LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as an Equity Shareholder(s) of Asian Oilfield Services Ltd. If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Meghraj Capital Advisors Private Limited (hereinafter referred to as "Manager to the Offer") or Cameo Corporate Services Limited (hereinafter referred to as "Registrar to the Offer"). In case you have recently sold your shares in the Company, please hand over this Letter of Offer, the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

CASH OFFER BY

SAMARA CAPITAL PARTNERS FUND I LIMITED
(hereinafter referred to as "the Acquirer")
Registered Office: IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius
Tel.: +230-4673000, Fax: +230-4674000; E-mail: girish@ifsmauritius.com, prema@ifsmauritius.com

to acquire
upto 30,64,889 Equity Shares of face value of Rs. 10/- each, representing 20% of the Paid-up/Voting Equity Capital of

ASIAN OILFIELD SERVICES LIMITED
(hereinafter referred to as "AOSL" or "the Target" or "Target Company")
Registered Office: 7th Floor, B - Wing, Manubhai Towers, Sayajigunj, Vadodara - 390 020
Tel.: +91-265-2362071/2362292, Fax: +91-265-2226216; E-mail: secretarial@asianoilfield.com

at a price of Rs. 61.20 (Rupees Sixty One And Paise Twenty only) per Fully Paid Equity Share ("Offer Price") in cash (hereinafter referred to as the "Offer" or the "Open Offer"). The offer is being made pursuant to Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto "(SEBI (SAST) Regulations" or "the Regulations") for the purpose of substantial acquisition of shares and voting rights of the Target Company accompanied with a change in control / management in the Target Company.

Notes:
- This offer is not subject to a minimum level of acceptance.
- No approval from FIPB is required for the Acquirer to make equity investment in AOSL on preferential basis. However, approval from the Reserve Bank of India (RBI) would be required to acquire shares tendered under this Offer. No other approvals, statutory or otherwise, are required under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act 1969 and / or any other applicable law and from any other bank and / or financial institutions for the said acquisition pursuant to this offer. However, the offer would be subject to all statutory approvals that may become applicable at a later date.
- **Shareholders of AOSL who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement (PA)/Letter of Offer, shall have option to withdraw the acceptance tendered by them up to 3 (three) working days prior to the date of Closure of the Offer in terms of regulation 22(5A) of the SEBI (SAST) Regulations. The last date for such withdrawal is Tuesday, May 4, 2010.**
- The Acquirer can revise the Offer Price up to 7 (seven) working days prior to the date of Closure of the Offer. The last date for such revision is Thursday, April 29, 2010. In case of any revision in price, revised consideration will be paid to all shareholders. Any withdrawal of the Offer will be in accordance with Regulation 27 of the Regulations.
- 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.
- **This Offer is not a competitive bid.**
- **If there is a competitive bid:**

a) The public offers under all subsisting bids shall close on the same date.
b) 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 the 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. Meghraj Capital Advisors Private Limited, Manager to the Offer and Cameo Corporate Services 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 the Public Announcement and Letter of Offer (including Form of Acceptance cum Acknowledgement and Form of Withdrawal) is also available at the website of SEBI at www.sebi.gov.in and may be downloaded there from.

Manager to the Offer		**Registrar to the Offer**	
MEGHRAJ	**Meghraj Capital Advisors Private Limited**	CAMEO	**Cameo Corporate Services Limited**
	SEBI Regn.No.:MB/INM000001220		SEBI Regn. No.: INR000003753
	Contact: Mr. Harshal Kamdar		Contact: Mr. R. D. Ramaswamy
	2nd Floor, 5 Brady Gladys Plaza, 1/447 Senapati Bapat Marg Lower Parel, Mumbai - 400 013		'Subramanian Building' 1, Club House Road Chennai – 600 002
	Tel.: 91-22-6744 5100		Tel.: +91-44-2846 0390-94
	Fax: 91-22-6744 5150		Fax: +91-44-2846 0129
	E-mail: harshal@meghrajindia.com		Email: rdr@cameoindia.com
Offer Opens on : April 19, 2010		**Offer Closes on : May 8, 2010**	
(For Schedule of the Major Activities of the Offer please refer the next page)			

The table below summarizes the Schedule of Activities:					
No.	**Activity**	**Original Schedule**		**Revised Schedule**	
		Day	**Date**	**Day**	**Date**
1	Date of PA	Tuesday	February 9, 2010	Tuesday	February 9, 2010
2	Specified Date *	Friday	March 5, 2010	Friday	March 5, 2010
3	Last date for Competitive Bid	Tuesday	March 2, 2010	Tuesday	March 2, 2010
4	Date by which letter of offer to be dispatched to shareholders	Friday	March 19, 2010	Tuesday	April 13, 2010
5	Date of Opening of the Offer	Thursday	April 1, 2010	Monday	April 19, 2010
6	Last date for revising the Offer Price / number of Equity Shares	Friday	April 9, 2010	Thursday	April 29, 2010
7	Last date up to which shareholders may withdraw	Thursday	April 15, 2010	Tuesday	May 4, 2010
8	Date of Closure of the Offer	Tuesday	April 20, 2010	Saturday	May 8, 2010
9	Date for communicating acceptance / rejection under the Offer and Payment of consideration for applications accepted.	Wednesday	May 5, 2010	Saturday	May 22, 2010

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

RISK FACTORS

1. **Risks related to the Transaction**:
   a. In the event of regulatory and statutory approvals not being received in a timely manner or litigation leading to stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer. Consequently, in case of delay of the Offer process, the payment of consideration to the public shareholders of AOSL whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer may be delayed.

2. **Risks related to the Proposed Offer**:
   a. The tendered shares will lie to the credit of a designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuation in the market price of the shares of AOSL. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder of AOSL on whether to participate or not to participate in the Offer.
   b. Litigation, regulatory measures and similar claims could affect the Offer.

3. **Probable risks associated with the Acquirer**:
   a. The Acquirer makes no assurance with respect to the continuation of the past trend of the financial performance of AOSL.
   b. The Acquirer makes no assurance with respect to its investment/ divestment decisions relating to its proposed shareholding in AOSL.
   c. In the event the requisite approvals for the purpose of this Offer or that may be necessary at a later date are refused, the offer may be withdrawn as per provisions of Regulation 27 of the Regulations and as instructed by SEBI.

The risk factors set forth above pertain to the Offer and are not in relation to the present or future business operations of the Target Company or its subsidiaries or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer or associating with the Acquirer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

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DEFINITIONS/ABBREVIATIONS

The following definitions apply throughout this Letter of Offer unless mentioned otherwise:

Terms	Definitions
Acquirer	Acquirer for the purposes of this Offer is Samara Capital Partners Fund I Limited
AOSL / the Target / the Target Company	Asian Oilfield Services Ltd.
Board / Board of Directors	Board of Directors of the Target Company
BSE / Stock Exchange	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956
Date of PA	February 9, 2010
Depository	National Securities Depository Limited (NSDL)
Disclosures	Disclosures regarding the changes in the shareholding / voting rights of the Acquirer to be made by AOSL under Regulations 6, 7 and 8 (from FY 1997 to FY 2009) under the SEBI (SAST) Regulations
DP	Depository Participant
Eligible persons to participate in the Offer	All owners (registered or unregistered, including beneficial owners) of Equity Shares of the Target Company, except the Acquirer and the Promoter Group
Equity Shares/ Shares	Fully paid-up Equity Share of Rs.10/- each of AOSL
Escrow Account	Escrow account under the name and title of "Asian Oilfield Services Ltd - Open Offer - Escrow Account" bearing Escrow Account No. 002-487718-001, established in accordance with Regulation 28 of the SEBI (SAST) Regulations by the Acquirer
Escrow Amount	Amount of Rs. 470 Lacs (Rupees Four Hundred Seventy Lacs), sufficient to cover the minimum of 25% of the purchase consideration i.e. Rs. 4,68,92,802/-
Escrow Bank	The Hongkong and Shanghai Banking Corporation Limited (HSBC), Vile Parle, Mumbai
Form of Acceptance	Form of Acceptance-cum-Acknowledgment enclosed with this Letter of Offer
INR or Rupees or Rs.	Indian National Rupees
Letter of Offer/ LOO	This Letter of Offer dated April 12, 2010
Listing Agreement	The Listing Agreement entered into by the Target Company with the Stock Exchange
Manager to the Offer/ Merchant Banker	Meghraj Capital Advisors Private Limited
NSDL	National Securities Depository Limited
Offer / Public Offer / Open Offer	This Offer by the Acquirer (Samara) to acquire upto 30,64,889 fully paid up Equity Shares representing 20% of the voting share capital of the Target Company (AOSL) at a price of Rs. 61.20 (Rupees Sixty One and Paise Twenty only) per share in cash being made in terms of this Letter of Offer
Offer Closing Date or Closing Date or Date of Closing the Offer	Date of closing of the Offer, being May 8, 2010
Offer Opening Date or Date of Opening the Offer	Date of opening of the Offer, being April 19, 2010
Offer Price	Rs. 61.20 (Rupees Sixty One and Paise Twenty only) per Equity Share of Face Value of Rs. 10/- each of the Target Company (AOSL)
Person Acting in Concert/ PAC	There are no PACs to this Offer

Preferential Issue	At the meeting of the Board of Directors of the Target Company (A0SL) held on December 16, 2009, the Board of Directors (including Management Committee thereof) proposed to issue and allot on a preferential basis 40,50,000 fully paid up Equity Shares of face value of Rs. 10/- each of AOSL to the Acquirer (Samara) at a price of Rs.61.20 per Equity Share, including premium of Rs.51.20 per share, as prescribed under Regulation 76 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
Promoter Group	The Promoter Group, prior to Preferential Issue, comprised of Avinash Manchanda, Krishna Kant, Neelam Manchanda, Vishal Manchanda, Nimit Finance Pvt. Ltd. and Enso Limited
Promoters	Mr. Avinash Manchanda and Mr. Krishna Kant are the initial Promoters of the Target Company
Public Announcement or PA	The Public Announcement relating to the Offer as published in the newspapers on the date of PA
RBI	Reserve Bank of India
Registrar to the Offer	Cameo Corporate Services Limited
SEBI	Securities and Exchange Board of India
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto
SEBI Act	Securities and Exchange Board of India Act, 1992
Specified Date	Date specified in the Public Announcement for the purpose of determining the names of the shareholders to whom the Letter of Offer is to be sent i.e. March 5, 2010
The Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
The Transaction	Allotment of 40,50,000 fully paid up Equity Shares to the Acquirer on preferential basis at a price of Rs. 61.20 per share by the Target Company on February 3, 2010
USD	United States Dollar

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE EQUITY SHAREHOLDERS OF ASIAN OILFIELD SERVICES LTD., TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, MEGHRAJ CAPITAL ADVISORS PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 23, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. BACKGROUND TO THE OFFER

a. This Offer is in compliance with Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto for the purpose of substantial acquisition of shares and voting rights of the Target Company accompanied with change in control/management in the Target Company.

b. Samara Capital Partners Fund I Limited, incorporated on 15 November 2006 in Mauritius under the Mauritius Companies Act, 2001 as a private company limited by shares and licensed by the Financial Services Commission, Mauritius, being the Acquirer within the meaning of the Regulation 2(1)(b) of the SEBI (SAST) Regulations. The Acquirer has subscribed to equity shares of Asian Oilfield Services Ltd. being the Target Company as defined in Regulation 2(1)(o) of the SEBI (SAST) Regulations, which had agreed to issue and allot on Preferential Issue basis an aggregate of 40,50,000 fully paid up equity shares ("Equity Shares") of face value of Rs.10/- (Rupees Ten only) each for cash at a premium of Rs. 51.20 (Rupees Fifty One and Paise Twenty only) per share, pricing for which is determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto ["SEBI (ICDR) Regulations"].

c. Samara Capital Partners Fund I Limited, an existing investor in the Target Company, was allotted 15,00,000 fully paid up Equity Shares (constituting 14.34% of the then voting capital of the AOSL) by the Target Company on January 21, 2008 on preferential basis and was classified as Foreign Body Corporate under Public Shareholders category. The Acquirer and the Target Company had entered into an Agreement for this investment in January 2008.

d. At the meeting of the Board of Directors of the Target Company held on December 16, 2009, the Board of Directors (including Management Committee thereof) proposed to issue and allot on a preferential basis ("the Preferential Issue") 40,50,000 fully paid up Equity Shares of face value of Rs. 10/- each of AOSL to the Acquirer at a price of Rs.61.20 per Equity Share, including premium of Rs.51.20 per share, as prescribed under Regulation 76 of SEBI (ICDR) Regulations. Prior to the Preferential Issue, the Acquirer held 13.30% of the Voting Capital of the Target Company.

e. On December 22, 2009, the Board of Directors proposed to issue and allot on preferential basis 20,25,000 warrants ("Preferential Allotment of Warrants") each to Vertex Suppliers Private Limited and Gellert Mercantile Private Limited. The warrants shall be convertible at the option of the holder into one fully paid up Equity Share of face value of Rs.10/- each for cash at an exercise price of Rs. 61.20 including premium of Rs. 51.20 per share, as prescribed by Regulation 76 of SEBI (ICDR) Regulations.

f. The "Relevant Date" for the purpose of determining the price of the Equity Shares and the exercise price for Warrants, was fixed as December 20, 2009 as per the provisions of SEBI (ICDR) Regulations, for the said Preferential Issue and Preferential Allotment of Warrants.

g. The company has received prior In-Principle Approval from BSE under Clause 24 (a) of the Listing Agreement vide letter dated January 11, 2010 for the said Preferential Issue and the Preferential Allotment of Warrants by AOSL.

h. The shareholders of AOSL approved the resolution for the following in the Extra Ordinary General Meeting (EOGM) held on January 19, 2010 at Vadodara, Gujarat:

   i. Issuance and allotment of 40,50,000 fully paid up Equity Shares of face value of Rs. 10/- of AOSL on preferential basis to the Acquirer at a price of Rs.61.20 per Equity Share, including premium of Rs.51.20 per share;

   ii. Issuance and allotment of 20,25,000 Convertible Warrants each to Vertex Suppliers Private Limited and Gellert Mercantile Private Limited, convertible at the option of the holder into one fully paid up Equity Share of face value of Rs.10/- each for cash at an exercise price of Rs. 61.20 including premium of Rs. 51.20 per share.

i. The Acquirer is not related to the entities, viz. Vertex Suppliers Private Limited and Gellert Mercantile Private Limited in any manner.

j. On February 3, 2010, the Target Company allotted 40,50,000 fully paid up Equity Shares to the Acquirer (the "Transaction") on preferential basis, at a price of Rs. 61.20 per share. No subscription agreement has been entered into for this allotment. However, the above Transaction has triggered the Open Offer as per SEBI (SAST) Regulations, 1997 and subsequent amendments thereto. Post Preferential Issue, the Acquirer is now re-classified as Foreign Promoters under Promoter Group category from Public Shareholders category.

k. The Target Company has allotted Equity Shares under preferential basis in accordance with SEBI (ICDR) Regulations, the Companies Act, 1956 and other applicable laws. Further, in view of non receipt of subscription monies from Vertex Suppliers Private Limited & Gellert Mercantile Private Limited, proposals to allot 20,25,000 convertible warrants each to these entities have been cancelled on February 03, 2010.

l. Post Preferential Issue, Equity Share capital of AOSL is Rs. 15,32,44,440/- divided into 1,53,24,444 fully paid-up Equity Shares of face value of Rs.10/- each ("the Post Issue Voting Capital") and the Acquirer now holds 55,50,000 Equity Shares constituting 36.22% of the Post Issue Voting Capital. Also, post Preferential Issue, the Acquirer will be classified under the Promoter Group category.

m. The parties to transaction have not been prohibited by SEBI from dealing in securities, in terms of directions issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

n. Accordingly, the Acquirer is making an Offer to the public shareholders of AOSL to acquire up to 20% i.e. 30,64,889 Equity Shares of the Post Issue Voting Capital, pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations.

3. DETAILS OF THE OFFER

a. The Acquirer is making an Offer under Regulation 10 and 12 of the SEBI (SAST) Regulations, 1997 to the public shareholders of AOSL to acquire up to 30,64,889 fully paid-up Equity Shares of Rs. 10/- each, representing 20% of the Post Issue Voting Capital, at a price of Rs. 61.20 (Rupees Sixty One and Paise Twenty only) per share payable in cash and subject to the terms and conditions mentioned hereinafter.

b. The Promoter Group, prior to Preferential Issue, comprised of Avinash Manchanda, Krishna Kant, Neelam Manchanda, Vishal Manchanda and Nimit Finance Pvt. Ltd. Enso Limited was inducted as the Co-promoter of AOSL in 2009, in terms of the Regulation 12 of the Regulations, special resolution for which was passed by shareholders on April 16, 2009. (Collectively referred to as "Promoters" or "Promoter Group"). Enso Limited does not hold any equity share in the Target Company.

c. There are no persons acting in concert ("PAC") in this Offer within the meaning of Regulation 2(1)(e) of the SEBI (SAST) Regulations.

d. As on the date of PA, the Acquirer holds 55,50,000 fully paid up Equity Shares of AOSL, constituting to 36.22% of the Post-Preferential Issue share capital of AOSL.

e. The Offer is not conditional to any minimum level of acceptance.

f. The offer is not as a result of global acquisition resulting in indirect control of AOSL.

g. This Offer is not a competitive bid.

h. The offer is valid to all shareholders of the Target Company except for the Promoter Group and the Acquirer.

i. The shares to be acquired by the Acquirer, pursuant to this Offer, will be free from all liens, charges and encumbrances and together with all rights attached hereto, including the right of all dividends, bonus and rights declared hereafter.

j. Pursuant to the second provision to Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has deposited Rs. 470 Lacs in the Escrow Account on February 8, 2010, sufficient to cover the minimum requirement of 25% (Twenty Five per cent) of the purchase consideration payable to the shareholders assuming full acceptance of all the shares offered to be purchased in this Offer.

k. The Acquirer has not acquired nor been allotted any Equity Shares of AOSL during the 52-week period prior to the date of PA except as mentioned in para 2(j). The Acquirer or their directors have not acquired any Equity Shares in AOSL at a price above the offer price of Rs. 61.20 per share, including by way of allotment in public or rights issue or by way of preferential allotment by AOSL during the 26-week period prior to the date of PA save and except the allotment mentioned in Para 2 above. The Acquirer has not acquired any additional equity shares from the date of PA to the date of this Letter of Offer.

l. The Equity Shares of AOSL are listed on the Bombay Stock Exchange Ltd. (BSE) only and are frequently traded as defined in Regulation 20 of the Regulations.

m. The Offer Price of Rs.61.20/- (Rupees Sixty One and Paise Twenty only) per Equity Share is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations.

n. The Public Announcement (PA), as per Regulation 15(1) of the Regulations, was made in all editions of one English national daily with wide circulation, one Hindi national daily with wide circulation, one Gujarati daily published at Ahmedabad widely circulated in Vadodara, the place where the Registered Office of the Target Company is situated and one Marathi daily published at the place of the stock exchange where the shares of the target company are most frequently traded, as given below:

Newspaper	**Language**	**Editions**	**Date of PA**
Business Standard	English	All editions	Tuesday, February 9. 2010
Business Standard	Hindi	All editions	Wednesday, February 10. 2010
The Economic Times	Gujarati	Ahmedabad	Tuesday, February 9. 2010
Navshakti	Marathi	Mumbai edition	Tuesday, February 9. 2010

Subsequently a Corrigendum to the PA has been published in the aforesaid newspapers on Monday, April 12, 2010. A copy of the Public Announcement and Corrigendum to the PA are also available on the SEBI's website at www.sebi.gov.in

o. All equity shares tendered in acceptance of the Offer will be acquired by the Acquirer subject to terms and conditions set out in the Public Announcement and this Letter of Offer.

p. The Manager to the Offer does not hold any shares of the Target Company. They shall also not deal in the shares of the AOSL as per Regulation 24(5A) of SEBI (SAST) Regulations.

4. OBJECT AND PURPOSE OF THE OFFER

a. The Acquirer has made a substantial acquisition of shares accompanied with a change in control / management. This offer of 20% of the voting capital i.e. 30,64,889 fully paid-up Equity Shares is being made in terms of Regulation 10 and 12 of SEBI (SAST) Regulations.

b. As on the date of PA, the Acquirer does not have any plans to sell, dispose of or otherwise encumber any substantial assets of AOSL in the next two years from the date of the closure of this Offer, other than in ordinary course of business, except with the prior approval of the shareholders of AOSL.

c. The Target Company is in the business of providing Oilfield related services viz. Shot Hole Drilling & Uphole Drilling Services, Seismic Job Services, Seismic Data Acquisition and Seismic Data Processing and Interpretation to various multinational companies, national and private Exploration & Production companies in India. The investment by the Acquirer in the Target Company is to increase the Acquirer's stake in the company with a view to take control in order to drive strategic changes such as entering into new business lines, tapping new customers, entering into strategic JVs, etc in order to build a robust order book and grow the Company many fold.

d. The Acquirer intends to enhance the existing capabilities by adding new 3D seismic data acquisition equipment and crew. The capex requirement for the same is estimated to be approx. Rs. 20 Crore.

e. The Acquirer proposes to expand the service offerings of AOSL by entering into technical partnerships with international players. The new services proposed would cover activities such as Mineral Drilling, CBM (Coal Bed Methane) and Well Services. AOSL has already hired professionals to spearhead the Mineral Drilling activity. The capex requirement to commence new activities is estimated to be around Rs. 30 Crore and shall be funded by a combination of debt and equity.

f. The capital raised through the preferential allotment will be utilized as follows:
   i. to meet the capex requirement for the proposed expansion : capabilities enhancements by way of acquisition of new equipment like recording units, cables, geophones, new drilling rigs & related accessories, logging units, etc.
   ii. to meet the long term working capital

5. DETAILS OF THE ACQUIRER

a. Samara Capital Partners Fund I Limited ("Samara") was incorporated on November 15, 2006 in Mauritius under the Mauritius Companies Act, 2001 as a private company limited by shares. Samara holds a Category 1 Global Business License issued by the Financial Services Commission, Mauritius (FSC) under the Financial Services Act 2007.

b. Samara is having its registered office at IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius. Tel.: +230-467 3000; Fax: +230-467 4000.

c. The principal activity of Samara is to act as an investment holding company. The object of Samara is to provide its shareholders with long term capital appreciation through investments in companies operating in India.

d. Samara has the following subsidiaries, details of which are as under:

Name of Subsidiaries	**Date of Incorporation**	**Country of Incorporation**	**%age of Holding**
Samara Investments Holdings (FVCI) Limited	November 10, 2006	Mauritius	100.00
CIPL Investments	May 24, 2007	Mauritius	55.72
Walker Investments	May 11, 2007	Mauritius	100.00
Durja Investments Limited	May 22, 2008	Mauritius	100.00

The principal activity of Samara and its subsidiaries is to act as investment holding companies.

e. The Samara Group has invested in companies engaged in businesses involving infrastructure ancillary, financial services, consumer, oil and gas services, etc.

f. The subscribed capital of the Acquirer is 23,800 Class A1 ordinary shares of USD 0.01 each, 1,500 Class A2 ordinary shares of USD 0.01 each, 848 Class B shares of USD 1 each and 100 Class C shares of USD 1 each. The total stated capital as on December 31, 2009 is USD 1,201, (equivalent to INR 0.56 Lacs) as per the Audited results.

g. The equity shares of Samara Capital Partners Fund I Limited are not listed on any stock exchange.

h. The Board of Directors of Samara Capital Partners Fund I Limited comprises of Couldiplall Basanta Lala, Rubina Anver Toorawa, Michael Steinberg and Justin Steinberg.

Name & *Designation*	**Date of Appointment**	**Residential Address**	**Qualification & Experience**
Couldiplall Basanta Lala *Director*	15-11-2006	Avenue des Hirondelles Sodnac Quatre Bornes Mauritius	Mr. Lala is a Fellow of the Institute of Chartered Accountants in England and Wales. He is a past Chairman of the Mauritius Stock Exchange Commission and was on several Government enquiries / committees. Mr. Lala was until 1993 an executive partner of the Mauritius representative firm of Arthur Andersen. He was responsible for all practice support and development, covering training, technical developments, marketing support and strategic planning. He is a director of SBI

			International (Mauritius) Ltd., an offshore bank subsidiary of the State Bank of India. Mr. Lala is also a director of Indian Oil (Mauritius). He is on the board of a large number of collective investment vehicles.
Rubina Anver Toorawa *Director*	15-11-2006	Bait-Ul-Noor Villa Canda Lane Boundary Road Rose Hill Mauritius	Ms. Toorawa is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a B.Sc.(Hons) from the University of Manchester. Prior to joining IFS in March 1999, she was a Senior Manager with PricewaterhouseCoopers (Mauritius), with particular exposure in the financial, textile and tourism sectors, including management of overseas projects financed by international financial institutions such as the World Bank. She had previously worked for KPMG (Manchester) for 6 years, where she specialized in the Banking and Finance sector and Value for Money audits. She has over 17 years experience in accountancy, auditing, tax and consultancy. She serves as a director of offshore companies and investment funds.
Michael Steinberg, *Director*	15-11-2006	12 East, 49th Street Suite1202 New York NY 10017 USA	Mr. Michael Steinberg's career in investment management spans over 25 years. He is the founding Managing Partner of Steinberg Asset Management, LLC, which manages over US$ 2 billion investments with a value strategy across small-cap, mid-cap, and all-cap for large institutions, endowments, foundations and wealthy family offices. Prior to 1982, Mr. Steinberg spent five years as a partner at Sloate Weisman Murray & Steinberg, a money management and brokerage firm. That association followed almost 10 years as a securities analyst, portfolio strategist, and money manager with Loeb Rhoades, which he joined after receiving a BS from Syracuse University and an MBA from the University of California at Berkeley. His research and portfolio views have appeared in a variety of industry publications.
Justin Steinberg, *Director*	17-01-2008	25 W. 76th Street, New York, NY 10023. USA	Presently Managing Director / Analyst - Steinberg Asset Management New York. MBA From Harvard Business School And Bachelors From Brown University

i. Prior to the Preferential Issue, Samara held 15,00,000 fully paid up Equity Shares of AOSL, representing 13.30% of the Pre Preferential Issue share capital of AOSL. Post the Preferential Issue, Samara holds 55,50,000 fully paid up Equity Shares of AOSL, representing 36.22% of the Post Issue share capital of AOSL.

j. Samara has not entered into any subscription agreement with the Target Company for the acquisition of shares under the Preferential Issue.

k. As on the date of the Public Announcement, none of the Directors of Samara are on the Board of Directors of AOSL.

l. Mr. Sumeet Narang and Mr. Gautam Gode, are Directors of AOSL. They are employed by and are Directors of Samara India Advisors Pvt. Ltd., which provides sub-advisory services to Samara Capital

Management Limited, which is the Investment Manager of Samara Capital Partners Fund I Limited. They are not employed by and are not Directors of Samara Capital Partners Fund I Limited.

m. The audited financial highlights of Samara for the last three years as certified by Reesan Emrith (Membership No.: FRC/AL/130) from KPMG, Mauritius, having its office at KPMG Centre, 30, St. George Street, Port Louis, Mauritius, vide their report dated February 8, 2010 are as under:

(in Rs. Lacs)

Particulars **for period ending➔**	**December 31, 2007 (13.5 mth)**	**December 31, 2008 (12 mth)**	**December 31, 2009 (12 mth)**
Income from operations	0.00	0.00	0.00
Other Income	46.12	44.20	0.00
Total Income	**46.12**	**44.20**	**0.00**
Expenditure	1,121.04	3,968.99	5,081.34
Profit/(Loss) before Interest, Depreciation and Tax	-1,074.92	-3,924.79	-5,081.34
Interest / Financial charges	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00
Profit/(Loss) Before Tax	**-1,074.92**	**-3,924.79**	**-5,081.34**
Provision for Taxation	0.00	0.00	0.00
Profit/(Loss) After Tax	**-1,074.92**	**-3,924.79**	**-5,081.34**

Particulars **for period ending➔**	**December 31, 2007 (13.5 mth)**	**December 31, 2008 (12 mth)**	**December 31, 2009 (12 mth)**
Sources of Funds			
Paid up Share capital	19,584.28	34,423.48	34,187.75
Reserves & Surplus excluding revaluation reserve	-1,071.86	-5,237.02	-10,118.21
Fair Valuation Reserve	239.52	-6,925.03	-3,703.81
Reserve for Forfeiture	0.00	0.00	1,270.54
Non Controlling Interest	3,361.41	3,451.11	3,419.32
Net Worth / Net Asset Value	**22,113.35**	**25,712.54**	**25,055.59**
Secured Loans	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00
Total	**22,113.35**	**25,712.54**	**25,055.59**

Particulars **for period ending➔**	**December 31, 2007 (13.5 mth)**	**December 31, 2008 (12 mth)**	**December 31, 2009 (12 mth)**
Uses of Funds			
Net Fixed Assets	0.00	0.00	0.00
Investments (Financial Assets)	17,681.79	25,152.75	24,705.30
Net Current Assets	4,431.56	559.79	350.29
Total	**22,113.35**	**25,712.54**	**25,055.59**

Notes:

a) Paid-up Equity Capital represents the total of share capital and capital contribution received.
b) Reserves & Surplus comprise accumulated losses of the Group.
c) EPS, Book Value per Share and RONW have not been computed as no investments have been sold yet and the Company is incurring operating loss.
d) Conversion rate on closing date is the obtained from Reserve Bank of India website.

n. Increase / decrease in income: There is no income in the fund, its only expenses and the loss is primarily due to impairment in value of investments. There are no contingent liabilities.

o. Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Company and its subsidiaries entities:

1. **Basis of consolidation:** Subsidiaries are entities controlled by the Group. Control exists when the Company and its subsidiaries have the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the

date that control ceases. The accounting policies of subsidiaries are consistent with the policies adopted by the Group. The Company and its subsidiaries consolidated financial statements include the financial statements of the Company and its subsidiaries: CIPL Investments, Walker Investments, Durja Investments Limited and Samara Investment Holdings (FVCI) Limited. The results of the subsidiary companies are included in the consolidated financial statements and all intra Company and its subsidiaries transactions and balances have been eliminated.

2. **Foreign currency transactions:** Transactions in foreign currencies are translated to the functional currency (USD) at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to USD at the foreign currency closing exchange rate ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to USD at the foreign currency exchange rates ruling at the dates that the values were determined. Foreign currency differences arising on retranslation for differences are recognised in consolidated statement of comprehensive income, except arising on retranslation of available for sale equity instruments which is recognised in other comprehensive income.

3. **Financial Instruments:**

   a. <u>Classification:</u> Financial instruments comprise of cash and cash equivalents, available for sale financial assets, other receivables, loan from a director, accounts payable and accruals. The Company and its subsidiaries adopted the amended *International Accounting Standard 32 (IAS 32): 'Financial Instruments: Disclosure and Presentation' and International Accounting Standard 39 (IAS 39): 'Financial Instruments: Recognition and Measurements'* and designated its investments into the financial assets at available for sale category. The category of available for sale financial assets comprises investments designated at available for sale upon initial recognition. These include financial assets that are not held for trading purposes and which may be sold at any time. These are investments in equity instruments of various Indian entities. Other financial assets classified as loans and receivables include other receivables.

   b. <u>Recognition</u>: The Company and its subsidiaries recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the financial instrument. Financial liabilities are not recognised unless one of the parties has performed its obligation. A regular way purchase of financial assets is recognised using trade date accounting. From this date, gains or losses arising from changes in fair value of financial assets or financial liabilities are recorded.

   c. <u>Measurement:</u>

   Available for sale financial assets: Available for sale financial assets are measured initially at transaction price plus transaction costs that are incurred and directly attributable to acquisition or issue of these financial assets. Subsequent to initial recognition, these financial assets are measured at fair value with changes in their fair value, other than impairment losses are recognised in other comprehensive income and presented within equity in fair valuation reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

   Other financial assets: Other financial assets are measured initially at fair value plus transaction costs that are directly attributable to the acquisition of these other financial assets. Subsequent to initial recognition, financial assets are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

   Other financial liabilities: Other financial liabilities are measured at amortised cost using effective interest rate.

   d. <u>Fair value measurement principles:</u> The Company and its subsidiaries have quoted as well as unquoted equity investments. Fair value of quoted instruments is valued at the last quoted price on the Bombay Stock Exchange Limited (BSE). Appropriate discounts may be applied to the fair value. The fair value of the unquoted instruments is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the reporting date. Where fair values are estimated using price earning ratio, applicable price / earnings ratios for similar companies adjusted to reflect the specific circumstances of the issuer is used.

e. Impairment: Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. If any such indication exists, an impairment loss is recognised in the consolidated statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. If in the subsequent period, the amount of an impairment loss recognised on financial assets carried at amortised cost decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the consolidated statement of comprehensive income. Impairment losses on available for sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to consolidated statement of comprehensive income. The cumulative loss that is removed from other comprehensive income and recognised in consolidated statement of comprehensive income is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in consolidated statement of comprehensive income.

f. Derecognition: The Company and its subsidiaries derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with *International Accounting Standard 39: 'Financial Instruments: Recognition and Measurements'*. When an available for sale investments is derecognised, the cumulative gain or loss in other comprehensive income is transferred to consolidated statement of comprehensive income. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4. **Liabilities and provision:** All known liabilities have been accounted for in the preparation of the consolidated financial statements. A provision is recognised if, as a result of a past event, the Company and its subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The materiality of the events occurring after the reporting date has been considered and appropriate adjustments and provisions have been made in the consolidated financial statements where necessary.

5. **Income recognition:** Interest income is recognised in the consolidated statement of comprehensive income as it accrues, using the original effective interest rate of the instrument.

6. **Expenses:** All expenses are recognised in the consolidated statement of comprehensive income on an accrual basis.

7. **Cash and cash equivalents:** Cash includes balances at bank. Cash equivalents are short-term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and are held for the purpose of meeting short term cash commitment rather than for investment and other purposes.

8. **Taxation:** Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior periods. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

9. **Related parties:** Related parties are individuals and companies where the individuals and companies have the ability, directly or indirectly to control, the Company and its subsidiaries or exercise significant influence over the Company and its subsidiaries in making financial and operating decisions or vice-versa.

p. Details of Investors in Samara are as under:

Category of Investor	Number in Category	Proportionate Holding (%) (total holding USD 263 Million)
Institutional		
Pension	1	3.8%
Insurance Company	1	0.4%
Other Institutions	6	16.15%
Fund of Funds	7	25.55%
Other Funds	3	11.6%
Individual	7	1.5%
Family Trusts	20	20.5%
Family Partnerships	13	14.5%
Corporates	3	6%

q. The Acquirer has duly complied with the provisions of chapter II of the Regulations.

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

6. DISCLOSURE IN TERMS OF REGULATION 21(2)

The minimum public shareholding required for continuous listing of shares of AOSL is 25% (Twenty Five per cent) of the total paid-up Equity Share Capital. Pursuant to this offer, assuming full acceptance, there will be no violation of Clause 40A of the Listing Agreement of AOSL with the Stock Exchange for the purpose of listing on a continuous basis.

7. DETAILS OF THE TARGET COMPANY

a. Asian Oilfield Services Limited (AOSL) was incorporated under the provisions of the Companies Act, 1956 as a public limited Company on March 9, 1992 and obtained the Certificate of Commencement on March 10, 1992.

b. The Registered Office of the company is presently situated at 7th Floor, B Wing, Manubhai Tower, Sayajigunj, Vadodara – 390 020; Tel.: +91-265-2362071/2362292. The Company earlier had its Registered Office at 224/225, GIDC Industrial Estate, Mehsana at the date of Incorporation and on September 8, 1993, the same was shifted to Archi Cinema Building, Halol – 389350. Thereafter, it was shifted to the current location w.e.f September 30, 1994 within the State of Gujarat.

c. The Target Company has a Branch Office situated at 9, Commercial Complex, Masjid Moth, Greater Kailash – II, New Delhi – 110048, Tel: +91-11-40536728, Fax: +91-11-46573814.

d. The Target Company is engaged in the business of providing Oilfield related services viz. Shot Hole Drilling & Uphole Drilling Services, Seismic Job Services, Seismic Data Acquisition and Seismic Data Processing and Interpretation to various multinational companies, national and private Exploration & Production companies.

e. The Company started with offering Shot hole Drilling Services required for seismic/geophysical services conducted for oil/gas exploration in Gujarat. The Company won big contract for charter hiring of 3 workover rigs to ONGC, Vadodara Region for execution of this project. The Company went for IPO in 1995 and deployed 50 Ton Rigs in Ankleshwar project and two 30 Ton Rigs in Mehsana project of ONGC. In 1998, the Company re-entered the arena of Shot hole drilling and also executed a 500 Glk 2D Seismic data acquisition program for OIL through RITES in technical collaboration of SPETS – geofizika of Russia. Thereafter due to poor market for workover rigs, the Company concentrated on providing job services to ONGC. In 2002-03, the Company won a prestigious contract from Premier Oil of UK to provide 2D Seismic data acquisition services in technical tie up with Geophysical Institute of Israel. Since then, the Company has been venturing into 2D Seismic Data Acquisition Project for various oil exploration Companies in India. The Company at present provides seismic data acquisition, processing and interpretation services to Oil and Gas Exploration companies in India and abroad.

f. In 2006-07, AOSL acquired one Seismic Data Acquisition equipment. In 2007-08, three more Seismic Data Acquisition equipment was acquired. In 2008-09, additional channels (recording channels) were acquired and in 2009-10, one 3D unit equipment was purchased. During the above periods, the Company also acquired a number of mechanized portable rigs & allied equipment and ventured into core drilling services for mining activities.

g. The present Authorized Share Capital of the Target Company is Rs. 20,00,00,000 divided into 2,00,00,000 Equity Shares of face value of Rs. 10/- each. The issued, subscribed and paid-up capital of the Target Company Pre-Preferential Issue was Rs. 11,27,44,440 comprising of 1,12,74, 444 Equity Shares of face value of Rs.10/- each fully paid up. The current issued, subscribed and paid-up capital of the Target Company is Rs. 15,32,44,440 comprising of 1,53,24, 444 Equity Shares of face value of Rs.10/- each fully paid up.

Sr. No.	Paid up equity share capital of the company	No. of shares / voting rights	% of shares / voting rights
1.	Fully paid up Equity Shares	1,53,24,444	100
2.	Partly paid up Equity Shares	Nil	Nil
3.	Total paid up Equity Shares	1,53,24,444	100
4.	Total voting rights in Target Company	1,53,24,444	100

h. The details of the built up of the Authorised Capital of the Company:

Date	Authorised Capital in Rs.	Increase in Authorised Capital (Rs.)	Remarks
09-03-1992	1,00,00,000	----	On the date of incorporation
22-07-1992	7,00,00,000	6,00,00,000	EOGM held on 22-07-1992
29-05-2006	10,00,00,000	3,00,00,000	EOGM held on 29-05-2006
04-08-2007	15,00,00,000	5,00,00,000	EOGM held on 04-08-2007
26-12-2007	17,00,00,000	2,00,00,000	EOGM held on 26-12-2007
19-01-2010	20,00,00,000	3,00,00,000	EOGM held on 19-01-2010

i. The details of the built up of Issued and Paid up Share Capital of the Company:

Date of allotment	No of shares issued FV Rs. 10/-	Cumulative paid up capital in Rs.	Mode of allotment	Identity of allottees (promoters/ ex-promoters/others)	Status of Compliance *
09-3-1992	70	700	Cash (Subscribers to MoA)	Promoters	Complied
12-3-1992	100000	1000700	Cash (Preferential Issue)	Promoters	Complied
11-5-1992	899400	9994700	Cash (Rights Issue)	Promoters	Complied
18-8-1992	424900	14243700	Cash (Preferential Issue)	Promoters	Complied
30-6-1994	117400	15417700		Promoters	Complied
30-6-1994	496730	20385000		Promoters	Complied
12-5-1995	3318600	53571000	Cash (Public Issue)	Public	Complied
12-1-2007	1650000	70071000	Cash (Preferential Allotment)	Other Strategic Investor	Complied
15-1-2008	1952900 (752900+ 1200000)	89600000	Cash (Conversion of Warrants)	Promoter & Strategic Investor	Complied
21-1-2008	1500000	104600000	Cash (Preferential Allotment)	Non Promoter Samara Capital	Complied
11-7-2008	370000	108300000	Cash (Conversion of Warrants)	Non Promoter Strategic Investor	Complied
11-9-2008	444444	112744440		Non Promoter Strategic Investor	Complied
03-2-2010	4050000	153244440	Cash (Preferential Allotment)	Acquirer	Complied
* Compliance is with respect to Stock Exchange Requirements, SEBI (DIP) Guidelines, SEBI (ICDR) Regulations 2009 and the SEBI (SAST) Regulations.					

j. There are no calls in arrears and no partly paid up shares in the Target Company.

k. There have been no mergers/ de-mergers/ spin-offs in respect of Target Company in the last 3 years.

l. There are no outstanding convertible instruments (warrants, fully convertible debentures, partly convertible debentures) of the Target Company as on the date of this Letter of Offer.

m. The Equity Shares of AOSL are listed on BSE only and are frequently traded as defined in Regulation 20 of the Regulations. Initially, the Equity Shares of AOSL were also listed on the Ahmedabad Stock Exchange (ASE), Vadodara Stock Exchange (VSE) and Delhi Stock Exchange (DSE). However, pursuant to the resolution passed by the shareholders of the Company at their Annual General Meeting held on September 29, 2003, the Equity Shares of AOSL have been delisted from ASE, VSE and DSE vide their letters dated April 6, 2004, November 10, 2004 and September 2, 2004 respectively.

n. The company has been regular in paying the annual listing fees to the BSE and there are no arrears payable to BSE as on the date of PA.

o. Mr. Avinash Manchanda and Mr. Krishna Kant are the initial Promoters of the Target Company. Enso Limited has been inducted as the Co-promoter of AOSL, in terms of the Regulation 12 of the Regulations, by shareholders passing a special resolution through postal ballot process on April 16, 2009. Enso Limited does not hold any equity share in the Target Company.

p. The Promoter Group, prior to Preferential Issue, held 6,70,657 fully paid up equity shares, representing 5.95% of the Pre Preferential Issue share capital of AOSL.

q. Change in Equity Shareholding of Promoter Group:

	For Financial Year Ended	Opening Balance of Promoter Group's Holding including PACs, as on April 1		Closing Balance of Promoter Group's Holding including PACs, as on March 31		Change in Promoter Group's holding during the year		Status of Compliance with Takeover Regulations
		No. of Shares	holding in %	No. of Shares	holding in %	No. of Shares	% of change	
1	31-03-1998	1359150	25.37	1364050	25.46	4900	0.09	- NA -
2	31-03-1999	1364050	25.46	1359650	25.38	-4400	-0.08	- NA -
3	31-03-2000	1359650	25.38	1359650	25.38	0	0	- NA -
4	31-03-2001	1359650	25.38	1369350	25.56	9700	0.18	- NA -
5	31-03-2002	1369350	25.56	1369350	25.56	0	0	- NA -
6	31-03-2003	1369350	25.56	1282640	23.94	-86710	-1.62	- NA -
7	31-03-2004	1282640	23.94	1412540	26.37	129900	2.42	Complied
8	31-03-2005	1412540	26.37	1408440	26.29	-4100	-0.08	- NA -
9	31-03-2006	1408440	26.29	1384037	25.84	-24403	0.46	- NA -
10	31-03-2007	1384037	25.84	1359150	25.37	-24887	-0.36	- NA -
11	31-03-2008	1359150	25.37	1111865	10.63	-247285	-0.95	Complied
12	31-03-2009	1111865	10.63	1039357	9.22	-72508	-1.41	- NA -

Note:

i. Paid up Capital as on 31-03-2006 was Rs. 53571000 divided into 5357100 Shares of Rs.10/- each.
ii. Paid up Capital as on 31-03-2007 was Rs. 70071000 divided into 7007100 Shares of Rs.10/- each.
iii. Paid up Capital as on 31-03-2008 is Rs. 104600000 divided into 10460000 Shares of Rs.10/- each.
iv. Paid up Capital as on 31-03-2009 is Rs. 112744440 divided into 11274444 Shares of Rs.10/- each.

Mr. Pratap B. Arora joined the Company as a Director on April 19, 1993 and became the Promoter of the Company. He and his family members along with M/s. Exploroil Otech India Pvt. Ltd. were named as the Promoter in the prospectus dated February 7, 1995. He ceased to be the Director and Promoter of the Company w.e.f. August 18, 2003. He however, continued as an investor until October 2006, when he exited his investment in the Company.

The promoters of AOSL have not crossed the threshold limit prescribed under creeping acquisition under Regulation 11 of the Regulations since February 20, 1997, i.e. the date of applicability of the Regulations till the date of Public Announcement (February 9, 2010).

r. As on February 5, 2010, there were 11,169 shareholders.

s. There are 56,50,000 shares under lock-in of which 15,00,000 Equity Shares being pre-preferential allotment holding of Samara are subject to Lock-in for 6 months. Also 40,50,000 Equity Shares allotted to Samara under the preferential allotment are subject to lock-in as follows:

- to be kept in lock-in for **3 years** from the date of allotment	30,64,889 shares
- to be kept in lock-in for **1 year** from the date of allotment	9,85,111 shares

t. Pre & Post Offer Equity Shareholding pattern of the Target Company is as follows:

		Shares / Voting rights of Asian Oilfield Services Ltd.							
	Shareholder's Categories	**Prior to Preferential Issue of Equity Shares**		**Post Preferential Issue of Equity Shares**		**Assuming Full Acceptance under Open Offer**		**Post Preferential Issue and Open Offer**	
Sr. No.	**Name of Shareholders**	**Nos**	**%**	**Nos**	**%**	**Nos**	**%**	**Nos**	**%**
A.	**Promoters' holding :**								
1	Indian :								
	Individual	370,657	3.29	370,657	2.42	-		370,657	2.42
	Bodies Corporate	300,000	2.66	300,000	1.96	-		300,000	1.96
	Sub Total	**670,657**	**5.95**	**670,657**	**4.38**	-		**670,657**	**4.38**
2	Foreign Promoters – Samara (Acquirer) (Reclassified from Public to Promoter post Preferential Issue)	-		5,550,000	36.22	3,064,889	20.00	8,614,889	56.22
	Sub Total	-		**5,550,000**	**36.22**	**3,064,889**	20.00	**8,614,889**	**56.22**
	Sub Total (A)	**670,657**	**5.95**	**6,220,657**	**40.59**	**3,064,889**	**20.00**	**9,285,546**	**60.59**
B.	**Non-Promoters' holding :**								
1	Institutional Investors	315,900	2.80	315,900	2.06	-		315,900	2.06
2	Non-Institution :					-			
	Foreign Companies – Samara (Acquirer) (Prior to Preferential Issue)	1,500,000	13.30	-	-	-		-	-
	Private Corporate Bodies	2,572,019	22.81	2,572,019	16.78	-		2,572,019	16.78
	Indian Public	5,724,201	50.77	5,724,201	37.35	-		2,659,312	17.35
	Clearing Members	329,185	2.92	329,185	2.15	-		329,185	2.15
	NRI / OCB	161,482	1.43	161,482	1.05	-		161,482	1.05
	Trust	1,000	0.01	1,000	0.01	-		1,000	0.01
	Sub Total (B)	**10,603,787**	**94.05**	**9,103,787**	**59.41**	-		**6,038,898**	**39.41**
	GRAND TOTAL (A+B)	**11,274,444**	**100**	**15,324,444**	**100**	**3,064,889**	**20.00**	**15,324,444**	**100**

u. The composition of Board of Directors of the Target Company as on PA date is as follows:

Name (PAN No) & *Designation*	**Date of Appointment (DIN Nos.)**	**Residential Address**	**Qualification & Experience**
Krishna Kant (AAVPK3698M) *Executive Vice Chairman*	17-03-1994 (00159594)	Johri Gaon, Kothal Wali, P.O. Sinola - 248001. Dehradun	M.Sc. – Chemistry. Holds a Master's degree in Science & possesses over 50 years of vast experience in the field of Oil Exploration & field services, and has retired from the post of regional director of ONGC. Since then he has involved in a number of entrepreneurial ventures and has been associated with AOSL since 1995
Avinash Manchanda (ACLPM8495N) *Managing Director*	09-03-1992 (00159501)	C-2, Saket Society, B/H. Sussen Textile, Makarpura Road, Baroda	Holds a B.Tech (Hons.) and D.I.I.T. from IIT Kharagpur. Over 36 years of vast and varied experiences in Industrial Management with over 23 years experience in the oilfield services area
Dali Eruchshaw Ilavia (AABPE1452B) *Non Executive Independent Director*	29-10-2003 (01254610)	25,Mihir Park, Old Padra Road, Baroda	B.Com. Has 37 years of experience in Banking & Finance
Sumeet Narang (AAIPN7631G) *Investor Director **	30-01-2008 (01874599)	73 B Jolly Maker I, Cuffe Parade, Mumbai – 400005	MBA from Harvard Business School, B.E. from IIT, Rourkee, P.G. Diploma in Management from IIM, Lucknow. Worked with Citigroup, India from 2001-04, including a leadership role in heading a business. Also has work experience with Goldman Sachs proprietary investments as a summer associate in 2005, where he focused on the alternative energy space

Rameshwarlal B. Kabra (AAHPK1903F) *Non Executive Independent Director*	23-02-2009 (00165612)	161, Jupiter, 41, Cuffe Parade, Mumbai – 400 005	B.Com, FCA. Over all 35 years experience in Corporate Management Consulting, Audit, Tax & International Advisory Services
Anand Prakash Agarwal (AAZPA2207Q) *Non Executive Independent Director*	23-02-2009 (02525271)	C/o. Dr. Mugdha Agrawal, 50, BDD Block, Tilak Hospital, Worli, Mumbai – 400 018	M.Sc.(Physics), M.Sc.(Maths), Research in I.I.T. Kanpur in Quantum Physics. About 39 years in managing the exploration/developments projects for hydrocarbon encompassing field operations to corporate functioning. The experience profile covers multiple sections of Petroleum Exploration, Development & Management of crucial projects in Assam and Gujarat, has 20 years experience in managing and supervision of vibroseis /seismic parties in various capacities in India and abroad. He has been with ONGC for about 37 Years and left ONGC as Executive Director-Head Corporate Team. Working at various level on different projects at ONGC, has transformed him as a valuable professional
Vaibhav Maloo (AMHPM9503F) *Promoter Director (Non Executive Director)*	23-02-2009 (01220610)	221, B , Maker Tower, A B Cooperative Housing Society Ltd., Cuffe Parade, Mumbai-400 005	B.Sc. in Business Administration, Carnegie Pittsburgh, PA, USA. He is good at Business Administration, holds directorship in M/s. Enso Limited and M/s. Enso Secutrack Ltd.
Gautam Gode (ADPPG4842A) *Non Executive Director **	23-02-2009 (01709758)	NT-1,-001, "UTOPIA", Expressway, Sector 3A, Noida – 201304 (U.P.)	Graduate from Princeton University and M.B.A. from IIM, Ahmedabad and has more than 13 years of rich experience in origination and working on deals spanning M&A, private equity, equity capital markets, distressed debt, structured fund raising and derivatives covering gamut of industries – technology, pharmaceuticals, cement, textiles, infrastructure, oil and gas, telecom and power. At present he is associated with Samara Capital in the capacity of the Managing Director

** Directors representing Samara*

v. None of the directors of the Target Company have been prohibited from dealing in securities in terms of section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

w. The Target Company has following Subsidiary / Associate companies:

Name of the Company	Relationship (Subsidiary/Associate)	Activity
AOSL Petroleum Pte. Ltd	100% Wholly Owned Overseas Subsidiary of AOSL	Exploration and extraction of oil and natural gas and for the purpose, to apply for and acquire, develop, erect, improve, renovate, alter any well and field, to manufacture, produce, process, sale, distribute, import, export, trade and deal in all types of drilling rigs, mining equipment, mud pumps, oil exploration equipment etc. (yet to commence business)
Nimit Finance Pvt. Ltd.	Associate Company - Unlisted	Investment Company

x. The Target Company has confirmed that it has complied with the listing requirements as of date and there are no punitive action taken against it by the Stock Exchange.

y. Financial Information of AOSL based on their Audited Annual Accounts is as follows:

(Rs. in Lacs)

Particulars **for period ending➔**	**March 31, 2007 (12 mth)**	**June 30, 2008 (15 mth)**	**June 30, 2009 (12 mth)**	**December 31, 2009 (6 mth)***
Income from operations	2733.33	4609.90	6170.48	619.70
Other Income	26.41	183.69	248.31	58.40
Total Income	**2759.75**	**4793.59**	**6418.79**	**678.10**
Expenditure	1887.15	3088.25	5153.20	597.39
Profit/(Loss) before Interest, Depreciation and Tax	872.59	1705.34	1265.59	80.71
Interest / Financial charges	49.88	102.00	63.52	11.37
Depreciation	65.58	204.28	390.44	212.21
Profit/(Loss) Before Tax	**757.13**	**1399.06**	**811.63**	**-142.87**
Provision for Taxation	248.13	402.78	281.56	-61.36
Extra Ordinary Items	79.47	34.02	0.00	0.00
Profit/(Loss) After Tax	**429.53**	**962.26**	**530.07**	**-81.51**

Particulars **for period ending➔**	**March 31, 2007 (12 mth)**	**June 30, 2008 (15 mth)**	**June 30, 2009 (12 mth)**	**December 31, 2009 (6 mth)***
Sources of Funds				
Paid up Share capital	700.71	1046.00	1127.44	1127.44
Share Warrants	32.18	555.41	228.00	
Reserves & Surplus excluding revaluation reserve	799.57	5078.66	6158.69	
Net Worth	1532.46	6680.07	7514.13	
Secured Loans	375.18	309.08	1.46	
Unsecured Loans	0.00	0.00	335.04	
Deferred Tax Liability	12.98	125.10	0.00	
Total	**1920.62**	**7114.25**	**7850.63**	

Particulars **for period ending➔**	**March 31, 2007 (12 mth)**	**June 30, 2008 (15 mth)**	**June 30, 2009 (12 mth)**	**December 31, 2009 (6 mth)***
Uses of Funds				
Net Fixed Assets	673.98	2110.99	2396.72	
Investments	0.65	3434.06	3235.77	
Net Current Assets	1245.99	1518.95	2218.14	
Miscellaneous expenditure	0.00	50.25	0.00	
Total	**1920.62**	**7114.25**	**7850.63**	

Particulars **for period ending➔**	**March 31, 2007 (12 mth)**	**June 30, 2008 (15 mth)**	**June 30, 2009 (12 mth)**	**December 31, 2009 (6 mth)***
EPS (Basic)	7.52	11.66	4.74	-0.72
EPS (Fully Diluted)	7.52	11.66	4.74	-0.72
Book Value per Share	21.42	58.55	64.63	-
RONW (%)	28.63%	15.71%	7.28%	-

* Results for 6 months period ending December 31, 2009 are based on Limited Review by the Statutory Auditors of AOSL.

z. The reason for increase in Total Income and the fall in Net Profit during the year 2008-09 as compared to previous year, is due to change in the sales mix. Due to the cyclical nature of the business, bulk of the revenues for the Company are generated in the last two quarters of their accounting year. This is the reason for such a low Total Income and Net Profit registered for 6 months period ending December 2009. The seismic activities, which earn higher margin, were lesser than the job services, where the margins are relatively much lower.

aa. Significant Accounting policies of the Target Company are as follows:

- **Accounting Convention:** The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards, notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies

Act, 1956. The financial statements have been prepared in accordance with historical cost convention.

- **Use of Estimates:** The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

- **Fixed Assets and Depreciation:** All fixed assets are stated at cost of acquisition less accumulated depreciation. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, is recognised. Expenditure on assets, other than plant and machinery and furniture hired out to employees and at camp offices, is charged to revenue. Machinery spares that can be used only in connection with an item of fixed assets and their use is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Depreciation is provided on the straight line method at the rates and in the manner specified in Schedule XIV of the Companies' Act, 1956, where such rates are not lower than the rates determined on the basis of management's estimate of economic useful life of the asset. Depreciation on addition to / deduction from assets during the year is provided on prorate basis.

- **Intangibles:** Intangible Assets are stated at cost of acquisition less accumulated amortisation. Cost of computer software is being amortised over a period of six years.

- **Foreign Currency Transactions:** Foreign currency transactions are recorded at the exchange rate prevailing on the relevant date. The exchange difference resulting from the settled transactions is recognised in the profit and loss account. Year end balances of monetary items are restated at the year-end exchange rates and the resultant net gain or loss is adjusted in the profit and loss account.

- **Investments:** Long term investments are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current investments are stated at lower of cost and market value.

- **Inventories:** Inventories of spares and consumables is stated at lower of cost or net realisable value.

- **Retirement Benefits:**

  - Defined Benefit Schemes: Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

  - Defined Contribution Schemes: The contributions required in respect of Provident Fund Scheme maintained by the Company, are recognised in the profit and loss account on accrual basis.

- **CENVAT Credit:** CENVAT credit availed on capital goods is reduced from the cost of the capital goods. CENVAT claimed on services is reduced from the cost of such services. The unutilised CENVAT balance is shown as asset in loans and advances.

- **Revenue Recognition:**

  - Services: Revenue from services are recognised in the period in which services are rendered on percentage completion method.

  - Interest: Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

  - Dividend: Revenue is recognised when the right to receive dividend is established.

- **Taxes on Income:** Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

- **Provisions, Contingent Liabilities and Contingent Assets:** Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

bb. As on June 30, 2009 the Target Company had contingent liabilities amounting to Rs. 1225.96 Lacs.

cc. The details of pending litigations:

i. By Target Company are as follows:

Name of the party	Court/ Forum	Amt. in Rs. Lac	Nature of Litigation & Status
Kapasy Off-shore Pvt. Limited, Mumbai	High Court, Mumbai	26.00	Recovery of Trade advance and Financial Charges on the same with any other relief that the court may grant. Civil case pending.
M/s Ajit Construction, Baroda	District Civil Court, Baroda	6.00	Recovery of Trade advance and Financial Charges on the same with any other relief that the court may grant. Decided Ex-party in favor of the company and court to order BSNL to pay the retention to various claimants.
M/s White Way Prod. Pharma Ltd., Baroda	District Civil Court, Baroda	15.91	Recovery of Trade advance and Financial Charges on the same with any other relief that the court may grant. The Party is in liquidation and there is no chance of any recovery.
M/S Rain Bow Oil Tech P. Ltd., Assam	District Civil Court, Baroda	20.00	Recovery of Trade advance and Financial Charges on the same with any other relief that the court may grant. Court has ordered an inquiry under 156(3), inquiry is over and the party is to be produced before the court by police.
M/S Sun Distributors, lndore	District Civil Court, Baroda	0.66	Recovery of Dishonoured cheques given by the Party against the sale made to them. N.1.A.-138 Pending with the court

ii. Against Target Company are as follows:

Name of the party	Court/ Forum	Amt. in Rs. Lac	Nature of Litigation & Status
Shri Jayaniji Dharaciji Thakor on behalf of his two sons	District Civil Court, Patan	4.00	Matter is yet to come for hearing as Notice is yet to be served to ONGC. Filed an application in the Civil court at Patan for the loss caused to him.

In addition to the above, there are a few litigations pending with Commissioner of Income Tax (CIT) with regards to assessment of income of past years.

dd. **Status of Corporate Governance:** The Target Company is committed to the concept and philosophy of Corporate Governance as a means of ensuring transparency, accountability and professionalism in all their activities and creating effective management to provide optimum benefits to all shareholders and to protect interest of all stakeholders. Jayesh Vyas & Associates, Practising Company Secretary, have certified vide their report dated September 25, 2009 that Asian Oilfield Services Ltd. has complied with all mandatory conditions of Clause 49 of the Listing Agreement for the year ended June 30, 2009.

ee. AOSL has been regular in complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 but there was a delay of 189 days in complying with Regulation 8(3) of the Regulations for the year 2006.

ff. The name and details of the Compliance Officer of the Target Company are as under:

Name	Mr. Mukesh Khanna, ACS
Designation	Company Secretary
Address	301-B, Indraprasth Hsg. Society, Opp. Veg. Market, Ellora Park, Race Course, Vadodara- 390007.
Telephone	+91-265-236 2071

8. JUSTIFICATION OF OFFER PRICE AND FINANCIAL ARRANGEMENTS

a. Justification Of Offer Price

i. The Equity Shares of AOSL are listed on the Bombay Stock Exchange Ltd. The Shares are not admitted as permitted Security in any other Stock Exchange.

ii. The annualized trading turnover in the shares of AOSL, in the above mentioned Stock Exchange are based on trading volume during August 2009 to January 2010 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares traded during 6 calendar months preceding the month in which the PA is made	Total No. of Listed Shares	Annualised Trading Turnover (as %age of Total Shares Listed)
BSE	15,872,476	11,274,444	281.57%

Source: www.bseindia.com

iii. The Equity Shares of AOSL are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

iv. The Offer Price of Rs.61.20/- (Rupees Sixty One and Paise Twenty only) per Equity Share is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations in view of the following:

Particulars	Price
a) Negotiated Price under the agreement, as referred to in Sub Regulation 1 of Regulation 14 of SEBI (SAST) Regulations	Not Applicable
b) Highest Price paid by the Acquirer for acquisition, if any, including by way of allotment in a public or rights issue or preferential issue during the 26 week period preceding the Board Meeting Date	Rs.61.20
c) the average of weekly high and low of the closing prices of the shares of AOSL on stock exchange, where it is most frequently traded, during the 26 week preceding the Board Meeting Date	Rs.60.30
d) the average of daily high and low of the prices of the shares of AOSL on stock exchange, where it is most frequently traded, during the 2 week preceding the Board Meeting Date	Rs.59.99

v. The average of the weekly high and low of the closing prices and volume data of the Equity Shares of AOSL during the 26 weeks period ending December 15, 2009 (being the last trading day before the date of Board Resolution authorizing the Preferential Issue) as recorded on BSE are as below:

Week No.	Ending Week	Weekly High (Rs.)	Weekly Low(Rs.)	Weekly Average (Rs.)	Volume Traded (no.)
1	23-Jun-09	54.75	46.95	50.85	209406
2	30-Jun-09	65.25	51.60	58.43	308436
3	7-Jul-09	71.65	61.50	66.58	685093
4	14-Jul-09	58.45	52.30	55.38	183716
5	21-Jul-09	58.45	56.00	57.23	150552
6	28-Jul-09	65.75	55.50	60.63	139157
7	4-Aug-09	68.70	62.70	65.70	466353
8	11-Aug-09	68.85	62.85	65.85	339699
9	18-Aug-09	63.35	56.65	60.00	384502
10	25-Aug-09	59.85	57.70	58.78	825923
11	1-Sep-09	65.95	59.15	62.55	1874005
12	8-Sep-09	66.45	61.50	63.98	742053
13	15-Sep-09	62.95	61.20	62.08	357138
14	22-Sep-09	61.85	61.20	61.53	215627
15	29-Sep-09	60.05	58.75	59.40	235710
16	6-Oct-09	60.90	57.70	59.30	218035
17	13-Oct-09	56.85	55.90	56.38	400604
18	20-Oct-09	65.35	60.20	62.78	2084710
19	27-Oct-09	71.85	64.35	68.10	1424809
20	3-Nov-09	62.20	57.70	59.95	251059
21	10-Nov-09	58.90	54.90	56.90	141196
22	17-Nov-09	61.15	58.75	59.95	99747

23	24-Nov-09	59.10	58.15	58.63	250778
24	1-Dec-09	59.65	56.30	57.98	186327
25	8-Dec-09	58.45	56.85	57.65	180747
26	15-Dec-09	64.30	58.35	61.33	966315
	26 Weeks Average			**60.30**	

vi. The average of daily high and low of the closing prices of the Equity Shares of AOSL during the 2 weeks period ending December 15, 2009 (being the last trading day before the date of the Board Resolution authorizing the Preferential Issue) as recorded on BSE are given below:

Week No.	**Ending Week**	**Daily High (Rs.)**	**Daily Low(Rs.)**	**Daily Average (Rs.)**	**Volume Traded (no.)**
1	2-Dec-09	61.80	57.75	59.78	53235
2	3-Dec-09	58.95	57.50	58.23	47858
3	4-Dec-09	59.00	57.25	58.13	22350
4	7-Dec-09	58.60	56.30	57.45	19837
5	8-Dec-09	59.00	56.50	57.75	37467
6	9-Dec-09	59.00	56.50	57.75	28382
7	10-Dec-09	61.25	58.30	59.78	230605
8	11-Dec-09	64.30	62.60	63.45	353410
9	14-Dec-09	67.50	62.10	64.80	223739
10	15-Dec-09	65.70	59.80	62.75	130179
	Last 2 Weeks Average			**59.99**	

(Source: www.bseindia.com)

vii. There is no non-compete agreement. This is not an indirect acquisition/control.

viii. In the opinion of the Manager to the Offer and the Acquirer, the Offer price of Rs. 61.20 is justified in terms of Regulation 20 (11) of the Regulations. The offer price shall not be less than the highest price paid by the Acquirer for any acquisition of shares of Target Company, if any, from the date of PA to 7 working days prior to the closure of the offer.

b. **Financial Arrangements:**

i. Assuming full acceptance of the Offer for the acquisition of up to 30,64,889 fully paid Equity Shares of face value of Rs.10/- each at Rs. 61.20 (Rupees Sixty One and Paise Twenty only) per share, the total funds requirements to meet this Offer is Rs. 18,75,71,207/- (Rupees Eighteen Crore Seventy Five Lac Seventy One Thousand Two Hundred Seven only).

ii. In accordance with the provisions of Regulation 28 of the Regulations, the Acquirer have deposited an amount of Rs. 470 Lacs (Rupees Four Hundred Seventy Lacs), sufficient to cover the minimum of 25% of the purchase consideration i.e. Rs. 4,68,92,802/- on February 8, 2010 in the Escrow account No. 002-487718-001 designated as "Asian Oilfield Services Ltd - Open Offer - Escrow Account", opened with The Hongkong and Shanghai Banking Corporation Limited (HSBC), Vile Parle, Mumbai.

iii. The Manager to the Offer has been empowered to operate the Escrow Account and to realize the value of Escrow Account in terms of Regulations.

iv. The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/ FIs or Foreign sources such as NRIs or otherwise is envisaged. The Acquirer hereby declare and confirm that they have adequate and firm financial resources to fulfill the obligations under the Offer.

v. Reesan Emrith (Membership No.: FRC/AL/130) from KPMG, Mauritius, having its office at KPMG Centre, 30, St. George Street, Port Louis, Mauritius, has confirmed vide their certificate dated February 8, 2010, that the Acquirer has adequate financial arrangements to finance the proposed acquisition of shares to the extent of Acquirer's obligations under this Offer.

vi. Based on the undertakings and declarations from the Acquirer and the certificate from the auditors, the Manager to the Offer is satisfied about the Acquirer's ability to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer on the basis of the above has satisfied itself that the Acquirer has adequate and firm financial arrangements to implement the Offer in accordance with the Regulations.

vii. In case of revision in the Offer Price, the Acquirer have undertaken that it will further deposit with bank the difference amount between the fund requirement for the previous open offer and the revised open offer to ensure compliance with Regulation 28 of the Regulations.

9. TERMS AND CONDITIONS OF THE OFFER

a. This offer will open on Monday, April 19, 2010 and will close on Saturday, May 8, 2010.

b. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptances.

c. The Specified date for this offer is Friday, March 5, 2010. Specified Date is only for the purpose of determining the names of shareholders of AOSL as on such date to whom the letter of offer would be sent and all owners (registered or unregistered) of shares of AOSL anytime before the closure of the offer, are eligible to participate in the offer.

d. The ISIN Number of Equity Shares of AOSL in dematerialized form is INE 276 G01015.

e. All shares tendered and accepted under the Offer, will be acquired by the Acquirer, subject to the terms and conditions set out in this Letter of Offer. All necessary requirements for the valid transfer of the shares to the Acquirer will be pre-conditions for acceptance of the tendered shares. Incomplete applications including non-submission of necessary enclosures, if any, are liable to be rejected.

f. Locked in shares, if any, can be tendered in the Open Offer subject to applicable laws including the continuation of the lock-in in the hands of the Acquirer. The Manager to the Offer will ensure that there is no discrimination in the acceptance between locked in and non-locked in shares. Shares that are subject to any other charge, lien or encumbrance are liable to be rejected.

g. Shares, if any, that are subject matter of litigation wherein, the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions / orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

h. 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.

i. The Acquirer can revise the price upwards up to 7 working days prior to Closure of the Offer (April 29, 2010). If there is any upward revision of Offer Price before the last date of revision i.e. April 29, 2010 or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where the original Public Announcement has appeared. Such revised Offer Price would be payable by the Acquirer to all shareholders who tender their Equity Shares at any time during the Offer and which are accepted under the Offer.

j. All owners of fully paid up Equity Shares, registered or unregistered and beneficial owners of the shares (except the Acquirer and the Promoter Group) who own the shares at any time prior to the Closure of the Offer are eligible to participate in the Offer as per procedure set out in Section 10. Unregistered owners /shareholders who have not received the Letter of Offer can send their application in accordance with Section 10 so as to reach the Registrar on or before the Closure of the Offer, i.e. May 8, 2010 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

k. In terms of regulation 22(5A) of the SEBI (SAST) Regulations, Equity Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the address mentioned above as per the mode of delivery indicated therein on or before May 4, 2010.

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

m. Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of Closure of the Offer, i.e. no later than May 8, 2010, else their application would be rejected.

n. All shareholders (registered or unregistered) who own shares of AOSL (except the Acquirer and the Promoters) as on “Specified Date” are eligible to participate in the Offer anytime before the closure of the Offer.

o. All the Equity Shareholders (except the Acquirer and Promoter Group) who own Equity Shares of Target Company anytime before the Closure of the Offer are eligible to participate in the Offer.

p. The Letter of Offer together with the Form of Acceptance cum Acknowledgement submitted herewith will be accepted by the Registrar to the Offer, M/s. Cameo Corporate Services Limited, anytime before the Closure of the Offer.

q. Shareholders should note that after 5.00 PM on the last date of withdrawal i.e. May 4, 2010, shareholders who have lodged their acceptance would not be able to withdraw them even if the acceptance of shares under the offer and dispatch of consideration gets delayed. The validly tendered shares and documents would be held by the Registrars to the Offer in trust, till such time as the process of acceptance of tenders and the payment of consideration is completed.

r. The Public Announcement, Letter of Offer, the Form of Acceptance and Form Of Withdrawal will be also be available at SEBI's website: 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.

s. The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of AOSL.

t. The Acquirer, 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 AOSL are advised to adequately safeguard their interest in this regard.

u. Subject to the conditions governing this offer, as mentioned in this Letter of Offer, the acceptance of this Offer by the shareholders must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

v. As on the date of PA, no approvals, statutory or otherwise, are required under the Companies Act, 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and/or any other applicable laws and from any bank and/or financial institutions for the said acquisition. If however, any statutory or other approval becomes applicable, the Offer would be subject to such approval (RBI approval for NRI shareholders) as provided under Regulation 27 of the Regulations. The Acquirer will not proceed with the Offer in the event of any statutory approval not being obtained and the same would be notified by way of a Public Announcement in the same newspapers where the Public Announcement appeared.

w. Subject to the receipt of statutory approvals, if required, the Acquirer shall complete all procedures relating to the Offer including payment of consideration within a period of 15 days from the Offer Closure Date to those shareholders whose share certificates and/ or other documents are found valid and in order and are approved for acquisition by the Acquirer. Provided where the Acquirer is unable to make payment to the shareholders before the said period of 15 days due to non-receipt of requisite statutory approval, if any as per Regulation 22(12), SEBI may, if satisfied that non-receipt of requisite statutory approval was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for such approval, grant extension of time for the purpose subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days as may be specified by SEBI from time to time.

x. Barring unforeseen circumstances, the Acquirer would endeavour to obtain all approvals within 15 days from the date of closure of the Offer. 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 Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of the Offer.

y. In case the Acquirer 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.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

a. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of AOSL (except the Acquirer and the Promoters) whose names appear on the Register of members of AOSL and to the beneficial owners of the Equity Shares of AOSL whose names appear as beneficiaries on the records of the respective depositories i.e. NSDL and CDSL, at the close of business hours on March 5, 2010 ("Specified Date").

b. All shareholders (registered or unregistered) who own shares of AOSL (except the Acquirer and the Promoters) are eligible to participate in the Offer anytime before the closure of the Offer.

c. The Acquirer has appointed Cameo Corporate Services Limited as the Registrar to the Offer, 'Subramanian Building', 1, Club House Road, Chennai – 600 002; Phone No: +91-44-28460390-94;

Fax No.: +91-44-28460129; email: rdr@cameoindia.com, investor@cameoindia.com; Contact Person: Mr. R. D. Ramaswamy.

d. The Shareholders who are holding shares in physical form and who wish to tender their Equity Shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer on or before the Close of the Offer. i.e. not later than 13:00 hours on May 8, 2010 in accordance with the Instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.

e. The Registrar to the Offer, Cameo Corporate Services Limited, has opened a special depository account with following details:

Depository	NSDL
DP Name	Stock Holding Corporation of India Limited
Account Name	Cameo Corporate Services Limited Escrow A/C AOSL Open Offer
Client ID Number	22765913
DP ID Number	IN301080
ISIN	INE276G01015

The Shareholders having their beneficiary account in CDSL have to use the inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

f. Beneficial Owners (holders of shares in dematerialized form) who wish to tender their shares will be required to send their Form of Acceptance Cum Acknowledgement along with the photocopy of the delivery Instruction in “Off-market” mode or counterfoil of the delivery instructions in “Off- market” mode, duly acknowledged by the Depository Participant (“DP”) in favour of the special depository account to the Registrar to the Offer – Cameo Corporate Services Limited either by hand delivery on weekdays or by Registered Post, on-or before the Close of the Offer, i.e. not later than May 8, 2010, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before close of the Offer i.e. not later than May 8, 2010.

g. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, number of shares held, number of shares offered, Distinctive numbers, Folio Number, together with the original Share Certificate(s), valid transfer deeds and the Original contract notes issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered shareholders.

h. All shareholders (except the Acquirer and the Promoters) who wish to avail of and accept the Offer, can deliver the Form of Acceptance cum Acknowledgement alongwith all the relevant documents at any of the collection centers specified below in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement on or before the closure of the Offer i.e. not later than May 8, 2010. All the centers mentioned herein below would accept applications in the mode as given below:

	Collection Centre	**Address of Collection Centre**	**Contact Person**	**Telephone No. / Fax No.**	**Mode of Delivery**
1	Chennai	Cameo Corporate Services Limited ‘Subramanian Building’ 1, Club House Road Chennai – 600 002	Mr. R. D. Ramaswamy	Tel.: 044-28460390 Fax: 044-28460129	Hand Delivery/ Registered Post/Courier
2	Delhi	Cameo Corporate Services Limited C/o Sterling Services F-63, First floor, Bhagat Singh Market, Near Gole Market Connaught Place New Delhi - 110 001	Mr. R. Sridhar	Tel.: 093125 46905 Fax: 011-43518350	Hand Delivery
3	Mumbai	Cameo Corporate Services Limited 304, Sai Sadan, 3rd Floor, 76/78, Modi Street. Fort, Mumbai 400 001	Mr. Prashant Sanil	Tel.: 022-22644325 / 2979 Fax: 022-22644325	Hand Delivery

4	Vadodara	Cameo Corporate Services Limited 202, Pawan Flats 7, Anand Nagar Society Productivity Road. Alkapuri. Vadodara - 390 007	Mr. Jaydeep Mehta / Mr. Binodkumar Rai	Tel.: 0265-2341105 / 3025993 Fax: 0265-2341105	Hand Delivery

Timing: Weekdays : 10.00 AM to 5.00 PM
Saturdays : 10.00 AM to 1.00 PM
Centres to remain closed on Sundays and Public/Bank Holidays

i. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, number of shares held, Distinctive numbers, Folio numbers, number of shares offered along with the documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e. no later than May 8, 2010 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating Name, Address, the number of shares held, number of shares offered DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. no later than May 8, 2010.

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

k. In terms of regulation 22(5A) of the SEBI (SAST) Regulations, Equity Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the address mentioned above as per the mode of delivery indicated therein on or before May 4, 2010.

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

m. In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
    1. In case of physical shares: Name, Address, Distinctive numbers, Folio Number, number of shares tendered; and
    2. In case of dematerialized shares: Name, Address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledge by the DP, in favour of the special depository account.

n. The Registrar to the Offer will hold in trust the Shares/share certificates, Shares lying in credit of the special depository account, Form of Acceptance and the transfer form(s), if any, on behalf of the shareholders who have accepted the Offer, till the Acquirer completes the Offer obligations in accordance with the Regulations.

o. If the aggregate of the valid responses to the Offer exceeds the Offer size of 30,64,889 fully paid-up Equity Shares of AOSL (representing 20% of the Post Issue Voting Capital of AOSL), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

p. As the shares of AOSL are compulsorily traded in dematerialized form, therefore minimum acceptance/marketable lot will be one share.

q. Unaccepted Share Certificate, Transfer Deeds and other documents, if any, will be returned by Registered Post at the shareholders/unregistered owners sole risk to the sole/first shareholder. Unaccepted shares held in demat form 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.

r. Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of Closure of the Offer, i.e. no later than May 8, 2010, else their application would be rejected.

s. Shareholders of AOSL who have lodged Equity Shares for transfer may either download the Letter of Offer and Acceptance Form from the SEBI's site (www.sebi.gov.in) or request for the Acceptance Form from the Registrar to the Offer. The Acceptance Form, duly completed and signed in accordance with the instructions contained therein or an application in writing on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers and folio number shall be sent to the Registrar to the Offer along with the acknowledgement, if any, received from AOSL for having lodged the Equity Shares for transfer. Shareholders of AOSL who are attaching the acknowledgement are requested to direct AOSL in writing to retain the share certificates for onward submission to the Registrar to the Offer.

t. The securities transaction tax will not be applicable to the shares accepted in this Offer.

u. While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approval (specific or general) that they would have obtained for acquiring the shares of AOSL. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered in this Offer. While tendering shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rates as may be applicable to the category of the shareholder under the Income Tax Act, 1961 on the entire consideration amount payable to such shareholder.

v. In case of delay in receipt of statutory approvals, interest will be payable for the delayed period in terms of regulation 22(12). In case of resident shareholders of AOSL, the Acquirer will deduct the tax on the interest component exceeding Rs.5,000/- at the current prevailing rates, if applicable. If the resident shareholder of AOSL requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, he will be required to submit a No Objection Certificate from the income tax authorities or a self declaration in Form 15G / 15H, as may be applicable indicating the rate at which tax is to be deducted by the Acquirer. Shareholders of AOSL eligible to receive interest component exceeding Rs.5,000/- would be required to submit their Permanent Account Number for income tax purposes. Clauses relating to payment of Interest will become applicable only in the event of the Acquirer becoming liable to pay interest for delay in release of purchase consideration.

w. The payment of consideration for the accepted Equity Shares will be made by the Acquirer by crossed account payee cheque/demand draft to the shareholders of the accepted Equity Shares within 15 days from the date of closure of the Offer. Such payments and documents i.e., share certificates etc. in case of unaccepted Equity Shares will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk. Consideration up to Rs.1500/- will be dispatched "Under Certificate of Posting". Equity Shares held in dematerialized form to the extent not accepted will be credited back to the account of the beneficial owner specified in the Acceptance Form.

x. Shareholders of AOSL who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw the acceptance tendered by them up to 3 (three) working days prior to the date of closure of the Offer in terms of Regulation 27 (5A) of the SEBI (SAST) Regulations.

y. As specified in the table the Acquirer reserves the right to revise the Offer Price up to 7 (seven) working days prior to the closure of the Offer and if there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e. April 29, 2010, or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers in which the original PA had appeared. The Acquirer would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.

z. The withdrawal of shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer/ Special Depository Account. Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

aa. The intimation of returned shares to the shareholders will be at the address through Registered post as per the records of AOSL/Depository as the case may be.

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

cc. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent. Such documents may include, but are not limited to:
   i. duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single shareholder) if the original shareholder is deceased;
   ii. duly attested Power of Attorney if any person apart from the shareholder has signed the application form and/or transfer deed(s);
   iii. no objection certificates from the charge holder/ lender, if the shares in respect of which the application is sent, are under any charge, lien or encumbrance;
   iv. in case of companies, the necessary corporate authorization (including Board Resolutions);
   v. any other relevant documentation.

dd. No documents should be sent to the Acquirer or the Target Company.

11. DOCUMENTS FOR INSPECTION

Copies / Certified copies of the following documents will be available for inspection at the office of Meghraj Capital Advisors Private Limited, Manager to the Offer, at the address 2nd Floor, 5 Brady Gladys Plaza, 1/447, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013; during the offer period between 10.30 AM to 1.00 PM on any working day, except Saturdays, Sundays and Holidays:

a. Fund Constitution of the Acquirer.
b. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
c. Certificate from Mr. Reesan Emrith (Membership No.: FRC/AL/130) KPMG, Mauritius, vide their report dated February 8, 2010 certifying the financial adequacy of the Acquirer to fulfill the Offer obligations.
d. Annual Reports of the Acquirer for the accounting years ended for December 2007, December 2008 and December 2009.
e. Annual Reports of the Target Company (AOSL) for the accounting years March 31, 2007, June 30, 2008, June 30, 2009 and Limited Review by Auditors for half year ended December 31, 2009.
f. Published Copies of the Public Announcement made in the Newspapers on February 9, 2010 and February 10, 2010 and Corrigendum to the PA made in News papers on April 12, 2010.
g. Copy of Board Resolution dated December 16, 2009, adopted by Board of Directors of AOSL for convening EOGM of members to consider Preferential Allotment of Shares.
h. Copy of Special Resolution adopted by members of AOSL in EOGM held on January 19, 2010 approving the Preferential Allotment.
i. Copy of certificate by Deloitte Haskins & Sells, Chartered Accountants, vide their letter dated December 29, 2009 certifying that the price of Rs. 61.20 per Equity Share under the Preferential Issue is as per SEBI (ICDR) Regulations.
j. Copy of Board Resolution dated February 3, 2010, for allotment of Shares on preferential basis.
k. Copy of MoU dated February 5, 2010 between the Acquirer and Cameo Corporate Services Limited to act as Registrar to the Offer.
l. Letter dated February 8, 2010 issued by Cameo Corporate Services Limited, confirming the opening of the Special Depository Account with Stock Holding Corporation of India Limited for the purpose of the Offer.
m. Copy of the Escrow Agreement signed by the Acquirer, the Merchant Banker and the Escrow Bank that authorizes the Manager to the Offer to operate the Escrow Account and to do all acts and deeds as may be required under the Regulations.
n. Letter dated February 8, 2010 from the Escrow Bank confirming deposit of Rs. 470 Lacs deposited in the Escrow Account and a lien marked in favor of the Manager to the Offer.
o. Observation letter received from SEBI Ref. No. CFD/DCR/TO/EB/391/10 dated April 7, 2010 in terms of provision to Regulation 18(2) of the SEBI (SAST) Regulations.
p. Due diligence certificate dated February 23, 2010 by the Manager to the Offer.

12. DECLARATION BY THE ACQUIRER

The Acquirer accepts full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirer is responsible for ensuring compliance with, and fulfillment of their obligations under the SEBI (SAST) Regulations, 1997. All information contained in this document is as of the date of the Public Announcement, unless stated otherwise.

For, **Samara Capital Partners Fund I Limited**

Director

Place: Mauritius
Date: April 12, 2010

Enclosed:

- Form of Acceptance cum Acknowledgement
- Form of Withdrawal
- Share Transfer Deed for shares held in physical form

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

From:

Folio No. / DP ID No. / Client ID No.:

Name:

Status: Resident/ Non-Resident

Full Address:

OFFER SCHEDULE	
OPENS ON	Monday, April 19, 2010
CLOSES ON	Saturday, May 8, 2010
LAST DATE OF WITHDRAWAL	Tuesday, May 4, 2010

Tel.: Fax: E-mail:

To,
Cameo Corporate Services Limited
'Subramanian Building'
1, Club House Road
Chennai – 600 002

Re: Open Offer by Samara Capital Partners Fund I Limited (Acquirer) to acquire upto a maximum of 30,64,889 fully paid up Equity Shares of Rs. 10/- each representing 20% of the Voting Capital of Asian Oilfield Services Ltd. ("AOSL" or "Target Company"), at an Offer Price of Rs. 61.20 (Rupees Sixty One and Paise Twenty only), in terms of SEBI (SAST) Regulations, 1997 and subsequent amendments thereto

Dear Sir,

I/We refer to the Letter of Offer dated April 12, 2010, constituting an offer to acquire the Equity Shares held by me / us in Asian Oilfield Services Ltd. I/We the undersigned, have read the Letter of Offer, understood the contents and accept unconditionally its contents including the terms and conditions as mentioned therein.

For Equity Shares held in Physical Form

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

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1					
2					
3					
4					
5					
Total					

(In case of insufficient space, please use additional sheet and authenticate the same)

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

For Equity Shares held in Demat Form

I/We, hold Equity Shares in demat form, accept the offer and enclose a photocopy of the Delivery Instruction Slip duly acknowledged by the DP in respect of my/our Equity Shares as detailed below:

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

I/We have done an Off Market transaction for crediting the Equity Shares to the Escrow Account named "**Cameo Corporate Services Limited Escrow A/C AOSL Open Offer**" (the "Special Depository Account") with the following particulars:

Depository Participant Name: Stock Holding Corporation of India Limited

DP ID No.: IN301080	**Client ID No.: 22765913**

Shareholders having their beneficiary Account in CDSL have to use an inter-depository delivery Instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL

In case of non-receipt of the aforesaid documents, but receipt of the shares in the Special Depository Account, the Acquirer may deem the offer to have been accepted by me/us.

I/We note and understand that the Equity Shares would lie in the Special Depository Account until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

For NRls/OCBs/Flls/Foreign Shareholders:
I/we have enclosed the following documents:

- ❑ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.
- ❑ Previous RBI approvals for holding the shares of Asian Oilfield Services Ltd. hereby tendered in the Offer.

For FII Shareholders:
I/We confirm that the Equity Shares of Asian Oilfield Services Ltd. are held by me/us on

- ❑ Investment/Capital Account; OR,
- ❑ Trade Account. (whichever is applicable in your case)

For NRls/OCBs Shareholders:
(1) I/We confirm that the Equity Shares of Asian Oilfield Services Ltd. are held by me/us on

- ❑ Investment/Capital Account; OR,
- ❑ Trade Account.

(2) I/We confirm that the Equity Shares of Asian Oilfield Services Ltd. are held by me/us as

- ❑ Long Term Capital Asset; OR,
- ❑ Short Term Capital Asset. (whichever is applicable in your case)

I/We confirm that the Equity Shares of Asian Oilfield Services Ltd. which are being tendered herewith by me/us under this Offer are free from any lien, charges and encumbrances of any kind whatsoever.

I/We also note and understand that the Acquirer will pay the purchase consideration (including interest) only after verification of the documents and signatures, and obtaining necessary approvals, including approvals from the FIPB and the RBI.

I/We authorize the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of this Letter of Offer and to the extent that the Equity Shares tendered by me/us are not acquired (in terms of and subject to the Letter of Offer), I/We further authorize the Acquirer to return to me/us, Equity Shares/share certificate(s) and in the case of dematerialised Equity Shares, to credit such Equity Shares to my/our depository account, in either case at my/our sole risk and without specifying the reasons thereof.

I/We authorize the Acquirer or the Manager to the Offer or the Registrar to the Offer to send by registered post, the draft / cheque in settlement of the amount, to the sole / first holder at the address mentioned below.

Yours faithfully,

Signed and Delivered:

	FULL NAME	**SIGNATURE(S)**	**PAN No.**
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			

Address of First/Sole Shareholder
____
____
____

Place:
Date:

Note: In case of joint holdings, all shareholders must sign. A body corporate must affix its company stamp.

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 Equity Shares that are tendered in electronic form, the bank account as obtained from the beneficiary position provided by the Depository will be considered and the warrants/bank drafts will be issued with the said bank particulars

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

--- Tear Along this line ---

Acknowledgement slip – Asian Oilfield Services Ltd. - Open Offer

Folio No./DP ID: **Sr. No.:**

Cameo Corporate Services Limited
'Subramanian Building', 1, Club House Road, Chennai – 600 002

Received from Mr. / Ms._______________________________ **Address:** ______________________________________ ______________________________________ ______________________________________ **Form of Acceptance cum Acknowledgement #** ________________ **Number of Share certificates** ___________ **for** ________________**shares** **# Copy of Delivery instruction to (DP) for** _______________ **shares** # (Delete whatsoever is not applicable)	Signature of official and date of Receipt	Stamp of Registrar

--- Tear Along this line --

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

Cameo Corporate Services Limited

'Subramanian Building', 1, Club House Road, Chennai – 600 002

Tel.: +91-44-2846 0390-94; Fax: +91-44-2846 0129

Contact: Mr. R. D. Ramaswamy; Email: rdr@cameoindia.com

Business Hours: Monday to Friday between 10:00 AM to 5.00 PM
Saturday: Between 10:00 AM to 1.00 PM
Holidays: Sunday and Bank Holidays

FORM OF WITHDRAWAL

From:

Name:

Address:

OFFER SCHEDULE	
OPENS ON	Monday, April 19, 2010
CLOSES ON	Saturday, May 8, 2010
LAST DATE OF WITHDRAWAL	Tuesday, May 4, 2010

To,

Cameo Corporate Services Limited
'Subramanian Building'
1, Club House Road
Chennai – 600 002

Re: Open Offer by Samara Capital Partners Fund I Limited (Acquirer) to acquire upto a maximum of 30,64,889 fully paid up Equity Shares of Rs. 10/- each representing 20% of the Voting Capital of Asian Oilfield Services Ltd. ("AOSL" or "Target Company"), at an Offer Price of Rs. 61.20 (Rupees Sixty One and Paise Twenty only), in terms of SEBI (SAST) Regulations, 1997 and subsequent amendments thereto

I/We refer to the Letter of Offer dated April 12, 2010 for acquiring the Equity Shares held by me/us in Asian Oilfield Services Ltd. I/We, the undersigned have read the Letter of Offer and understood its contents and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of Equity Shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

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

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal.

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

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

-- Tear Along this line --

Acknowledgement Slip – Asian Oilfield Services Ltd. - Open Offer

Folio No./DP ID: **Sr. No.:**

Cameo Corporate Services Limited

'Subramanian Building', 1, Club House Road, Chennai – 600 002

Received from Mr. / Ms.____ **Address:** ____ ____ ____ **Form of Withdrawal #** ______________________ **Number of Share certificates** _______________ **for** ________________**shares** **# Copy of Delivery instruction to (DP) for** _______________ **shares** **# (Delete whatsoever is not applicable)**	Signature of official and date of Receipt	Stamp of Registrar

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

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
	Tendered				
1					
2					
	Withdrawn				
1					
2					
Total					

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We hold the following Equity Shares in dematerialized form and tendered the shares in the Offer and had done an Off Market transaction for crediting the shares to the "**Cameo Corporate Services Limited Escrow A/C AOSL Open Offer**" (the "Special Depository Account") with the following particulars:

Depository Participant Name: Stock Holding Corporation of India Limited

DP ID No.: IN301080	Client ID No.: 22765913

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by the Depository Participant. The particulars of the account from which my/our Equity Shares have been tendered are as under:

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

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

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

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

Yours faithfully,

	FULL NAME	SIGNATURE(S)	PAN No.
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			

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

Place:
Date:

--- Tear Along this line ---

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

Cameo Corporate Services Limited
'Subramanian Building', 1, Club House Road, Chennai – 600 002
Tel.: +91-44-2846 0390-94; Fax: +91-44-2846 0129;
Contact: Mr. R. D. Ramaswamy; Email: rdr@cameoindia.com

Business Hours: Monday to Friday between 10:00 AM to 5.00 PM
Saturday: Between 10:00 AM to 1.00 PM
Holidays: Sunday and Bank Holidays