<b>2.59</b>	<b>3.92</b>	<b>2.98</b>	<b>3.16</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus( Excluding revaluation reserves, if any)	15.78	13.19	9.28	6.30
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
<b>Net Worth</b>	<b>16.78</b>	<b>14.19</b>	<b>10.28</b>	<b>7.30</b>

Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	51.73	23.77	0.00	0.00
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>68.51</b>	<b>37.96</b>	<b>10.28</b>	<b>7.30</b>
<b>Uses of funds</b>				
Net Fixed Assets	0.00	0.00	0.00	0.00
Investments	89.31	66.06	65.64	65.51
Net Current Assets	(20.79)	(28.10)	(55.38)	(58.23)
<b>Total</b>	<b>68.52</b>	<b>37.96</b>	<b>10.28</b>	<b>7.30</b>
<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-.) ( Net profit / no. of subscribed Equity Shares.	25.90	39.17	29.81	31.60
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	15.43	27.60	29.00	43.28
Book Value Per Equity Share (F.V. Rs.10)				
Net Worth divided by number of subscribed Equity Shares	167.80	141.90	102.77	73.00

The significant Accounting Policies of Bharti Consumer Marketing Pvt. Ltd., are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Items of Income and expenses are recognized on accrual basis.
- No provision for gratuity is made as the same will be made as and when due
- Investments are stated at cost.
- Inventory is valued at cost or market value whichever is lower.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

#### **Reasons for Decrease in Income / PAT during the year ended 31.03. 2009.**

Since all the income earned by the company was essentially from dividends and return on investments, the recessionary and volatile market conditions resulted in the company earning a lower income and Profit After Tax during the year ended March 31, 2009.

**3.3.7 Contingent Liabilities:** As on March 31, 2008, there are no contingent Liabilities not provided for by Bharti Consumer Marketing Pvt. Ltd.

**3.3.8** There are no pending litigations against Bharti Consumer Marketing Pvt. Ltd.

**3.3.9** The Acquirers, its Promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.

**3.3.10** Name and other Details of Compliance Officer: Not Applicable as Bharti Consumer Marketing Pvt. Ltd is a private limited company.

**3.3.11** There has been no change of name, merger/demerger, and spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company.

**3.3.12** Shareholding Pattern of Bharti Consumer Marketing Pvt. Ltd., as on the date of PA is as under:

<b>Name of Shareholder</b>	<b>Total Number of Shares</b>	<b>% of Shareholding</b>
Smt Asmita S Sheth	1500	15.00
Smt Payal A Sheth	1500	15.00
Shri Darshan C Mehta	100	1.00
Smt Jairaj Pednekar	100	1.00
Agranil Marketing Ltd	1900	19.00
Rahil Marketing Pvt. Ltd	1500	15.00
Aught Investments Pvt. Ltd	1900	19.00
Anil Hospitality Ventures Ltd	1500	15.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

**3.3.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380006 Tel. No 079 – 65125828 the Networth of Bharti Consumer Marketing Pvt. Ltd., as on March 31, 2009 is Rs. 16.78 Lacs.

**3.3.14** Shri Nimesh N Shah, (Membership Number:111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.

**3.3.15** The Board of Directors of Bharti, in their meeting held on 12<sup>th</sup> April 2009, has authorized Shri. Amol S Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.

**3.4 Agallochun Investments Pvt. Ltd**

**3.4.1** Agallochun Investments Pvt. Ltd., was incorporated under the Companies Act, 1956 on July 13, 1982, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of investing and acquiring moveable and immovable properties.

**3.4.2** The company has been promoted by Shri Shripal C Sheth and Shri Amol S Sheth.

**3.4.3** The main objects of Agallochun Investments Pvt. Ltd., are “To carry on the business as an holding and investment company and to purchase, underwrite, invest in acquire, hold trade or deal in immovable and moveable properties of all kinds in any part of the country and in particular lands, buildings, hereditaments, objects of art and decoration, gems, jewellery, precious stones and metals mortgages, charges, annuities, shares, stocks, debentures, debenture stocks, bonds, obligations, units, securities, patents, licenses concessions, options, produce, policies book debts, and claims and any interests in immovable and moveable property and any claims against such property or against any person or company and to vary all or any of the aforesaid investments.”

**3.4.4** The shares of Agallochun are not listed on any stock exchange.

**3.4.5** The Board of Directors of Agallochun Investments as on date of the PA i.e. Thursday, April 30, 2009 are:

<b>Name &amp; Qualification</b>	<b>Experience</b>	<b>Date of Appointment</b>	<b>Residential Address</b>
Shri Shripal C Sheth., BE (chemical)	More than 30 years experience in the food and chemical industry	20/04/1998	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424
Shri Amol S Sheth (B.Com)	Involved in finance and business administration	11/09/1987	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424

Shri Amol S Sheth and Shri Shripal C Sheth represent the acquirers on the Board of Directors of APL and shall recuse themselves and not participate in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.

3.4.6 The brief Audited Financials of Agallochun Investments Pvt. Ltd., for the last 3 years and unaudited results for the year ended March 31, 2009 (certified by the Auditors) is given below:

(Rs. In Lacs)

Profit & Loss Statement	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
Sales	0.00	0.00	0.00	0.00
Other Income	5.20	5.21	3.49	3.63
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>5.20</b>	<b>5.21</b>	<b>3.49</b>	<b>3.63</b>
Total Expenditure	2.37	1.20	0.11	0.49
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	2.83	4.01	3.37	3.14
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	2.83	4.01	3.37	3.14
Profit Before Tax after Extraordinary income/Extra ordinary exp.	2.83	4.01	3.37	3.14
Less: Provision for Taxes	0.00	0.00	0.00	0.00
Profit After Tax Before Extraordinary items.	2.83	4.01	3.37	3.14
Profit After Tax after Extraordinary Items.	<b>2.83</b>	<b>4.01</b>	<b>3.37</b>	<b>3.14</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus( Excluding revaluation reserves, if any)	14.96	12.13	8.11	4.74
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
<b>Net Worth</b>	<b>15.96</b>	<b>13.13</b>	<b>9.11</b>	<b>5.74</b>
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	23.19	21.37	0.00	0.00
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>39.15</b>	<b>34.50</b>	<b>9.11</b>	<b>5.74</b>
<b>Uses of funds</b>				
Net Fixed Assets	0.00	0.00	0.00	0.00
Investments	103.40	74.90	74.90	74.90
Net Current Assets	(64.25)	(40.40)	(65.78)	(69.16)
<b>Total</b>	<b>39.15</b>	<b>34.50</b>	<b>9.12</b>	<b>5.74</b>
<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-) (Net profit / no. of subscribed Equity Shares.)	28.30	40.12	33.72	31.36
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	17.73	30.55	36.98	54.60
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	159.60	131.28	91.16	57.44

The significant Accounting Policies of Agallochun Investments Pvt. Ltd., are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Items of Income and expenses are recognized on accrual basis.
- No provision for gratuity is made as the same will be made as and when due.
- Investments are stated at cost.
- Inventory is valued at cost.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable incomes

and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

### Reasons for Decrease in Income / PAT during the year ended 31.03.2009

Since all the income earned by the company was essentially from dividends and return on investments, the recessionary and volatile market conditions resulted in the company earning a lower income and Profit After Tax during the year ended March 31, 2009

- 3.4.7** Contingent Liabilities: As on March 31, 2008, there are no contingent Liabilities not provided for by Agallochun Investments Pvt. Ltd.
- 3.4.8** There are no pending litigations against Agallochun Investments Pvt. Ltd
- 3.4.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them
- 3.4.10** Name and other Details of Compliance Officer: Not Applicable as Agallochun Investments Pvt. Ltd is a private limited company
- 3.4.11** There has been no change of name, merger/demerger, and spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company
- 3.4.12** Shareholding Pattern of Agallochun Investments Pvt. Ltd., as on the date of PA is as under:

Name of Shareholder	Total Number of Shares	% of Shareholding
Smt Asmita S Sheth	1524	15.24
Shri Shripal C Sheth	24	0.24
Shreyas C Sheth	100	1.00
Shri Amol S Sheth	24	0.24
Smt Aanal S Sheth	14	0.14
Smt Shona S Sheth	14	0.14
Agranil Marketing Ltd	1500	15.00
Aught Investments Pvt Ltd	1500	15.00
Bharti Consumer Marketing Pvt Ltd	1900	19.00
Anil Hospitality Ventures Ltd	1900	19.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

- 3.4.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Agallochun Investments Pvt Ltd., as on March 31, 2009 is Rs. 15.96 Lacs.
- 3.4.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.
- 3.4.15** The Board of Directors of Agallochun, in their meeting held on 12<sup>th</sup> April 2009, has authorized Shri Amol S Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.

### 3.5 Aught Investments Pvt Ltd.

- 3.5.1** **Aught Investments Pvt Ltd.**, was, incorporated under the Companies Act, 1956 on July 13, 1982, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of investing and acquiring moveable and immovable properties.
- 3.5.2** The company has been promoted by Shri Shripal C Sheth and Shri Amol S Sheth.
- 3.5.3** The main objects of Aught Investments Pvt Ltd., are “ To carry on the business as an holding and investment company and to purchase, underwrite, invest in acquire, hold, trade or deal in immovable and moveable properties of all kinds in any part of the country and in particular lands, buildings, hereditaments, objects of art and decoration, gems, jewellery, precious stones and metals mortgages, charges, annuities, shares, stocks, debentures, debenture stocks,

bonds, obligations, units, securities, patents, licenses concessions, options, produce, policies book debts, and claims and any interests in immovable and moveable property and any claims against such property or against any person or company and to vary all or any of the aforesaid investments.”

3.5.4 The shares of Aught Investments Pvt. Ltd., are not listed on any stock exchange.

3.5.5 The Board of Directors of Aught Investments as on date of the PA i.e. Thursday, April 30, 2009 is as under:

Name & Qualification	Experience	Date of Appointment	Residential Address
Shri Shripal C Sheth., BE (chemical)	More than 30 years experience in the food and chemical industry	11/03/1997	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424
Shri Amol S Sheth (B.Com)	Involved in finance and business administration	01/06/1998	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424

**Shri Amol S Sheth and Shri Shripal C Sheth represent the acquirers on the Board of Directors of APL and shall recuse themselves** and not participate in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.

3.5.6 The brief Audited Financials of Aught Investments Pvt. Ltd., for the last 3 years and the unaudited results for the year ended March 31, 2009 (certified by the Auditor) is given below:

(Rs. in Lacs)

Profit & Loss Statement	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
Sales Less Sales Returns	0.00	53.99	35.35	128.23
Other Income	5.51	11.71	3.41	3.87
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>5.51</b>	<b>65.70</b>	<b>35.70</b>	<b>132.10</b>
Total Expenditure	2.16	54.84	35.23	128.48
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	3.35	10.86	4.79	3.62
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	3.35	10.86	4.79	3.62
Profit Before Tax after Extraordinary income/Extra ordinary exp.	3.35	10.86	4.79	3.62
Less: Provision for Taxes	0.00	1.45	0.50	0.10
Profit After Tax Before Extraordinary items.	3.35	9.41	4.29	3.52
Profit After Tax after Extraordinary Items.	<b>3.35</b>	<b>9.41</b>	<b>4.29</b>	<b>3.52</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus( Excluding revaluation reserves, if any)	27.96	24.61	15.20	10.92
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
<b>Net Worth</b>	<b>28.96</b>	<b>25.61</b>	<b>16.20</b>	<b>11.92</b>
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	317.41	21.70	1.33	4.00
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>346.37</b>	<b>47.32</b>	<b>17.53</b>	<b>15.92</b>
<b>Uses of funds</b>				
Net Fixed Assets	0.00	0.00	0.00	0.00
Investments	466.48	107.85	88.52	86.04
Net Current Assets	(120.09)	(60.54)	(70.99)	(70.12)
<b>Total</b>	<b>346.37</b>	<b>47.32</b>	<b>17.53</b>	<b>15.92</b>

<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-) ( Net profit / no. of subscribed Equity Shares.	33.50	94.10	18.41	35.21
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	11.57	36.73	26.45	28.57
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	289.60	256.13	162.04	119.18

The significant Accounting Policies of Aught Investments are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Items of Income and expenses are recognized on accrual basis.
- No provision for gratuity is made as the same will be made as and when due.
- Investments are stated at cost.
- Inventory is valued at cost or market value, whichever is lower.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

#### **Reasons for Decrease in Income/ PAT during the year ended March 31, 2009**

Since all the income earned by the company was essentially from dividends and return on investments, the recessionary and volatile market conditions resulted in the company earning a lower income and Profit After Tax during the year ended March 31, 2009.

- 3.5.7** Contingent Liabilities: As on March 31, 2008, there are no contingent Liabilities not provided for by Aught Investments Pvt Ltd.
- 3.5.8** There are no pending litigations against Aught Investments Pvt Ltd.
- 3.5.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.
- 3.5.10** Name and other Details of Compliance Officer: Not Applicable as Aught Investments Pvt Ltd is a private limited company.
- 3.5.11** There has been no change of name, merger/demerger, and spin off involving the Acquirers during last 3 years. Further the Acquirers are not a listed Company.
- 3.5.12** Shareholding Pattern of Aught Investments Pvt. Ltd., as on the date of PA is as under:

<b>Name of Shareholder</b>	<b>Total Number of Shares</b>	<b>% of Shareholding</b>
Smt Asmita S Sheth	1524	15.24
Shri Shripal C Sheth	124	1.24
Shri Amol S Sheth	24	0.24
Smt Aanal S Sheth	14	0.14
Smt Shona S Sheth	14	0.14
Smt Payal A Sheth	1500	15.00
Agranil Marketing Ltd	1900	19.00
Rahil Marketing Pvt. Ltd	1500	15.00
Bharti Consumer Marketing Pvt Ltd	1900	19.00
Anil Hospitality Ventures Ltd	1500	15.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

- 3.5.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Aught Investments Pvt. Ltd., as on March 31, 2009 is Rs. 28.96 Lacs.
- 3.5.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Parekh, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.
- 3.5.15** The Board of Directors of Aught Investments, in their meeting held on 12<sup>th</sup> April 2009, have authorized Shri Amol S Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.
- 3.6 Rahil Marketing Pvt. Ltd**
- 3.6.1** **Rahil Marketing Pvt. Ltd.**, was, incorporated under the Companies Act, 1956 as Abloom Investments Pvt. Ltd., on July 13, 1982, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of investing and acquiring moveable and immoveable properties. The name of the company was changed to its present name on December 11, 2008.
- 3.6.2** The company has been promoted by Shri Shalibhadra M Sheth and Shri Amol S Sheth.
- 3.6.3** The main objects of Rahil Marketing Pvt. Ltd., are “ To carry on the business as an holding and investment company and to purchase, underwrite, invest in acquire, hold, trade or deal in immoveable and moveable properties of all kinds in any part of the country and in particular lands, buildings, hereditaments, objects of art and decoration, gems, jewellery, precious stones and metals mortgages, charges, annuities, shares, stocks, debentures, debenture stocks, bonds, obligations, units, securities, patents, licenses concessions, options, produce, policies book debts, and claims and any interests in immovable and moveable property and any claims against such property or against any person or company and to vary all or any of the aforesaid investments.”
- 3.6.4** The shares of Rahil Marketing Pvt. Ltd., are not listed on any stock exchange
- 3.6.5** The Board of Directors of Rahil Marketing Pvt. Ltd., as on date of the PA i.e. Thursday, April 30, 2009 is as under:

<b>Name &amp; Qualification</b>	<b>Experience</b>	<b>Date of Appointment</b>	<b>Residential Address</b>
Shri Shalibhadra M Sheth. B.Sc	More than 34 years in business administration	09/12/2008	12/B Prerna Kutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Samprati M Sheth B.Sc	More than 38 years in finance and business administration	09/12/2008	19, Prernakutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Amol S Sheth (B.com)	Involved in finance and business administration	01/06/1998	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424

**Shri Amol S Sheth represents the acquirers on the Board of Directors of APL and shall recuse himself** and not participate in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.



3.6.6 The brief Audited Financials of Rahil Marketing Pvt. Ltd., for the last 3 years and the unaudited results for the year ended March 31, 2009 (certified by the Auditor) is given below:

(Rs. in Lacs)

Profit & Loss Statement	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
Sales Less Sales Returns	96.02	157.34	461.62	141.63
Closing Stock	0.00	2.60	0.50	0.00
Other Income	13.37	19.15	4.97	6.42
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>109.39</b>	<b>179.09</b>	<b>467.09</b>	<b>148.05</b>
Total Expenditure	95.60	165.13	459.63	143.07
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	13.80	13.96	7.46	4.99
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	13.80	13.96	7.46	4.99
Profit Before Tax after Extraordinary income/Extra ordinary exp.	13.80	13.96	7.46	4.99
Less: Provision for Taxes	0.00	0.06	1.00	0.50
Profit After Tax Before Extraordinary items.	13.80	13.90	6.46	4.49
Profit After Tax after Extraordinary Items.	<b>13.80</b>	<b>13.90</b>	<b>6.46</b>	<b>4.49</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus( Excluding revaluation reserves, if any)	47.55	33.75	19.85	13.40
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
<b>Net Worth</b>	<b>48.55</b>	<b>34.75</b>	<b>20.85</b>	<b>14.40</b>
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	3.12	3.12	3.26	2.46
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>51.67</b>	<b>37.87</b>	<b>24.11</b>	<b>16.86</b>
<b>Uses of funds</b>				
Net Fixed Assets	0.52	0.00	0.00	0.00
Investments	514.04	161.13	184.88	103.99
Net Current Assets	(462.87)	(123.26)	(160.77)	(87.13)
<b>Total</b>	<b>51.67</b>	<b>37.87</b>	<b>24.11</b>	<b>16.86</b>
<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-.) (Net profit / no. of subscribed Equity Shares.	138.00	138.97	64.56	44.87
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	28.42	40.00	30.95	31.17
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	485.50	347.50	208.50	143.98

The significant Accounting Policies of Rahil Marketing Pvt. Ltd., are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Items of Income and expenses are recognized on accrual basis.
- No provision for gratuity is made as the same will be made as and when due.
- Investments are stated at cost.
- Inventory is valued at cost or market value, whichever is lower.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable incomes

and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

- 3.6.7** Contingent Liabilities: As on March 31, 2008, there are no contingent Liabilities not provided for by Rahil Marketing Pvt. Ltd.
- 3.6.8** There are no pending litigations against Rahil Marketing Pvt. Ltd.
- 3.6.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.
- 3.6.10** Name and other Details of Compliance Officer: Not Applicable as Rahil Marketing Pvt. Ltd is a private limited company.
- 3.6.11** There has been no merger/demerger, spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company
- 3.6.12** Shareholding Pattern of Rahil Marketing Pvt Ltd., as on the date of PA is as under:

Name of Shareholder	Total Number of Shares	% of Shareholding
Smt Asmita S Sheth	1524	15.24
Shri Shripal C Sheth	24	0.24
Shri Shreyas C Sheth	100	1.00
Shri Amol S Sheth	24	0.24
Smt Aanal S Sheth	14	0.14
Smt Shona S Sheth	14	0.14
Smt Payal A Sheth	1500	15.00
Agranil Marketing Ltd	1500	15.00
Aught Investments Pvt Ltd	1500	15.00
Bharti Consumer Marketing Pvt Ltd	1900	19.00
Anil Hospitality Ventures Ltd	1900	19.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

- 3.6.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Rahil Marketing Pvt Ltd., as on March 31, 2009 is Rs. 48.55 Lacs.
- 3.6.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.
- 3.6.15** The Board of Directors of Rahil Marketing Pvt. Ltd., in their meeting held on 12<sup>th</sup> April 2009, have authorized Shri. Amol S Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.

### **3.7 Anil Hospitality Ventures Ltd**

- 3.7.1** **Anil Hospitality Ventures Ltd.**, was incorporated under the Companies Act, 1956 as Aseem Realty Private Ltd., on December 08, 1995, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of real estate and construction. The name of the company was changed on February 13, 2009.
- 3.7.2** The company has been promoted by Shri Shalibhadra M Sheth and Shri Amol S Sheth.
- 3.7.3** The main objects of Anil Hospitality Ventures Ltd., are “ To carry on in India or elsewhere the business as builders, constructors, designers, structural engineers, architectural engineers, civil engineers, estate organizers, contractors, sub-contractors, planners, estate agents, developers of all kind of construction work and real estate development work such as construction of commercial buildings, township, markets, industrial complexes, residential complexes, colonies, flats, societies, bungalows, quarters, townships, shops, roads, express highways, theaters, platforms, railway stations, sports, bus stops, hotels, motels, restaurants, swimming pools, hospitals, stadiums, Museums, schools, colleges, fun world, water parks, dams, bridges, canals, runways, power stations, warehouses, docks, buildings and all other types of

construction and real estate development work and for this purpose to acquire, purchase, own cut to size, develop, sell, handover, distribute or otherwise to deal in all sources of land and buildings.”

3.7.4 The shares of Anil Hospitality Ventures Ltd. are not listed on any stock exchange.

3.7.5 The Board of Directors of Anil Hospitality Ventures Ltd., as on date of the PA i.e. Thursday, April 30, 2009.

Name & Qualification	Experience	Date of Appointment	Residential Address
Shri Shalibhadra M Sheth. (B.Sc)	More than 34 years experience in Business Administration	12/04/2007	12/B Prerna Kutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Sunil N Sheth (B.Com)	More than 20 years experience in Business Administration	01/04/2008	B/73, Tirthbhumi, Sheikh-Khanpura, (Mithakali), Ahmedabad – 380 006
Shri Amol S Sheth (B.com)	Involved in finance and business administration	24/01/2008	Plot No: 96/6, Koteswar Village, Post Motera, Dist Gandhinagar – 382424

Shri Amol S Sheth represent the acquirers on the Board of Directors of APL and shall recuse himself and not participate in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer.

3.7.6 The brief Audited Financials of Anil Hospitality Ventures Ltd for the last 3 years and the unaudited results for the year ended March 31, 2009 ( certified by the Auditor) is given below:

(Rs. in Lacs)

Profit & Loss Statement	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
Sales Less Sales Returns	156.05	59.97	0.00	0.00
Other Income	30.86	5.34	8.82	10.71
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Increase / Decrease in Stock</b>	<b>(2.02)</b>	<b>6.26</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Income</b>	<b>184.89</b>	<b>76.86</b>	<b>8.82</b>	<b>10.71</b>
Total Expenditure	266.46	129.56	4.99	0.89
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	(81.57)	(52.70)	3.82	0.89
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	(81.57)	(52.70)	3.82	0.89
Profit Before Tax after Extraordinary income/Extra ordinary exp.	(81.57)	(52.70)	3.82	0.89
Less: Provision for Taxes	0.00	0.12	0.25	2.40
Profit After Tax Before Extraordinary items.	(81.57)	(52.82)	3.67	7.41
Profit After Tax after Extraordinary Items.	<b>(81.57)</b>	<b>(52.82)</b>	<b>3.67</b>	<b>7.41</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	60.00	51.00	1.00	1.00
Share Application Money	268.20	0.00	0.00	0.00
Reserves & Surplus / Share Premium	61.95	0.00	9.14	5.47
Less: Misc. Expenses not written off	1.05	44.41	0.00	0.00
<b>Net Worth</b>	<b>389.10</b>	<b>6.59</b>	<b>10.14</b>	<b>6.47</b>
Secured Loans	223.53	123.78	0.00	0.00
Unsecured Loans	52.99	269.30	53.19	60.10
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>665.62</b>	<b>399.67</b>	<b>63.33</b>	<b>66.57</b>
<b>Uses of funds</b>				
Net Fixed Assets	416.96	350.44	0.00	0.00
Work In Progress	0.00	18.12		
Investments	91.88	90.43	68.85	68.86
Net Current Assets	29.20	(59.33)	(55.27)	(2.29)
Pre-operative Expenses	1.60	0.00	0.00	0.00
<b>Profit &amp; Loss Account ( Debit Balance)</b>	<b>125.98</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>665.62</b>	<b>399.67</b>	<b>63.33</b>	<b>66.57</b>

<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-) (Net profit / no. of subscribed Equity Shares.	-	-	36.73	74.16
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	-	-	36.21	114.62
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	-	-	101.43	64.70

The significant Accounting Policies of Anil Hospitality Ventures Ltd., are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India.
- Sales comprise food and beverages (indoor and outdoor catering), design and stationary materials. Revenue is recognized upon rendering of the services in respect of food and beverages and when the property is passed on to the buyer.
- Fixed Assets are stated at cost less depreciation / amortization and impairment losses, if any.
- In respect of assets of the company, depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except for Crockery for which depreciation is provided at 25% on Straight Line Method.
- Inventories are carried at cost computed on weighted average basis or net realization value, whichever is low.
- Long Term Investments are stated at cost. Current investments are carried at the lower of cost and fair value, determined on a category-wise basis.
- Transactions in foreign currencies are recorded at the exchange prevailing on the date of transaction.

#### **Reasons for Decrease in Income and Increase in Loss during the year ended March 31, 2009**

Since the company is only into its first full year of operations in the new business, sales are yet to pick up and margins are also less. The company also earns its income from investment income and due to the recessionary market conditions; the company has not been able to register high income / Profits.

- 3.7.7** Contingent Liabilities: As on March 31, 2008, there are no contingent Liabilities not provided for by Anil Hospitality Ventures Ltd.
- 3.7.8** There are no pending litigations against Anil Hospitality Ventures Ltd.
- 3.7.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.
- 3.7.10** Name and other Details of Compliance Officer: Not Applicable as Anil Hospitality Ventures Ltd., is not a listed company.
- 3.7.11** There has been no merger/demerger, spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company.
- 3.7.12** Shareholding Pattern of Anil Hospitality Ventures Ltd., as on the date of PA is as under:

<b>Name of Shareholder</b>	<b>Total Number of Shares</b>	<b>% of Shareholding</b>
Smt Asmita S Sheth	1500	0.25
Shri Shripal C Sheth	100	0.02
Shri Amol S Sheth	100	0.02
Smt Payal A Sheth	1500	0.25
Agranil Marketing Ltd	219900	36.65
Aught Investments Pvt Ltd	151900	25.32
Bharti Consumer Marketing Pvt Ltd	1500	0.25
Rahil Marketing Pvt. Ltd	160500	26.75
Aahar Products Pvt Ltd	63000	10.50
<b>Total</b>	<b>600,000</b>	<b>100.00</b>

- 3.7.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Anil Hospitality Ventures Ltd., as on March 31, 2009 is Rs. 379.08 Lacs and as per Draft offer document is Rs.389.10 Lacs considering share application money while calculating Networth an accounted investment on Book value.
- 3.7.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.
- 3.7.15** The Board of Directors of Anil Hospitality Ventures Ltd., in their meeting held on 12<sup>th</sup> April 2009, have authorized Shri. Shalibhadra M Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.

### 3.8 Agranil Marketing Ltd

- 3.8.1** **Agranil Marketing Ltd.**, was incorporated under the Companies Act, 1956 as Agranil Marketing Private Ltd., on March 30, 1994, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the business of marketing chemical products. The company was converted into a public limited company on November 19, 1998
- 3.8.2** The company has been promoted by Shri Shripal C Sheth and Shri Amol S Sheth.
- 3.8.3** The main objects of Agranil Marketing Ltd are “To market, deal in trade, act as commission agents, distributors, importers, exporters of chemicals, dyes dyestuffs, intermediaries, starch, Glucose, Dextrose, Dextrine, enzymes, textile auxiliaries, chemical auxiliaries, petrochemicals, heavy chemicals, petroleum products, acids, alkalies, derivatives, chemical compounds, chemical products of any nature.”
- 3.8.4** The shares of Agranil Marketing Ltd., are not listed on any stock exchange.
- 3.8.5** The Board of Directors of Agranil Marketing Ltd., as on date of the PA i.e. Thursday, April 30, 2009 is as under:

Name & Qualification	Experience	Date of Appointment	Residential Address
Shri Shalibhadra M Sheth. (B.Sc)	More than 34 years of experience in business administration	09/09/2003	12/B Prerna Kutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Samprati M Sheth. (B.Sc)	More than 38 years of experience in finance and business administration	12/04/2007	19, Prernakutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Minesh N Sheth (B.Com)	More than 25 years of experience in business administration.	01/04/2008	A/4, Archana park, Navrangpura, Ahmedabad - 380 009

- 3.8.6** The brief Audited Financials of Agranil Marketing Ltd., for the last 3 years and the unaudited results for the year ended March 31, 2009 (certified by the Auditor) is given below:

(Rs. in Lacs)

	Unaudited	Audited		
Profit & Loss Statement	2008-09	2007-08	2006-07	2005-06
Sales Less Sales Returns	1972.67	326.96	9.72	1395.19
Other Income	10.70	7.55	5.21	21.02
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Increase / Decrease in Stock</b>	<b>22.33</b>	<b>225.70</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Income</b>	<b>2005.70</b>	<b>560.23</b>	<b>14.93</b>	<b>1416.21</b>
Total Expenditure	2004.49	559.09	20.82	1399.64
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	1.21	1.14	(5.88)	16.56
Depreciation	0.00	0.00	0.00	0.00
Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	1.21	1.14	(5.88)	16.56
Profit Before Tax after Extraordinary income/Extra ordinary exp.	1.21	1.14	(5.88)	16.56
Less: Provision for Taxes	0.00	(0.50)	0.06	4.50
Profit After Tax Before Extraordinary items.	1.21	1.64	(5.42)	11.93

Profit After Tax after Extraordinary Items.	1.21	1.64	(5.42)	11.93
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	5.00	5.00	5.00	5.00
Reserves & Surplus( Excluding revaluation reserves, if any)	26.31	25.10	23.45	28.87
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
<b>Net Worth</b>	<b>31.31</b>	<b>30.10</b>	<b>28.45</b>	<b>33.37</b>
Share Application Money	0.25	0.25	0.25	0.25
Secured Loans	549.08	1.94	6.11	11.80
Unsecured Loans	0.00	0.00	100.00	0.00
Deferred tax liability	0.00	0.00	0.50	1.03
<b>Total</b>	<b>580.64</b>	<b>32.29</b>	<b>135.32</b>	<b>46.95</b>
<b>Uses of funds</b>				
Net Fixed Assets	5.96	5.38	6.03	9.04
Investments	931.80	104.65	83.43	83.43
Net Current Assets	(357.12)	(77.74)	45.87	(45.52)
<b>Total</b>	<b>580.64</b>	<b>32.29</b>	<b>135.32</b>	<b>46.95</b>
<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-) ( Net profit / no. of subscribed Equity Shares.	2.42	3.29	-	23.86
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	3.86	4.69	-	35.73
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	62.62	60.20	56.90	67.75

The significant Accounting Policies of Agrani Marketing Ltd., are as under

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Items of Income and expenses are recognized on accrual basis.
- Investments are stated at cost.
- Inventory is valued at cost or market value, whichever is lower.
- Fixed Assets are stated at cost less depreciation. Depreciation is provided under Straight Line Method and at the rates specified in Schedule XIV of the Companies Act, 1956.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

#### Reasons for Increase in Income / PAT during the year ended March 31, 2009

The company has registered higher sales during the last year and there has also been an increase in the income from dividend and interest on its investments. Hence, the company has registered an increase in Income and PAT during the year ended March 31, 2009.

- 3.8.7** Contingent Liabilities: As on March 31, 2008, there are no contingent Liabilities not provided for by Agrani Marketing Ltd.
- 3.8.8** There are no pending litigations against Agrani Marketing Ltd.
- 3.8.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.
- 3.8.10** Name and other Details of Compliance Officer: Not Applicable as Agrani Marketing Ltd., is not a listed company.

**3.8.11** There has been no change of name, merger/demerger, and spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company.

**3.8.12** Shareholding Pattern of Agrani Marketing Ltd., as on the date of PA is as under:

Name of Shareholder	Total Number of Shares	% of Shareholding
Smt Asmita S Sheth	625	1.25
Shri Shripal C Sheth	625	1.25
Shri Amol S Sheth	625	1.25
Smt Payal A Sheth	20625	41.25
Aught Investments Pvt Ltd	7500	15.00
Rahil Marketing Pvt. Ltd	10000	20.00
Anil Hospitality Ventures Ltd	10000	20.00
<b>Total</b>	<b>50000</b>	<b>100.00</b>

**3.8.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Agrani Marketing Ltd., as on March 31, 2009 is Rs. 31.31 Lacs.

**3.8.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.

**3.8.15** The Board of Directors of Agrani Marketing Ltd., in their meeting held on 12<sup>th</sup> April 2009, have authorized Shri. Shalibhadra M Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.

### 3.9 Ascent Learning Pvt Ltd

**3.9.1** **Ascent Learning Pvt Ltd.**, was incorporated under the Companies Act, 1956 as Shripal Trade link Private Ltd., on November 16, 1998, with its registered office at 301, Aniket, C G Road, Navrangpura, Ahmedabad – 380 009 and is in the field of education. The name of the company was changed to its present name on November 29, 2001.

**3.9.2** The company has been promoted by Shri Shalibhadra M Sheth and Shri Minesh N Sheth.

**3.9.3** The main objects of Ascent Learning Pvt Ltd are “To carry on the business as Marketing agent, Commission agent and to deal in and to do marketing, importing, exporting, trading, indenting, broking agent for chemicals, Petro chemicals, starches, modified starches, cattle foods, fertilizers, agro products, food products, consumer products, starches, starches of all kinds and to be made there from and to buy, sell, import, export, distribute and deal in these products”.

**3.9.4** The shares of Ascent Learning Pvt Ltd., are not listed on any stock exchange.

**3.9.5** The Board of Directors of Ascent Learning Pvt Ltd., as on date of the PA i.e. Thursday, April 30, 2009.

Name & Qualification	Experience	Date of Appointment	Residential Address
Shri Shalibhadra M Sheth. (B.Sc)	More than 34 years experience in business administration	30/09/2005	12/B Prerna Kutir, Bodakdev Vastrapur, Ahmedabad – 380 015
Shri Minesh N Sheth (B.Com)	More than 25 years experience in business administration.	01/04/2008	A/4, Archana park, Navrangpura, Ahmedabad – 380 009

**3.9.6** The brief Audited Financials of Ascent Learning Pvt. Ltd., for the last 3 years and the unaudited results for the year ended March 31, 2009 (certified by the Auditor) is given below:

(Rs. in Lacs)

Profit & Loss Statement	Unaudited	Audited		
	2008-09	2007-08	2006-07	2005-06
Income	39.93	54.47	40.02	51.34
Other Income	0.00	0.00	0.00	0.05
Extra Ordinary Income	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>39.93</b>	<b>54.47</b>	<b>40.02</b>	<b>51.39</b>
Total Expenditure	34.13	45.29	37.90	40.96
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	5.80	9.18	2.12	10.42
Depreciation	0.00	0.00	0.00	0.00

Interest & Fin charges	0.00	0.00	0.00	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	5.80	9.18	2.12	10.42
Profit Before Tax after Extraordinary income/Extra ordinary exp.	5.80	9.18	2.12	10.42
Less: Provision for Taxes	0.00	1.11	0.30	0.97
Profit After Tax Before Extraordinary items.	5.80	8.07	1.82	9.45
Profit After Tax after Extraordinary Items.	<b>5.80</b>	<b>8.07</b>	<b>1.82</b>	<b>9.45</b>
<b>Balance Sheet Statement</b>				
<b>Sources of funds</b>				
Paid up Equity Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus( Excluding revaluation reserves, if any)	0.34	0.00	0.00	0.00
Less: Misc. Expenses not written off	0.00	0.00	0.01	0.02
<b>Net Worth</b>	<b>1.34</b>	<b>1.00</b>	<b>0.99</b>	<b>0.98</b>
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	63.31	52.83	60.69	60.19
Deferred tax liability	0.00	0.00	0.00	0.00
<b>Total</b>	<b>64.65</b>	<b>53.83</b>	<b>61.68</b>	<b>61.17</b>
<b>Uses of funds</b>				
Net Fixed Assets	0.85	0.89	0.12	0.16
Investments	23.07	23.07	22.10	21.90
Net Current Assets	40.73	24.40	25.93	23.75
<b>Profit &amp; Loss Account</b>	<b>0.00</b>	<b>5.46</b>	<b>13.53</b>	<b>15.36</b>
<b>Total</b>	<b>64.65</b>	<b>53.83</b>	<b>61.68</b>	<b>61.17</b>
<b>Other Financial Data</b>				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share (Rs 10/-.) (Net profit / no. of subscribed Equity Shares.	58.00	80.72	18.29	94.55
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	433.20	807.24	184.77	964.75
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	13.38	10.00	9.9	9.8

The significant Accounting Policies of Ascent Learning Pvt. Ltd., are as under:

- The financial statements are prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles and accounting standards issued by the Instituted of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- Income from Franchise fees and Franchise Expenses are recognized as and when due. In case of Royalty Income and other items of Income and Expenses are recognized on accrual basis.
- Investments are stated at cost.
- No provision for gratuity is made as the same will be made as and when due.
- Fixed Assets are stated at cost less depreciation. Depreciation is provided under Straight Line Method and at the rates specified in Schedule XIV of the Companies Act, 1956.
- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

#### **Reasons for Decrease in Income/ PAT during the year 12 month ended March 31, 2009**

Since all the income earned by the company was essentially from dividends and return on investments, the recessionary and volatile market conditions resulted in the company earning a lower income and Profit After Tax during the year ended March 31, 2009.

**3.9.7** Contingent Liabilities: As on March 31, 2008, there are no contingents Liabilities not provided for by Ascent Learning Pvt Ltd.



- 3.9.8** There are no pending litigations against Ascent Learning Pvt Ltd.
- 3.9.9** The Acquirers, its promoters/Directors, have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken by SEBI against them.
- 3.9.10** Name and other Details of Compliance Officer: Not Applicable as Ascent Learning Pvt. Ltd. is not a listed company.
- 3.9.11** There has been no change of name, merger/demerger, and spin off involving the Acquirers during last 3 years. Further the Acquirers is not a listed Company.
- 3.9.12** Shareholding Pattern of Ascent Learning Pvt Ltd., as on the date of PA is as under:

<b>Name of Shareholder</b>	<b>Total Number of Shares</b>	<b>% of Shareholding</b>
Smt Asmita S Sheth	125	1.25
Shri Shripal C Sheth	125	1.25
Shri Amol S Sheth	125	1.25
Smt Payal A Sheth	4125	41.25
Aught Investments Pvt Ltd	1500	15.00
Abloom Investments Pvt Ltd	2000	20.00
Aseem Realty Pvt Ltd	2000	20.00
<b>Total</b>	<b>10000</b>	<b>100.00</b>

- 3.9.13** As per Certificate dated April 27, 2009, Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Ascent Learning Pvt Ltd., as on March 31, 2009 is Rs. 1.34 Lacs.
- 3.9.14** Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that all the Acquirers together have adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.
- 3.9.15** The Board of Directors of Ascent Learning Pvt. Ltd., in their meeting held on 12<sup>th</sup> April 2009, have authorized Shri. Shalibhadra M Sheth, Director, to sign this Letter of Offer on behalf of the Acquirers.
- 3.10** The Acquirers have not entered into any agreement amongst themselves with regard to the Acquisition/Offer.

**3.11 Brief details of the Acquirers is given hereunder**

<b>Name, Address and Contact Details</b>	<b>Relationship Amongst Acquirers</b>	<b>Net Worth as Certified by Chartered Accountants (In Rs. Lacs)-As on 31.3.09</b>
Bharti Consumer Marketing Pvt Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL.	16.78
Agallochun Investments Pvt. Ltd. 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL.	15.96
Aught Investments Pvt Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL.	28.96
Rahil Marketing Pvt Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL.	48.55
Anil Hospitality Ventures Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL	379.08

Agranil Marketing Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL	31.31
Ascent Learning Pvt Ltd 301, Aniket C G Road Navrangpura Ahmedabad – 380009 Tel: 079 – 6424388	An entity promoted by Shri Amol C Sheth, who is the promoter of other acquirers and the target company, APL	1.34

**3.12** The filing of returns under Chapter II of SEBI (SAST) Regulations was made by the acquirers as well as by the other shareholders of the promoter group on time for all the years beginning 1997, the year in which the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations were notified.

**3.13** The Acquirers has not made any earlier acquisitions in the Target company except as disclosed in the Letter of Offer (LOO)

**3.14 Compliance with Regulation 21(2) & Clause 40A of the Listing Agreement:**

The Acquisition of 20% Equity Shares of the Target Company by the Acquirers under this Offer together with the Equity Shares being held by the promoter group Shareholders of APL will result in public Shareholding falling below the level required for continued Listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 11.27% of the voting Capital. If consequent to the open offer, the public holding falls below the level required for continued listing, then the Acquirer/Promoter Group Shareholders/Target Company will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein.

**3.15 FUTURE PLANS OF THE ACQUIRERS WITH RESPECT TO APL**

The Acquirers as a part of the promoter group, proposes to continue with the existing activities of manufacturing basic starch through the corn wet milling process by APL. The Acquirers and the Promoters are confident of utilizing their experience to ensure sustained growth.

**4. BACKGROUND OF THE TARGET COMPANY**

**4.1 DETAILS**

**4.1.1** Anil Products Limited (APL) was incorporated on July 23, 1993 as Akhut Investments Pvt. Ltd., with the Registrar of Companies, Gujarat. The word private was deleted under Section 43A(1) of the Companies Act, 1956 on December 26, 1994. The name of the company was subsequently changed to Anil Starch Specialties Ltd., (a deemed public company) on February 09, 1996 and **was once again changed to Anil Products Ltd., on December 07, 2001.** Vide Order dated 6<sup>th</sup> November 2001, of the Hon'ble High Court of Gujarat, Ahmedabad, the starch divisions and non-starch divisions of Anil Starch Products Ltd., a group company, were demerged, and the properties of the non-starch division was transferred to another entity Anil Starch Marketing Limited and **the properties, rights and powers of the starch division of Anil Starch Products were transferred to the target company, then known as Anil Starch Specialties Ltd.** Anil Starch Products Ltd., was a listed company and the shares of this company were listed on the Ahmedabad Stock Exchange on June 30, 1959. APL obtained an exemption from SEBI under Rule 19(2)(b) of the Securities Contract Regulation (Rules) 1957 vide letter No: PMD/SNB/873/2003 Dated May 05, 2003 from making an IPO to list its shares. APL has been in business of processing starch for food industry since 1939. APL currently manufactures basic starch through Corn wet milling process with a grinding capacity at 550 tons per day. The starch is further modified into several down stream products through further processes so as to enable the company to produce a large range of modified starches and specialty starches. The Company has its factory at Naroda in Ahmedabad. The Registered Office of APL is situated at P O Box 10009, Anil Road, Ahmedabad – 380 025. The Equity Shares of APL are currently listed on ASE and BSE.

**4.1.2** In order to part finance the expansion activities and meet the growth demands of its envisaged activities, the company had allotted 23,66,166 Equity Warrants convertible into Equity Shares at a price of Rs. 60/- per share anytime within 18 months from the date of issue i.e. October 12, 2007 on a preferential basis to the promoter group.

**4.1.3** The Authorised Capital of APL is Rs. 2000 Lacs, divided into 200,00,000 Equity Shares of Rs 10/- each. The paid up Equity Share Capital before the Preferential Allotment was 74,00, 000 Equity Shares of Rs. 10/- each aggregating Rs. 740.00 Lacs. All the outstanding Equity Shares are fully paid up. After inclusion of the conversion of warrants into equity shares, the paid up capital of APL is 97,66,166 Equity Shares of Rs. 10 each aggregating Rs. 976.61Lacs. All the Equity Shares except the 23,66,166 Equity shares allotted pursuant to conversion of warrants are listed. All the equity shares except 23,66,166 equity shares allotted on a preferential basis have been admitted for trading. APL has made an application to the Ahmedabad Stock Exchange and Bombay Stock Exchange Ltd for the listing of the 23,66,166 shares allotted on the conversion of warrants into equity shares allotted on a preferential basis and has received "in-principle" approval from the Ahmedabad Stock Exchange vide its Letter No: ASEL/2007/979 dated October 03, 2007. Bombay Stock Exchange has advised the company vide its letter No: DCS/PREF/SP/GEN/

3698/07/08 dated March 27, 2008 to approach the exchange with the listing application within one month from the date of allotment of equity shares upon conversion of the warrants, so issued.

- 4.1.4** APL is promoted by Shri Shripal C Sheth and Shri Amol S Sheth. As on date of this Public Announcement, the promoter group/persons in control, hold 67,12,286 Equity Shares, constituting 68.73% of the issued and paid up capital.
- 4.1.5** The Directors of APL are Shri Shripal C Sheth (Chairman And Managing Director), Shri Amol S Sheth (Managing Director), Shri Kamal R Sheth (Non Executive and Independent director), Shri Anish K Shah (Non Executive and Independent Director) and Dr Indiraben J Parikh (Non executive and independent).
- 4.1.6** APL has, as its main objects, "To carry on business as manufacturers of starches, its bye-products, down stream products and all related and allied products of starches and as manufacturers of modified starches and soluble starches, manufacturers of glucose, dextrans and industrial adhesives, manufacturers of flours, starches and other products for edible purposes, millers and flour merchants, manufacturers of cattle foods, feeding and fattening preparations of every description, extractors of oils and or other products from any oil bearing substances, manufacturers of all kinds food products for human beings, manufactures of manures and fertilizers, tallow merchants and to manufacture, buy, sell and deal in starches, modified starches, glucose, dextrans, industrial adhesives, starches and flours for edible purposes, cattle-foods, feeding and fattening preparations of every description, oils, milk powders and condensed milk and manures and fertilizers and to supply power and be interested in paper mills, farms and dairies and in rearing of cattle and to produce and deal in all products and goods related with the above products, either in India or abroad."
- 4.1.7** APL is presently engaged in the manufacture of Corn Wet Milling products. APL is one of the oldest and largest Corn Wet Milling Unit in the country producing the entire range of unmodified starch, modified starch from basic maize starch and down stream products like Liquid Glucose, Dextrose Monohydrate, Anhydrous Dextrose, Sorbitol etc., having an installed Capacity of 550 TPD of Corn Wet Milling Products.
- 4.1.8** APL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form and is traded in compulsory demat mode. The Marketable lot for the Shares of APL is 1 (one only). The ISIN Number is INE 125E01019.
- 4.1.9** APL has fixed assets valued at Rs. 10,115.00 Lacs as at the end of March 31, 2009 and the fixed assets comprised of Land, Building, Plant and Machinery, Capital Work-in-Progress, Furniture, Computer, Other Office Equipment, and Vehicles.
- 4.1.10** APL has no Subsidiaries.
- 4.1.11** APL is not a Sick Industrial Company.
- 4.1.12** The Acquirers has not made any other acquisitions of the shares except as disclosed in this Letter of Offer.
- 4.1.13** The Equity Shares of APL are presently listed at ASE and BSE. The Shares are not admitted as a permitted security at any other Stock Exchange.
- 4.1.14** APL has no arrears of listing fee to Stock Exchanges. APL has been complying with the listing requirements of the Stock Exchanges. No action has so far been taken by the Stock Exchanges or SEBI against APL, its Directors or Promoters.
- 4.1.15** The filing of returns under Chapter II of SEBI (SAST) Regulations has been made without any delay from 1997, the year of notification of the SEBI (SAST) Regulations, (by Anil Starch Products Ltd., till the year 2001 and thereafter by APL the target company, into which the starch division of Anil Starch Products Ltd., was, merged vide Order of the Hon'ble High Court of Gujarat.). However there were certain inter-se transfers in the year 2002 amongst the promoters, for which necessary intimation was given to the stock exchange. The shares of APL were listed in the Ahmedabad Stock Exchange on 05.01.2004, hence prior to this date SEBI (SAST) Regulations were not applicable.
- 4.1.16** APL is complying with the provisions of Clause 49 of the Listing Agreement.
- 4.1.17** There has not been any merger or demerger or spin-off of activity in the preceding 3 years.
- 4.1.18** APL has no overdue liabilities to Banks/FIs. There are no pending litigations against the target company; however certain matters are under appeal in Income tax, excise and sales tax departments. The disputed sales tax amounts to Rs. 92.13 Lacs, disputed excise duty amounts to Rs. 400.22 Lacs and disputed income tax amounts to Rs. 22.12 Lacs.
- 4.1.19** The Compliance Officer of APL is Shri Amol S. Sheth, Residing at 96/6, Koteshwar Farm House, P. O. Motera, Gandhinagar -382424. Tel No: 079-2642-4388/89; Fax No: 079-22200731 Email id: amol.sheth@anil.co.in who will be available at the Registered Office of APL and shall attend to all investor grievances.

## 4.2 Equity Share Capital History

### 4.2.1 Equity Share Capital Structure of APL as on the date of PA

Paid up Equity Shares of APL	No. of Shares	% of Shares	Voting Rights	% of voting rights.
Fully paid up Equity Shares	97,66,166	100.00	97,66,166	100.00
Partly paid up Equity Shares	0.00	0.00	0.00	0.00
Total paid up Equity Shares	97,66,166	100.00	97,66,166	100.00
Total voting rights in Target Company	97,66,166	100.00	97,66,166	100.00

### 4.2.2 Build Up of Share Capital

#### 4.2.2.1 Build up of Authorized Equity Share Capital

(Amount in Rs.)

Date	From	To	Authorized Capital after enhancement
On Incorporation	2,00,000	-	2,00,000
19/02/1998	2,00,000	1,00,00,000	1,00,00,000
14/03/2001	1,00,00,000	1,25,00,000	1,25,00,000
23/11/2001	1,25,00,000	7,50,00,000	7,50,00,000
12/05/2006	7,50,00,000	20,00,00,000	20,00,00,000

#### 4.2.2.2 Build up of Current paid up Capital [Promoter Group]

1. Built up of the capital structure of APL since inception and the disclosure status of compliance with applicable provisions of SEBI (SAST) Regulations and other statutory requirements as applicable are as follows

Date of allotment	No. and % of Shares Issued	Face Value (Rs.)	Cumulative Shares	Mode of allotment	Identity of allottees	Status of compliance
On incorporation 23/07/1993	2	10	2	Preferential Allotment	Promoters/ promoter group Shareholders	SEBI (SAST) Regulations 1997 not applicable.
29/12/1993	498	10	500	Further Preferential Allotment	Promoters/ promoter group Shareholders	Unlisted Company SEBI (SAST) Regulations 1997 not applicable.
18/01/1994	1500	10	2000	Further Preferential Allotment	Promoters/ promoter group Shareholders	Unlisted Company SEBI (SAST) Regulations 1997 not applicable.
11/07/1994	6500	10	8500	Further Preferential Allotment	Promoters/ promoter group Shareholders	Unlisted Company SEBI (SAST) Regulations 1997 not applicable.
30/05/1998	820000	10	828500	Further Preferential Allotment	Promoters/ promoter group Shareholders	Unlisted Company SEBI (SAST) Regulations 1997 not applicable.
16/3/2001	400000	10	12,28,500	Further Preferential Allotment	Promoters/ promoter group Shareholders	Unlisted Company SEBI (SAST) Regulations 1997 not applicable.

<b>Action on account of High Court Order</b>						
16/3/2001	(828500)	10	4,00,000	-	Promoters/ promoter group Shareholders	Shares held by promoters cancelled vide Order of the High Court of Gujarat, pursuant to Amalgamation.
30/03/2002	39,46,120	10	43,46,120	Issued in consideration to the shareholders of Anil Starch Specialties Ltd	Promoters/ promoter group Shareholders	Unlisted Company, Further SEBI (SAST) Regulations 1997 not applicable as it is pursuant to the Order of the Hon'ble High Court of Gujarat, due to restructuring and amalgamation.

## 2. Build Up Capital of Anil Products Limited Post Listing – Listed on 05.01.2004

Date of allotment	No. and % of Shares Issued	Face Value (Rs.)	Cumulative Shares	Mode of allotment	Identity of allottees	Status of compliance
11/04/09	23,66,166	10	67,12,286	Preferential Allotment	Promoter / Promoter Group Shareholders	SEBI (SAST) Regulations, 1997 applicable as the acquisition is in excess of the limits under Regulation 11(1). This open offer is in compliance.

## 3. Inter-Se Transfer Detail

Date of allotment	No. and % of Shares Issued	Face Value (Rs.)	Cumulative Shares	Mode of allotment	Identity of allottees	Status of compliance
06/09/2002	34,790 (0.47% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst individual promoters	Promoter and promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004
08/09/2002	5,88,170 (7.94% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
10/09/2002	8,91,270 (12.04% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
13/09/2002	3,39,060 (4.58% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
23/09/2002	3,90,160 (5.27% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.

24/09/2002	7,50,000 (10.13% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
14/09/2002	4,99,640 (6.81% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
24/09/2002	1,58,680 (2.14% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	SEBI (SAST) Regulations not applicable, as the shares of the company were listed only on 05.01.2004.
10/10/2004	53,020 (0.71% of the listed capital)	10	43,46,120 (58.73% of the listed capital)	Inter-se transfer of shares amongst promoters	Promoter and Promoter group shareholders	Below the creeping acquisition limit of Regulation 7(1) and 7(1A) of the SEBI (SAST) Regulations and code not attracted.

- 4.3** All the issued Equity Shares of APL are listed at the Stock Exchanges, except 23,66,166 Equity Shares which has been allotted on April 11, 2009, on conversion of the warrants, for which “ In Principle” approval is already obtained.
- 4.4** SEBI/the Stock Exchanges have not awarded any penalties/initiated action against the Target Company, its promoters/Directors.
- 4.5** There has been no suspension of trading of the equity shares of APL by any of the Stock Exchanges
- 4.6** The shares of APL are listed on BSE, and ASE. APL has submitted applications for in-principle listing approval of the Preferential Issue of warrants with these Stock Exchanges. APL has received in-principle approval for listing the shares issued on a preferential basis from BSE and ASE vide their Letter No. DCS/PREF/SP/GEN/3698/07-08 dated March 27, 2008 and letter No. ASEL/2007/979; dated October 3, 2007 respectively. APL has made necessary application with these stock exchanges for listing of the equity shares arising out of the preferential issue of warrants.
- 4.7** There has been no outstanding convertible instrument such as warrants/FCDs/PCDs etc.
- 4.8 Board of Directors as on April 30, 2009, date of PA:**

Name	Date of Appointment	Residential Address/Contact details	Designation
Shri Shripal C Sheth	18.10.2001	Plot No: 96/6. Koteswar Village, Post Motera, Dist Gandhinagar – 382424	Chairman & Managing Director
Shri Amol S Sheth	15.06.1995	Plot No: 96/6. Koteswar Village, Post Motera, Dist Gandhinagar – 382424	Managing Director
Shri Kamal R Sheth	29.12.1998	42, Akaashneem Bungalows, Opp Nehru Foundation, Bodakdev, Ahmedabad – 380 054	Director
Shri Anish K Shah	29.12.1998	Opp Shipli Apartments, Nr Sanjivnai Hospital, New Sharda Mandir Road, Ahmedabad – 380007	Director
Smt Indira J Parikh	31.10.2003	Plot No: 32, Kedar Ganesh Khind Road, Rangehill Corner, Vasant Nagar Pune – 411 007	Director

**Note: Shri Amol S Sheth and Shri Shripal C Sheth are related to the Acquirers.**

**4.9** There has been no change in the Board of Directors of APL in the last three years.

**4.10 Experience, Qualification and Date of appointment of the Board of Directors**

Name	Date of Appointment	Age, Qualification	Experience, in brief
Shri Shripal C Sheth	18.10.2001	Age: 70 years Qualification : BE (Chemical)	Is an Industrialist. Has over 35 years of experience in food and Chemical Industry. He has in-depth knowledge regarding the operations of the industry.
Shri Amol S Sheth	15.06.1995	Age: 40 years	He is an Industrialist and is in

		Qualification : B.Com	charge of the overall business administration of the company
Shri Kamal R Sheth	29.12.1998	Age : 51 years Qualification : B.Sc	He has experience in the field of marketing and business administration
Shri Anish K Shah	29.12.1998	Age : 42 Qualification: B.E.	Has more than 18 years experience in Business Administration
Smt Indira J Parikh	31.10.2003	Age: 62 Qualification : MA., Ed(University of Rochester, NV) Ph.D	Was a professor at IIM- Ahmedabad. Has wide experience in Organisation development

4.11 There has been no merger or demerger or spin off activity involving the company in the last 3 years.

**4.12 Brief Audited Financial data:**

(Rs. in Lacs)

<b>Profit &amp; Loss Statement</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
Net Sales	25438.95	19903.37	17021.64	14931.71
Sales – Trading	2194.54	2593.72	3253.20	2225.13
Other Income	270.20	545.46	171.74	68.14
<b>Total Income</b>	<b>27903.69</b>	<b>23042.55</b>	<b>20446.58</b>	<b>17224.98</b>
Total Expenditure	24895.64	20455.06	18561.07	16556.16
Extra ordinary expenditure	0.00	0.00	0.00	0.00
Profit before Depreciation, Interest and Tax	3008.05	2587.49	1885.51	668.82
Depreciation	422.65	366.44	266.41	237.83
Interest & Fin charges	1041.11	995.96	737.73	0.00
Profit/(Loss) Before Tax before Extraordinary Income/Extraordinary exp.	1544.29	1225.09	881.37	430.99
Profit/(Loss) Before Tax after Extraordinary income/Extra ordinary exp.	491.96	1225.09	881.37	430.99
Less : provision for Taxes	1052.33	501.10	333.71	227.75
Profit After Tax Before Extraordinary items.	<b>1052.33</b>	<b>723.99</b>	<b>547.66</b>	<b>203.24</b>
Profit After Tax after Extraordinary Items.	<b>1052.33</b>	<b>723.99</b>	<b>547.66</b>	<b>203.24</b>
<b>Balance Sheet Statement</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>	<b>2005-06</b>
<b>Sources of funds</b>				
Paid up Equity Share Capital	740.00	740.00	740.00	740.00
Share Warrants (10% application money)	141.97	141.97		
Reserves & Surplus( Excluding revaluation reserves, if any)	4849.25	4331.62	3676.73	3194.01
Less: Misc. Expenses not written off	0.00	0.00	0.59	1.18
<b>Net Worth</b>	<b>5731.22</b>	<b>5213.59</b>	<b>4416.14</b>	<b>3932.83</b>
Share Application Money	<b>1277.73</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Secured Loans	6492.85	6766.28	5603.73	3858.14
Unsecured Loans	3653.42	1091.41	1214.53	1272.51
Deferred tax liability	1496.50	867.31	730.04	561.26
<b>Total</b>	<b>18651.72</b>	<b>13938.59</b>	<b>11964.44</b>	<b>9624.74</b>

<b>Uses of funds</b>				
Net Fixed Assets	10115.00	9253.12	8312.99	6881.10
Investments	48.68	48.68	56.24	56.24
Net Current Assets	8488.04	4636.79	3595.21	2687.40
<b>Total</b>	<b>18651.72</b>	<b>13938.59</b>	<b>11964.44</b>	<b>9624.74</b>
<b>Other Financial Data</b>				
Dividend (%)	10.00	7.50	7.50	5.00
Earnings per Share (Rs 10/-) (Net profit / no. of subscribed Equity Shares. (31.12.2006 annualized) fully diluted.	14.22	9.78	7.40	2.75
Return on Net Worth (%) ( Net profit X 100 divided by Net Worth)	18.36	13.89	12.40	5.17
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	77.45	70.45	59.68	53.14

**Details of Other Income during the above period**

(Rs. In Lacs)

<b>OTHER INCOME</b>	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.07</b>	<b>31.03.06</b>
Dividend (Gross)	0.45	0.57	1.06	0.41
Interest (Gross)	6.43	46.05	21.15	3.53
Sundry Creditors balances written off	0.74	394.12	35.65	13.25
Provisions no longer required	42.24	6.48	0.00	0.07
Income from Units of UTI	0.16	0.38	0.45	0.53
Insurance Claims				
Miscellaneous Receipts	136.23	83.75	53.64	44.44
Foreign Exchange Fluctuation gain	50.83	-	-	4.21
Profit on Sale of Assets	33.12	14.11	59.79	1.70
<b>Total of Other Income</b>	<b>270.20</b>	<b>545.46</b>	<b>171.74</b>	<b>68.14</b>

**The above financials are furnished after**

- A.** Making adjustments / rectification for all incorrect accounting policies or failures to make provisions or other adjustments which resulted in Audit qualifications; Material amounts relating to adjustments for last three years, if any have been identified and adjusted in arriving at the profits of the years to which they relate.
- B.** Where there has been a change in accounting policy during the last three years, the profits or losses of those years have been re-computed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years. However, in respect of any incorrect accounting policy being followed, the re-computation of the financial statements have been made in accordance with correct accounting policies. There has been no change in the accounting policies in the above period.
- C.** Statement of profit or loss discloses both the profit and loss arrived at before considering extraordinary/exceptional items and after considering the profit or loss from extraordinary items/exceptional items. There are no extraordinary or exceptional items of Income and Expenditure during the above period.
- D.** The statement of assets and liabilities have been prepared after deducting the balance outstanding on revaluation reserve account, if any, from both fixed assets and reserves and the net worth arrived at after such deductions. There are no revaluation reserves.
- E.** The Investments are mostly in Government and Trust Securities, listed Equity and Equity related instruments such as Mutual Funds.

**4.13 Pre and Post- Offer Share holding pattern of APL shall be as follows:**



Shareholders' category	Shareholding prior to the Conversion of warrants and offer.		Shares acquired through the Conversion of warrants which triggered off the Regulations		Shares to be Acquired in Open Offer(Assuming full acceptances)		Share holding after the acquisition and Offer.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
<b>1.Promoter Group</b>								
- Bharti Consumer Marketing Pvt Ltd	611020	8.26	338360	3.46				
- Agallochun Investments Pvt Ltd	694480	9.38	383320	3.92	1953234	20.00	8595940	88.02
- Aught Investments Pvt. Ltd	671400	9.07	371490	3.80				
- Anil Hospitality Ventures Ltd	650000	8.78	359660	3.68				
- Rahil Marketing Ltd	832460	11.25	461400	4.72				
- Agrani Marketing Ltd	653060	8.83	362020	3.70				
- Ascent Learning Pvt Ltd (all Acquirers)	164120	2.22	89916	0.92				
Other Promoter Group Shareholders	69580	0.94					69580	0.71
<b>Total of 1 (Total promoter holding)</b>	<b>4346120</b>	<b>58.73</b>	<b>2366166</b>	<b>24.20</b>	<b>1953234</b>	<b>20.00</b>	<b>8665520</b>	<b>88.73</b>
<b>2 Public Holding</b>								
a. Indian Public	2464341	33.30	-	-				
b. FIIs/FIs/Mutual Funds/Banks	268849	3.63	-	-	(1953234)	20.00	<b>1100646</b>	<b>11.27</b>
c. NRIs	8830	0.12	-	-				
<b>Total 2 (a+b+c)</b>	<b>3053880</b>	<b>41.27</b>	-	-				
<b>Total (1+2)</b>	<b>7400000</b>	<b>100.00</b>	<b>2366166</b>	<b>24.20</b>			<b>9766166</b>	<b>100.00</b>

**Notes:**

1. The Acquirers have not acquired any Shares from the date of the Public Announcement till date of this Letter of Offer.
2. There are no partly paid shares or any outstanding warrants or options or any other similar instrument, which is convertible into equity shares at a later stage.
3. The number of Shareholders under Public Category, i.e. under 2 above, on the Specified Date is 14,576.

**5. OFFER PRICE AND FINANCIAL ARRANGEMENTS**

**5.1 Justification of Offer price**

- 5.1.1 The Equity Shares of APL are listed on ASE and BSE. The Shares are not admitted as permitted Security in any other Stock Exchange.
- 5.1.2 The annualized trading turnover based on the trading volume in the shares of APL on both the above mentioned stock exchanges is as under:

Name of the Stock Exchange	Total number of Shares traded during 6 calendar months prior to		Total Number of listed shares	Annualised Turnover with reference to the relevant date as a percentage of total listed shares
	The month in which PA is made	The month of reference date		
BSE	8,73,776	-	74,00,000	11.81%
ASE	-	-	74,00,000	NIL

The Equity shares of APL are frequently traded on BSE with reference to the date of PA, and infrequently traded on ASE, within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations. It was not listed on BSE with reference to the date of Board Meeting approving the preferential allotment of warrants and was infrequently traded on ASE with reference to the date of Board of Meeting approving the allotment of warrants, within the meaning of explanation (i) of Regulation 20(5) of the SEBI (SAST) Regulations.

In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs 73.00/- per fully paid Equity Share plus interest component of Rs. 3.06 Paise @ 10% p.a. [Rs.73.00+Rs.3.06 = Rs.76.06] for the delay in making this Public announcement is justified in terms of Regulations 20 (4) and 20 (5) of the SEBI (SAST) Regulations in view of the following:-

a.	The Negotiated Price	Not Applicable	
b.	Highest Price paid by Acquirers for acquisition, if any, including by way of allotment in a public or rights issue or Preferential issue during the 26 weeks period prior to the Conversion of Warrants into Equity Shares i.e. April 11, 2009.	Not Applicable	
c.	The Price at which the warrants have been converted into Equity Shares (due to which open offer has been triggered)	Rs. 60/-per share	
d.	The average of the weekly high and low of the closing prices of the shares of APL during the 26 weeks period preceding the date of the Board Meeting which authorised the preferential allotment. i.e. August 29, 2007	NA ( not listed on BSE)	
e.	The average of the daily high and low of the closing prices of the shares of APL during the 2 weeks period preceding the date of the Board Meeting which authorised the preferential allotment i.e. August 29, 2007.	NA ( Not listed on BSE)	
f.	The average of the weekly high and low of the closing prices of the shares of APL during the 26 weeks period preceding the date of Conversion of Warrants into Equity Shares i.e. April 11, 2009 ( <b>Below Table 5.1.3 A</b> )	Rs. 57.81	
g.	The average of the daily high and low of the closing prices of the shares of APL during the 2 weeks period preceding the date of Conversion of Warrants into Equity Shares i.e. April 11, 2009. ( <b>Below Table 5.1.3 B</b> )	Rs. 54.04	
h.	Other Financial Parameters	31.03.2008	31.03.2009
	Return on Net Worth (%)	14.27	5.82
	Book Value per share (Rs.)	70.45	82.76
	Earning per share (Rs.)	9.78	14.21
	Price Earning multiple (with reference to Offer price of Rs. 73.00 per share)	7.46	5.14

Since the shares of the company were listed only on the Ahmedabad Stock Exchange at the time of issue of warrants, where there was no trading, the conversion price of Rs. 60 per share was arrived at on the basis of the Valuation Certificate of M/s. Transwarranty Capital Pvt. Ltd., a SEBI registered Merchant Banker.

Source of Information:

- BSE Website: [www.bseindia.com](http://www.bseindia.com).
- Board/EGM Resolutions by the Target Company

### 5.1.3 Trading data at Bombay Stock Exchange Limited (BSE)

A The Weekly High and Low of the closing prices of the Equity Shares of APL at Bombay Stock Exchange Limited during the 26 Weeks preceding April 11, 2009, the date of the Conversion of Warrants into Equity Share is as under:

S.NO	FROM	TO	HIGH	LOW	AVERAGE	VOLUME
1	11.10.2008	17.10.2008	120.70	102.90	111.80	13397
2	18.10.2008	24.10.2008	97.80	84.70	91.25	11675
3	25.10.2008	31.10.2008	80.50	73.55	77.03	3146
4	01.11.2008	07.11.2008	73.75	66.45	70.10	25347
5	08.11.2008	14.11.2008	70.10	60.15	65.13	25420
6	15.11.2008	21.11.2008	59.45	48.50	53.98	108602
7	22.11.2008	28.11.2008	46.65	44.45	45.55	5978
8	29.11.2008	05.12.2008	51.35	48.15	49.75	22034
9	06.12.2008	12.12.2008	58.05	50.55	54.30	38533
10	13.12.2008	19.12.2008	72.90	60.95	66.93	50565
11	20.12.2008	26.12.2008	75.70	68.40	72.05	71834
12	27.12.2008	02.01.2009	71.45	68.35	69.90	24097
13	03.01.2009	09.01.2009	69.65	64.10	66.88	36222
14	10.01.2009	16.01.2009	60.90	55.50	58.20	14214
15	17.01.2009	23.01.2009	54.70	47.95	51.33	10234
16	24.01.2009	30.01.2009	51.05	46.65	48.85	9726
17	31.01.2009	06.02.2009	52.65	48.95	50.80	17360
18	07.02.2009	13.02.2009	49.00	47.60	48.30	9794
19	14.02.2009	20.02.2009	48.75	43.45	46.10	4974
20	21.02.2009	27.02.2009	41.70	39.90	40.80	10592
21	28.02.2009	06.03.2009	39.10	36.40	37.75	5094
22	07.03.2009	13.03.2009	38.35	36.70	37.53	60970
23	14.03.2009	20.03.2009	38.00	36.15	37.08	49790
24	21.03.2009	27.03.2009	44.80	37.45	41.13	121057
25	28.03.2009	03.04.2009	54.35	47.00	50.68	339410
26	04.04.2009	10.04.2009	62.85	57.05	59.95	104202
			<b>Total Volume</b>			<b>1194267</b>
		<b>Average Price</b>			<b>57.81154</b>	

(Source: BSE Website: [www.bseindia.com](http://www.bseindia.com))

B. The daily High and Low of the traded prices of APL at Bombay Stock Exchange Limited in the two Weeks preceding April 11 2009, the date of the **Conversion of Warrants into Equity Shares** is as under:

(In Rs.)

DATE	HIGH	LOW	AVERAGE	VOLUME
30.03.2009	47.00	44.20	45.60	75697
31.03.2009	49.35	47.00	48.17	31560
01.04.2009	51.80	49.35	50.57	18526
02.04.2009	54.35	54.00	54.17	213627
06.04.2009	57.05	57.05	57.05	141
08.04.2009	59.90	59.90	59.90	100132
09.04.2009	62.85	62.85	62.85	3929
		<b>Total Volume</b>		<b>443612</b>
	<b>Average Price</b>		<b>54.05</b>	

C The daily High and Low of the traded prices of APL at Bombay Stock Exchange Limited in the two Weeks preceding April 30 2009, the date of Public Announcement is as under:

(In Rs.)

DATE	HIGH	LOW	AVERAGE	VOLUME
29-04-09	73.50	70.50	72.00	1524
28-04-09	74.20	71.75	72.98	12599
27-04-09	74.25	71.25	72.75	8463
24-04-09	75.90	72.00	73.95	9426
23-04-09	76.75	71.50	74.13	7900
22-04-09	74.95	71.05	73.00	14458
21-04-09	76.10	73.05	74.58	27224
20-04-09	78.60	71.20	74.90	31303
17-04-09	76.00	69.05	72.53	34890
16-04-09	72.65	65.75	69.20	71871
	<b>Total Volume</b>			<b>219658</b>
	<b>Average Price</b>		<b>73.00</b>	

5.1.4 This is not an indirect acquisition/control.

5.1.5 **Non Compete Fee:** There is no non-compete agreement for payment to any person.

5.1.6 The Offer price is justified in terms of Regulation 20 (11) of the Regulations. In the opinion of the Manager to the Offer and the Acquirers the Offer price is justified. The Offer price of Rs. 76.06 (Rupees Seventy Six and Six Paise Only) (including interest component of Rs. 3.06/- per Equity Share) is higher than the highest price paid for the acquisition made by the Main Acquirers (who also belong to the Promoter Group) in the last 26 weeks and is also higher than the weekly high and low of the closing prices of the Equity Shares of APL as quoted at BSE in the 26 weeks preceding the date of the Public Announcement and is also higher than the average of the daily high and low prices as quoted at BSE during the 2 weeks preceding the said date. There are no partly paid Shares.

5.1.7 Since the cumulative holding of the promoters / persons acting in concert with the promoters is more than 55% of the paid up capital of APL, the acquirers / promoter group do not intend to acquire any further Equity Shares until 7 working days before the closure of the offer. Any upward revision of the Offer will be notified through an announcement in all dailies where the original Public Announcement was made. The last date for any upward revision is Wednesday, August 05, 2009

## 5.2 Financial arrangements

**5.2.1** Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 14,85,62,978/- (Rupees Fourteen Crores Eighty Five Lacs Sixty Two Thousand Nine Hundred and Seventy Eight Only). The details of the funds arranged are as under:

- In accordance with Regulations 28(1) of the SEBI (SAST) Regulations, 1997, the Acquirers have opened an Escrow Account with The Lakshmi Vilas Bank Limited, Fort Branch, Mumbai – 400001. The details are as under:
  - Bank Guarantee for Rs. 3,25,00,000/- (Rupees Three Crores and Twenty Five Lacs Only), issued by Bank of India, Corporate Banking Branch, Ahmedabad, valid till 27.09.2009; and
  - Cash Deposit of Rs. 49,00,000/- (Rupees Forty Nine Lacs only), being in excess of 1% of the offer size, with The Lakshmi Vilas Bank Limited, Fort Branch, Mumbai – 400001

The above mentioned total amount of Rs. 3,74,00,000/- (Rupees Three Crores and Seventy Four Lacs Only) is in excess of 25% of the total consideration of Rs. 14,85,62,978/- (Rupees Fourteen Crores Eighty Five Lacs Sixty Two Thousand Nine Hundred and Seventy Eight Only) in accordance with the SEBI Regulations.

**5.2.2** The Acquirers has authorized Transwarranty Capital Pvt. Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

**5.2.3** As per Certificate dated April 27, 2009 from Shri Nimesh N Shah, (Membership Number : 111329), Partner Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 the Networth of Bharti Consumer Marketing Pvt Ltd., as on March 31, 2009 is Rs. 16.78 Lacs, of Agallochun Investments Pvt. Ltd., as on March 31, 2009 is Rs. 15.96 Lacs, of Agraniil Marketing Ltd., as on March 31, 2009 is Rs. 31.31 Lacs, of Anil Hospitality Ventures Ltd is Rs. 379.08 Lacs and as per Draft document is Rs.389.10 lacs considering the share application money while calculating the Networth and accounted investment on Book value, of Ascent Learning Pvt. Ltd., as on March 31, 2009 is Rs.1.34 Lacs, of Aught Investments Pvt. Ltd., as on March 31, 2009 is Rs.28.96 Lacs and of Rahil Marketing Pvt. Ltd., as on March 31, 2009 is Rs. 48.55 Lacs.

**5.2.4** Shri Nimesh N Shah , (Membership Number : 111329) Partner, Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828 vide his Certificate dated April 27, 2009 has certified that the Acquirers has adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of. The Liquid funds available as on March 31, 2009 are Rs. 21,67,91,379.63.

**5.2.5** Shri Nimesh N Shah, (Membership Number : 111329) Partner, Shah & Patel, Chartered Accountants, 403, Dwarkesh Complex, Opp Patel Vas, Mithakali Gam, Mithakali, Ahmedabad – 380 006 Tel. No 079 – 65125828, have also certified that a sum of Rs. 141,969,960/- being application money for the preferential allotment has already been remitted by the Acquirers. The aggregate funds with the Acquirers, as certified by Shri Nimesh N Shah Chartered Accountant vide his Certificate dated April 27, 2009, to meet the funds requirements for the Open Offer is as under:

Name of the Acquirers	Cash Balance	Bank Balance	Market Value of the investments	Total Amount in Rs.
Bharti Consumer	332.69	36,869.48	3,01,53,837.00	<b>3,01,91,039.17</b>
Agallachun Investments	1,20,077.24	48,627.96	3,42,72,588.00	<b>3,44,41,293.20</b>
Aught Investments	551.40	1,78,028.68	3,34,75,901.20	<b>3,36,54,481.28</b>
Rahil Marketing	93,387.07	6,70,558.89	4,28,80,838.50	<b>4,36,44,784.46</b>
Anil Hospitality Ventures	58,015	88,310.67	3,21,40,755.00	<b>3,22,87,080.67</b>
Agraniil Marketing	1,85,529.18	18,40,543.64	3,23,36,543.65	<b>3,43,62,616.47</b>
Ascent Learning	66,410.00	44,352.38	80,99,322.00	<b>82,10,084.38</b>
<b>Total</b>	<b>5,24,302.58</b>	<b>29,07,291.70</b>	<b>21,33,59,785.35</b>	<b>21,67,91,379.63</b>

**5.2.6** Transwarranty Capital Pvt. Ltd., Manager to the Offer certifies and confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

## 6. TERMS AND CONDITIONS OF THE OFFER

### 6.1

- a. This Offer will open on Wednesday, July 29, 2009. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with all rights of dividends, bonuses or rights from now on and hereafter.
- b. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.
- c. The Specified date for this Offer is Tuesday, May 19, 2009.
- d. **Specified date is only for the purpose of determining the names of the Shareholders as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of APL anytime before the closure of the Offer, are eligible to participate in the Offer.**
- e. APL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form and is traded in compulsory demat mode. The Marketable lot for the Shares of APL is 1 (one only). The ISIN Number is INE 125E01019.

**6.2 Locked in Shares:** 23,66,166 Equity Shares held by the 7 Acquirers post conversion of warrants, are locked in upto October 12, 2010. All the Acquirers belong to the promoter group.

### 6.3 Eligibility for accepting the Offer

- 6.3.1 The Letter of Offer shall be mailed to all Equity Shareholders/beneficial owners holding Equity Shares in dematerialized form (except the Acquirers and other promoter group Shareholders of APL) whose names appear in register of Target Company as on Tuesday, May 19, 2009, the Specified Date.
- 6.3.2 This Offer is also open to persons who own Equity Shares in APL but are not registered Shareholders as on the "Specified date".
- 6.3.3 All Equity Shareholders/Beneficial owners holding Equity Shares in dematerialized form (except the Acquirers, present promoters/promoter group Shareholders of APL) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.
- 6.3.4 The Form of Acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer M/s. Link Intime India Pvt Ltd., SEBI Regn No.: 000004058 Unit: *Anil Products Limited – Open Offer*; C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400 078; Telephone Nos. (022) 25960320 Fax No. (022) 25960329 email id: [apl.offer@linkintime.co.in](mailto:apl.offer@linkintime.co.in) (Contact Person: Shri. Nilesh Chalke) between 10.00 a.m. to 5.00 p.m. on working days and between 10.00 a.m. to 2.00 p.m. on Saturdays, during the period, the Offer is open.
- 6.3.5 The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available at SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.
- 6.3.6 Unregistered Equity Shareholders who have sent the Share Certificates for transfer to APL/its Share Transfer Agent and not received them back or hold Shares of APL without being submitted for transfer shall also be eligible to participate in this Offer.
- 6.3.7 Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any Indemnity.
- 6.3.8 Unregistered Shareholders may follow the same procedure mentioned above for registered Shareholders.
- 6.3.9 The acceptance of this Offer by the Equity Shareholders of APL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.3.10 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of APL.
- 6.3.11 The Acquirers, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms etc. during transit and the Equity Shareholders of APL are advised to adequately safeguard their interest in this regard.
- 6.3.12 The acceptance of Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 6.3.13 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.
- 6.3.14 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.
- 6.3.15 For any assistance please contact Transwarranty Capital Pvt. Ltd., Manager to the Offer or the Acquirers or the Registrar to the Offer.

## 6.4 Statutory Approvals

- 6.4.1** Non-resident shareholders who wish to tender their shares in this offer will be required to submit all the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. In case of previous RBI Approvals not being submitted, the Acquirers reserves the right to reject the shares tendered in the offer.
- 6.4.2** There are no statutory approvals required to acquire the shares tendered pursuant to this Offer except those mentioned above. However, the Offer would be subject to all statutory approvals that may become applicable prior to completion of the Offer.
- 6.4.3** The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closure of the offer.
- 6.4.4** The offer may be withdrawn, in terms of Regulation 27 of the SEBI (SAST) Regulations, in the event the requisite statutory approvals are being refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original PA is being made.
- 6.4.5** In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of SEBI (SAST) 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 Acquirers agrees to pay interest to the shareholders for delay beyond 15 days from the date of closure of the offer.
- 6.4.6** In case the Acquirers fail to obtain requisite statutory approval in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.
- 6.4.7** If the Acquirers 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 SEBI (SAST) Regulations.
- 6.4.8** No approval is required to be obtained from Banks/ Financial Institutions for the offer.

## 6.5 Others Terms and Conditions

- 6.5.1** All the shareholders, except the Acquirers/ buyer and the Sellers/transferees who own the shares of APL are eligible to participate in the Offer anytime before date of closing of the offer.
- 6.5.2** The Letter of Offer together with Form of Acceptance cum Acknowledgement (FOA), the Form of Withdrawal (FOW) and Transfer Deed (TD) will be mailed to all the shareholders of APL, except the Acquirers/ buyer and the seller whose names appear on the Register of Members of APL at the close of business hours on Tuesday, May 19, 2009. ('Specified date').
- 6.5.3** 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. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of APL as on the specified date.

## 7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

### 7.1 ACCEPTANCE OF THE OFFER

- 7.1.1** Name and Address of the persons to whom the Equity Shares along with documents required to be submitted therewith, should be sent including name of the contact person, telephone no., fax no. etc.

#### **For Demat Holders**

In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by the shareholder.

#### **For Physical Shareholders**

If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders.

- 7.1.2** Share holders holding Equity Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Link Intime India Pvt Ltd., SEBI Regn NO: 000004058; *Unit: Anil Products Limited – Open Offer*; C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400 078; Telephone No. (022) 25960320; Fax No. (022) 25960329; E-mail id: [apl.offer@linkintime.co.in](mailto:apl.offer@linkintime.co.in) (Contact Person: Shri. Nilesh Chalke) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Monday, August 17, 2009, in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance.

### Name and Address of the Collection Centers of the Registrar to the Offer

S.No	City	Contact Person	Address	Tel. No.	Fax No.	Mode of Delivery
1	Mumbai	Pravin Kasare	Link Intime India Pvt. Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai -400078.	022-25960320	022-25960329	Hand Delivery & Registered Post
2	Mumbai	Vivek Limaye	Link Intime India Pvt. Ltd, 203, Davar House, Next to Central Camera, D N Road, Fort Mumbai - 400 001	022-22694127	022-25960329	Hand Delivery
3	Ahmedabad	Hitesh Patel	Link Intime India Pvt. Ltd, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	079-2646 5179	079-2646 5179 (Telefax)	Hand Delivery
4	Bangalore	Chandrasekhar	Link Intime India Pvt. Ltd., 543/A, 7TH Main , 3rd Cross, Hanumanthanagar, Bangalore - 560 019	080-26509004	080-26509004 (Telefax)	Hand Delivery
5	Baroda	Alpesh Gandhi	Link Intime India Pvt. Ltd., First Floor, Jaldhara Complex, Nr. Manisha Society, Old Padara Road, Vadodara -390015	0265-2250241 / 3249857	0265-2250246 (Telefax)	Hand Delivery
6	Coimbatore	S. Dhanalakshmi	Link Intime India Pvt. Ltd, Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028	0422-2314792 / 2315792	0422-2314792 (Telefax)	Hand Delivery
7	Kolkata	Debu Ghosh	Link Intime India Pvt. Ltd, 59C, Chowringhee Road, 3rd Floor, Kolkata -700020	033-22890539/40	033-22890539/40 (Telefax)	Hand Delivery
8	New Delhi	Swapan Naskar	Link Intime India Pvt. Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi – 110028.	011-41410592/93/94	011-41410591	Hand Delivery
9	Pune	P. N Albal	Link Intime India Pvt. Ltd, Block No 202 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune 411 001.	020 -26051629 / 0084	020 -26053503 (Telefax)	Hand Delivery
10	Chennai	Mrs. Solly Soy	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai- 600 017	044- 2815 2672, 044-4207 0906	044- 2815 2672 (Telefax)	Hand Delivery

**7.1.3** Beneficial owners (holders of Equity Shares in Dematerialized Form) who wish to tender their Equity Shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in “Off –market” mode or counterfoil of the delivery instruction in “Off –market” mode, duly acknowledged by the Depository Participant (DP) in favor of the Special Depository Account opened by the Registrar to the Offer, in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance-cum-acknowledgement. The details of the Special Depository Account is given below:

DP Name	Stock Holding Corporation of India Ltd
DP ID	IN301330
Client Name	LIPL-Anil Products Open Offer
Client ID	20673743

**7.1.4** The Acceptance Form along with Share Certificates/copy of delivery instruction to DP and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirers, Target Company or Manager to the Offer.

**7.2 Procedure for acceptance of the Offer by unregistered Shareholders/owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer.**

**7.2.1** Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way.

**7.2.2** In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of APL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers,



certificate numbers and the number of Equity Shares offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the date of closure of the Offer i.e. Monday, August 17, 2009.

- 7.2.3** In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the Special Depository account, so as to reach the Registrar to the Offer on or before the date of closure of the Offer i.e. Monday, August 17, 2009.
- 7.2.4** In case the Share Certificate(s) and Transfer Deeds are lodged with APL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by APL /its Share Transfer Agent, for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of Memorandum & Articles of Association shall also be sent.

**Unregistered owners holding Equity Shares in physical Form should enclose**

- a. Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates.
  - b. Original Share Certificates.
  - c. Original broker contract note of a registered broker of a recognized Stock Exchange.
  - d. Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for acceptance.
- 7.3** The Acquirers shall accept all valid fully paid up Shares tendered (except those which are withdrawn, within the date specified for withdrawal).
- 7.4** If the number of Equity Shares offered by the Shareholders is more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.
- 7.5** The market lot for APL's Shares is 1(one only).
- 7.6** Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/Under Certificate of Posting.
- 7.7** The Equity Shares Certificate(s) and the transfer form (s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirers pays the Offer Price.
- 7.8** In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 15 days from the date of closure of offer, for the purpose of making payment, subject to, the Acquirers agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of the Offer i.e. Monday, August 17, 2009.
- 7.9** In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

**7.10 Withdrawal of Application**

- 7.10.1** Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer i.e. Monday, August 17, 2009, in terms of Regulation 22(5A).
- 7.10.2** The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Tuesday, August 11, 2009.
- 7.10.3** The Withdrawal option can also be exercised by making an application on plain paper along with the following details:
- a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form.
  - b. Name, Address, DP Name, DP ID, Beneficiary Account/Client ID No. of the Account from where Shares were tendered, photocopy of the delivery instruction in "Off Market Mode" duly acknowledged by the DP in favor of the Special Depository Account in the name of Registrar and number of Shares tendered /withdrawn.

**7.10.4** The Shares withdrawn by Shareholders, which are in physical form, will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

#### **7.11 Settlement/ Payment of Consideration**

**7.11.1** The Acquirers shall arrange to pay the consideration on or before Tuesday, September 01, 2009. Payment will be made to the person named by the acceptors in the relevant box in the Acceptance Form by "Account Payee" crossed Cheque payable at Mumbai as indicated in the form of acceptance. If no such details are filled in by the acceptor(s), then the same will be sent by registered post/certificate of posting to the Sole/ First holder at their registered address at the Equity Share holder's own risk. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

**7.11.2** Consideration for Equity Shares accepted will be paid by Cheque crossed "Account Payee" and drawn at Mumbai. Payment Cheques upto Rs. 1,500/- will be sent by Certificate of Posting and for amount of Rs.1,500/- and above by Registered Post.

**7.11.3** In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in the case of non receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to the Acquirers agreeing to pay interest to the Shareholders for delay beyond the last date mentioned for payment of consideration.

**7.11.4** In case the number of shares tendered for sale by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirers shall accept the offers received from the shareholders on a proportionate basis as per Regulation 21(6) of SEBI (SAST) Regulations in consultation with the Manager to the Offer. The shares are compulsorily traded in dematerialized form, hence minimum acceptance will be one share. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement. It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP accounts. Shareholders should ensure that their depository accounts are maintained till the offer formalities are completed.

**7.11.5** The consideration to those shareholders whose Shares or share certificates and/or other documents are found complete, valid and in order will be paid by crossed account payee cheques/demand drafts/ Electronic Clearance Service (ECS) where applicable. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. The Acquirers are required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk. It is advised that shareholders provide bank details in the Form of Acceptance-cum- Acknowledgment so that same can be incorporated in the cheque / demand draft/pay order.

**7.11.6** The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of APL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are dispatched/ returned.

**7.11.7** The Acquirers is permitted to revise the Offer Price of shares / No. of equity shares upwards. Such upward revision will be made in accordance with Regulation 26 of SEBI (SAST) Regulations, not later than Wednesday, August 05, 2009, which is not less than 7 (seven) working days prior to the date of closure of the Offer i.e. Monday, August 17, 2009. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirers. The same would be informed by way of an announcement in the same newspapers where the Public Announcement appeared.

**7.11.8** The Acquirers and APL have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or any other regulation made there under.

#### **7.12 Payment of consideration:**

**7.12.1** Shareholders must note that on the basis of name of the Shareholders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Form of Acceptance-cum-Acknowledgement, the Registrar to the Issue will obtain, from the Depositories, the Shareholders' demographic details including address, bank account details, the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf and occupation. These bank account details will be used to make payment to the Shareholders. Hence Shareholders are advised to immediately

update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of payment or electronic transfer of funds, as applicable, and any such delay shall be at the Shareholders' sole risk and neither the Acquirers the Manager to the Offer, Registrar to the Offer nor the Escrow Bank shall be liable to compensate the Shareholders for any losses caused to the Shareholder due to any such delay or liable to pay any interest for such delay.

**7.12.2** The payment to the Shareholders would be done through various modes in the following order of preference:

- a. Electronic Clearing System ('ECS')** - Payment would be done through ECS for Shareholders having an account at any of the following 15 centers: Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI). This mode of payment would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment through ECS is mandatory for Shareholders having a bank account at any of the above mentioned 15 centers, except where the Shareholder, being eligible, opts to receive payment through direct credit or RTGS.
- b. Direct Credit** - Shareholders having bank accounts with the Escrow Banker, as mentioned in the Acceptance cum Acknowledgement Form, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirers.
- c. Real Time Gross Settlement ('RTGS')** - Shareholders having a bank account at any of the above mentioned 15 centers and whose amount exceeds Rs. 1 million, have the option to receive the payment through RTGS. Such eligible Shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-Acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirers. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholder.
- d. National Electronic Fund Transfer ('NEFT')** - Payment shall be undertaken through NEFT wherever the Shareholder's bank has been assigned the Indian Financial System Code ('IFSC'), which can be linked to a MICR, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment will be made to the Shareholder through this method. The process flow in respect of payments by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above. For all other Shareholders, including physical Shareholders and those who have not updated their bank particulars with the MICR code, the payments will be dispatched under certificate of posting for value upto Rs. 1,500 and through Speed Post/ Registered Post for payments above Rs. 1,500. Such payments will be made by cheques, pay orders or demand drafts drawn on the Escrow Bank and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Shareholders.

## **8. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at PO Box 10009, Anil Road, Ahmedabad – 380 025, Gujarat, the Registered office of the Acquirers. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.

1. Certificate of Incorporation & Memorandum and Articles of Association of Anil Products Limited.
2. Certificate dated April 27, 2009 from Shri Nimesh N Shah., Chartered Accountant, certifying the Net worth of Bharti Consumer Marketing Pvt Ltd., Agallochun Investments Pvt Ltd., Agraniil Marketing Ltd., Anil Hospitality Ventures Ltd., Rahil Marketing Pvt Ltd., Ascent Learning Pvt Ltd., and Aught Investments Pvt Ltd., as on March 31, 2009.
3. Certificate dated April 27, 2009, from Shri Nimesh N Shah Chartered Accountants, certifying that the Acquirers have adequate liquid resources to meet the funds requirements of the Offer.
4. Published Audited accounts of APL for the years, 2005-2006, 2006-2007, 2007-2008 and 2008-2009.
5. Copy of Bank Guarantee issued by Bank of India, Ahmedabad Branch and copy of letter issued by Lakshmi Vilas Bank, Fort Branch, Mumbai, being Escrow Account.
6. Published Copies of the Public Announcement made in newspapers on April 30, 2009.
7. Due Diligence letter dated April 28, 2009 submitted to SEBI by Transwarranty Capital Pvt. Ltd., Manager to the Offer
8. Copy of Memorandum of Understanding (MOU) between the Acquirers and Manager to the Offer.
9. Copy of Memorandum of Understanding (MOU) between the Acquirers and Registrar to the Offer.
10. Copy of Agreement between Link Intime India Pvt Ltd., and Stock Holding Corporation of India Ltd for opening the Special Depository Account.
11. Copy of Board Resolution dated August 29, 2007 of APL, convening the AGM of members to consider the preferential allotment.
12. Copy of Special Resolution adopted by members of APL u/s 81(1A) of Companies Act, in their meeting held on September 28, 2007, approving the preferential allotment.
13. Copy of Board Resolution dated April 11, 2009 converting the warrants into Equity Shares allotted on a preferential basis.
14. Copy of Letter no: ASEL/2007/979; dated October 03, 2007 and letter No: DCS/PREF/SP/ GEN/3698/07/08; dated March 27, 2008, from ASE & BSE respectively giving their in principle approval for listing of preferential shares.
15. SEBI Observation Letter No. CFD/DCR/TO/SS/169882/2009; dated July 16, 2009.

## 9. DECLARATION

The Acquirers accept full responsibility for the information contained in this Letter of Offer and Form of Acceptance. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirers shall be responsible for ensuring compliance of the Regulations.

<b>Signed for and on behalf of the Acquirers,</b>
<b>M/s. Bharti Consumer Marketing Pvt Ltd.,</b>  Sd/- <b>Director</b>
<b>M/s. Agallochun Investment Pvt Ltd.,</b>  Sd/- <b>Director</b>
<b>M/s. Aught Investment Pvt Ltd.,</b>  Sd/- <b>Director</b>
<b>M/s. Anil Hospitality Ventures Ltd (previously known as Aseem Reality Pvt Ltd.)</b>  Sd/- <b>Director</b>
<b>M/s. Rahil Marketing Pvt Ltd (previously known as Abloom Investment Pvt Ltd.,)</b>  Sd/- <b>Director</b>
<b>M/s. Agranil Marketing Limited</b>  Sd/- <b>Director</b>
<b>M/s. Ascent Learning Pvt Ltd</b>  Sd/- <b>Director</b>
<b>Signed for and on behalf of the Target Company</b>
<b>For Anil Products Limited</b>  Sd/- <b>Director</b>

**Place: Ahmedabad**

**Date: 22/07/2009**

**Encl.:**

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal
3. Share Transfer Deed

**THIS PAGE HAS BEEN LEFT INTENTIONALLY LEFT BLANK**

**FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to the Registrars to the Offer)*

From:  
Name:  
Address:  
Tel No:            Fax No:    Email id:  
Status: Resident / Non-Resident  
Folio No: / DP ID:            Client Id:

Offer Opens On :	Wednesday	July 29, 2009
Offer Closes On :	Monday	August 17, 2009

No. of shares held:.....

To  
Acquirers  
C/o: M/s. Link Intime India Pvt Ltd., Unit: Anil Products Limited – Open Offer  
C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400 078  
Telephone Nos. (022) 25960320; Fax No. (022) 25960329

Dear Sir,

**Sub: Open Offer by Bharti Consumer Marketing Pvt Ltd., Agallochun Investment Pvt. Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd (previously known as Aseem Realty Pvt. Ltd.,) Rahil Marketing Pvt. Ltd (previously known as Abloom Investments Pvt. Ltd.,) Agrani Marketing Limited and Ascent Learning Pvt. Ltd. (“Acquirers”) to the equity shareholders of Anil Products Limited (“Target Company”) to acquire 19,53,234 Equity Shares (“shares”) representing 20% of the Paid up Equity Capital at a price of Rs. 76.06 per fully paid-up equity share (“Offer Price”), pursuant to SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 1997 (“Open Offer”)**

I/We refer to the Letter of Offer dated July 22, 2009 for acquiring the Equity Shares held by me/us in Anil Products Limited.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Shares in the physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

-----**(Tear here)**-----

**ACKNOWLEDGEMENT RECEIPT**

Received from Mr./Ms./M/s..... Form of acceptance cum acknowledgement in connection with open offer to Shareholders of Anil Products Limited.

Ledger Folio No. \_\_\_\_\_ No. of Share Certificates /Copy of Delivery instructions to DP for \_\_\_\_\_ Shares of Anil Products Limited.

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares
	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Equity Shares of Anil Products Limited in physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

(In the case of Shares in Physical Form)

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Anil Products Limited which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

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

Sl. No	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares

-----**(Tear here)**-----

**Note:** All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address

M/s. Link Intime India Pvt Ltd., <i>Unit: Anil Products Limited – Open Offer</i> SEBI Regn No: 000004058 C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400 078 Telephone Nos. (022) 25960320 Fax No. (022) 25960329 email id: apl.offer@linkintime.co.in (Contact Person: Shri. Nilesh Chalke)
--



I/We have done an off market transaction for crediting the Shares to the Special Depository Account noted below:

DP Name	Stock Holding Corporation of India Ltd
DP ID	IN301330
Client Name	LI IPL-Anil Products Open Offer
Client ID	20673743

**Bank Details**

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For Shares that are tendered in demat form, the Bank account as obtained from the beneficiary download to be provided by the depositories will be considered and the warrants will be issued with the said Bank particulars, and not any details provided herein.

Name of the Bank	Branch
Account Number	Current/Savings/ (Others: please specify)
9 Digit MICR Code	IFSC Code

**Details for RTGS / NEFT**

In addition to the above Bank Details, Shareholders opting for the RTGS / NEFT option should provide the following details:

Payment through RTGS (Yes / No):.....  
 Payment through NEFT (Yes / No):.....  
 IFSC Code of the Branch where account is maintained:.....

I/We note and understand that the Shares transferred to the above Special Depository Account will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

I/We confirm that the Equity Shares of Anil Products Limited which are transferred by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers 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 authorize the Acquirers or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

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

	PAN No.
1 <sup>st</sup> Shareholder	
2 <sup>nd</sup> Shareholder	
3 <sup>rd</sup> Shareholder	
4 <sup>th</sup> Shareholder	

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place: -----

Date: -----

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

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	

**FORM OF WITHDRAWAL**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to the Registrars to the Offer)*

From:  
Name:  
Address:  
Tel No:            Fax No:    Email id:  
Status: Resident / Non-Resident  
Folio No: / DP ID:            Client Id:

Offer Opens On :	Wednesday	July 29, 2009
Offer Closes On :	Monday	August 17, 2009
Last date of withdrawal	Tuesday	August 11, 2009

No. of shares held:.....

To  
Acquirers  
C/o: M/s. Link Intime India Pvt Ltd., Unit: Anil Products Limited – Open Offer  
C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400 078  
Telephone No. (022) 25960320; Fax No. (022) 25960329

Dear Sir,

**Sub: Open Offer by Bharti Consumer Marketing Pvt Ltd., Agallochun Investment Pvt. Ltd., Aught Investments Pvt. Ltd., Anil Hospitality Ventures Ltd (previously known as Aseem Realty Pvt. Ltd.,) Rahil Marketing Pvt. Ltd (previously known as Abloom Investments Pvt. Ltd.,) Agranil Marketing Limited and Ascent Learning Pvt. Ltd. (“Acquirers”) to the equity shareholders of Anil Products Limited (“Target Company”) to acquire 19,53,234 Equity Shares (“shares”) representing 20% of the Paid up Equity Capital at a price of Rs. 76.06 per fully paid-up equity share (“Offer Price”), pursuant to SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 1997 (“Open Offer”)**

I/We refer to the Letter of Offer dated July 22, 2009 for acquiring the Equity Shares held by me/us in Anil Products Limited.

I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered Equity Shares at my/our sole risk.

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

-----**(Tear here)**-----

***ACKNOWLEDGEMENT SLIP***

Anil Products Limited – Open Offer

Received from Mr./Ms./M/s.....Residing at .....  
..... Form of withdrawal.....for shares alongwith

Ledger Folio No. \_\_\_\_\_ No. of Share Certificates /photocopy of delivery instructions to DP for \_\_\_\_\_ Shares of Anil Products Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP is submitted with the withdrawal form
--------------------	--	--

I/We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. August 11, 2009 (Tuesday).

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirers will return the original Share Certificate(s), Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents.

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

**(IN THE CASE OF SHARES IN PHYSICAL FORM)**

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers From	To

The particulars of Shares held in Dematerialized Form, which were transferred to Special Depository account noted below

DP Name	Stock Holding Corporation of India Ltd
DP ID	IN301330
Client Name	LI IPL-Anil Products Open Offer
Client ID	20673743

The Shares proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sl. No	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares

-----**(Tear here)**-----

**Note :** All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address quoting your reference folio No / DP ID/ Client ID:

M/s. Link Intime India Pvt Ltd., SEBI Regn NO: 000004058  
*Unit: Anil Products Limited – Open Offer*  
 C-13, Pannalal Silk Mills Compound,  
 L B S Marg, Bhandup (W), Mumbai – 400 078  
 Telephone Nos. (022) 25960320 Fax No. (022) 25960329  
 email id: apl.offer@linkintime.co.in  
 (Contact Person: Mr. Nilesh Chalke)

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Anil Products Limited., which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

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

Yours faithfully,  
Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place:-----

Date :-----

**THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK**