LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of Deevee Commercials Limited ("DCL / Target Company"). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was affected.

CASH OFFER

Pursuant to regulations 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

By

New Way Constructions Limited
EPL Securities Limited
Karan Business Private Limited
Zen Business Private Limited
Sneha Enclave Private Limited
Sneha Niketan Private Limited
Sneha Abasan Private Limited; and
Sneha Gardens Private Limited

all having their

Registered Offices at: 687 Anandpur, E.M.Bypass, 6th Floor, Kolkata – 700 107
Ph:+91-33-6613 6214; Fax:+91-33-6613 6249

(hereinafter collectively referred to as "the Acquirers")

to the shareholders of
Deevee Commercials Limited

Registered office at: Gauri Business Centre, Shantiniketan Building,
8, Camac Street, 4th Floor, Room No. 409, Kolkata – 700 017
Ph:+91-33-2282 0231 ; Fax: +91-33- 2282 0232

To acquire 1,227,348 fully paid up Equity Shares of Rs. 10/- each representing 20% of the current voting capital of Deevee Commercials Limited **at a price of Rs.33/- (Rupees Thirty Three only) (the "Offer Price")per fully paid-up Equity Share payable in cash.**

Please Note:

1. This Offer is being made pursuant to and in accordance with regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof (the "SAST Regulations / Regulations").
2. This Offer is neither conditional nor subject to any minimum level of acceptance by shareholders of the Target Company.
3. There are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers shall not proceed with the Offer in the event any statutory approval is not obtained.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Wednesday, August 4, 2010, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Monday, August 9, 2010.
5. If there is any upward revision in the Offer Price by the Acquirers prior to or on the last date for revising the Offer Price viz., Thursday, July 29, 2010, you will be informed by way of another Public Announcement in the same newspapers in which the first Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. **This is not a competitive bid.**
7. **If there is a competitive bid(s):**
   a. **The public offers under all the subsisting bids shall close on the same date;**
   b. **As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
8. No competitive bid has been announced till the date of this Letter of Offer.
9. A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) will also be available on the website of Securities and Exchange Board of India ("SEBI") (http://www.sebi.gov.in)

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
Microsec Capital Limited Azimganj House, 2nd Floor, 7 Camac Street, Kolkata- 700 017 Tel.: 91-33- 2282 9330 (5 Lines) Fax: 91-33- 2282 9335 E-mail: mgoenka@microsec.in Website: www.microsec.in **Contact Person Mr. Manav Goenka**	**Maheshwari Datamatics Pvt Ltd** 6, Mangoe Lane 2nd Floor Kolkata - 700 001 Tel: 91-33-2243-5809 Fax: 91-33-22484787 E-Mail: mdpl@cal.vsnl.net.in Website: www.mdpl.in **Contact Person: Mr. Rajagopalan**
Offer Opens on : Wednesday, July 21, 2010	**Offer Closes on:** Monday, August 9, 2010

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Time Schedule	Revised Time Schedule
Public Announcement Date	Thursday, May 13, 2010	Thursday, May 13, 2010
Specified Date*	Friday, June 11, 2010	Friday, June 11, 2010
Last date for a competitive bid	Thursday, June 03, 2010	Thursday, June 03, 2010
Date by which Letter of Offer will be despatched to the shareholders	Friday, June 25, 2010	Friday, July 16, 2010
Offer Opening Date	Wednesday, July 07, 2010	Wednesday, July 21, 2010
Last date for revising the offer price/number of shares	Thursday, July 15, 2010	Thursday, July 29, 2010
Last date for withdrawal by shareholders	Wednesday, July 21, 2010	Wednesday, August 04, 2010
Offer Closing Date	Monday, July 26, 2010	Monday, August 09, 2010
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Tuesday, August 10, 2010	Tuesday, August 24, 2010

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirers and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

RISK FACTORS

RISK RELATED TO THE TRANSACTION

The transaction between the Acquirers, Sellers and the Target Company is subject to the fulfillment of certain precedent conditions mentioned in the Share Purchase Agreement entered into between them.

RISK RELATED TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company 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. 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.

a. The Offer involves an offer to acquire 20% of the current Voting Capital of the Target Company. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

b. In the event that (a) a statutory and regulatory approval, if applicable, is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by SEBI.

c. The Shares tendered in the Offer will lie in trust with the Registrar in credit of designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of DCL. Accordingly, the Acquirers 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 DCL on whether to participate or not to participate in the Offer.

d. The shareholders who have lodged their shares would not be able to withdraw them after the last date of withdrawal i.e. Wednesday, August 04, 2010 even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, in the designated escrow account, till such time as the process of acceptance of tendered shares and the payment of consideration is completed.

RISK RELATED TO ASSOCIATION WITH THE ACQUIRERS

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

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1 DEFINITIONS

Acquirers	New Way Constructions Limited, EPL Securities Limited, Karan Business Private Limited, Zen Business Private Limited, Sneha Enclave Private Limited, Sneha Niketan Private Limited, Sneha Abasan Private Limited, Sneha Gardens Private Limited
CSE	The Calcutta Stock Exchange Limited
Deevee Commercials Limited / DCL /Target Company	A Company incorporated under the Companies Act, 1956 and having its registered office at Gauri Business Centre, Shantiniketan Building, 8, Camac Street, 4th Floor, Room No. 409, Kolkata – 700 017
CDSL	Central Depository Services (India) Limited
Date of closure of Offer	Monday, August 9, 2010
DP	Depository Participant
Eligible Person(s) / Eligible Shareholder(s) for the Offer	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirers, parties to the SPAs, and any persons acting in concert.
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
Letter of Offer/LOO	This Letter of Offer dated July 15, 2010
Microsec/MCL/Manager to the offer/MB/Merchant Banker	Microsec Capital Limited, the Merchant Banker appointed by the Acquirers pursuant to regulation 13 of the SAST Regulations, having registered office at 53 Syed Amir Ali Avenue, 1st floor, Kolkata – 700 019
NSDL	National Securities Depositories Limited
Offer	Open Offer for acquisition of 1,227,348 equity shares of the Target Company, representing 20% of its current voting capital at the Offer Price payable in cash.
Offer Price	Rs 33/- (Rupees Thirty Three only) per equity share.
Offer Period	20 (twenty) days period from the date of opening of offer on Wednesday, July 21, 2010 to closing of Offer on Monday, August 9, 2010
Public Announcement/PA	Public Announcement of the Offer made by the Acquirers on May 13, 2010 • In all editions of Financial Express (English); • in all editions of Jansatta (Hindi); • in Kolkata edition of EK Din (Bengali).
Registrar/ Registrar to the Offer/	Maheshwari Datamatics Pvt Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 6, Mangoe Lane 2nd Floor, Kolkata - 700 001
Regulations / SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act 1992
Sellers	Mr. Sandeep Sharma, Maple Merchandise Private Limited, Rychanna Distributors Private Limited, Gulmohar Vinimay Private Limited, Indralok Agency Private Limited, Simon Traders Private Limited, Sukhdhan Suppliers Private Limited, Brijbhumi Distributors Private Limited, Mahaprabhu Vyapaar Private Limited, Sarthak Sales Private Limited, Signet Commercials Private Limited, Viewpoint Suppliers Private Limited, Vidhata Suppliers Private Limited, Raina Commodities Private Limited, Diamond Vanijya Private Limited, Highview Sales Private Limited and Manphool Exports Limited
Share(s)	Fully Paid up equity shares of face value of Rs 10/- each of Deevee Commercials Limited
SPAs / Share Purchase Agreements	Share Purchase Agreement dated May 8, 2010 entered between Acquirers and Sellers
Specified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent
UPSE	Uttar Pradesh Stock Exchange Limited
Voting Capital /Paid-up capital of Target Company	Equity share capital of Deevee Commercials Limited comprising of 6,136,736 equity shares of Rs. 10 each.

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the Regulations unless specified.

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF DEEVEE COMMERCIALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, MICROSEC CAPITAL LIMITED, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 25, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer or in the Public Announcement or in any advertisement or other announcement issued by, or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so entirely at his/her/their own risk.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Offer ("the Offer" or "Open Offer") is being made by the Acquirers pursuant to regulations 10 and 12 and other applicable provisions of the SEBI (SAST) Regulations as aforesaid, to the public shareholders of Target Company.

3.1.2 The Acquirers have acquired 4,503,155 Equity shares ("Sale Shares") of Rs. 10/- each representing 73.38% of the total paid up equity share capital of Deevee Commercials Limited ("Target Company"/ "DCL") at a price of Rs. 10/- (Rupees Ten Only) per share in terms of various Share Purchase Agreements (SPAs) dated May 8, 2010 from the following selling shareholders ("Sellers") of the Target Company:

Name of Acquirer	Name of Seller	Address of the Sellers	No. of Shares	% of Subscribed paid up capital of Target Company
New Way Constructions Limited	Mr. Sandeep Sharma *	25D Harish M Road, 1st Floor, Kolkata - 700 025	452,000	7.37%
	Maple Merchandise Private Limited	5 Shiv Krishna Daw Lane, Kolkata – 700 006	105,000	1.71%
	Sub Total		**557,000**	**9.08%**
EPL Securities Limited	Rychanna Distributors Private Limited	3 Mangoe Lane, Kolkata – 700 001	297,450	4.85%
	Gulmohar Vinimay Private Limited	21/1/1 Swami Vivekananda Road, Howrah - 711 101	287,000	4.68%
	Sub Total		**584,450**	**9.52%**
Karan Business Private Limited	Indralok Agency Private Limited	7/1 A Grant Lane, 1st Floor, Kolkata 700 012	289,545	4.72%
	Simon Traders Private Limited	3 Mangoe Lane, Kolkata, 700 001	295,600	4.82%
	Sub Total		**585,145**	**9.54%**

Zen Business Private Limited	Sukhdhan Suppliers Private Limited	27 Mullick Street, Kolkata, 700 007	285,750	4.66%
	Brijbhumi Distributors Private Limited	90 Buro Shivtala Main Road, Kolkata - 700 038	285,700	4.66%
	Sub Total		**571,450**	**9.31%**
Sneha Enclave Private Limited	Mahaprabhu Vyapaar Private Limited	5 Mohandra Nath Ray Lane, Howrah 711 101	285,210	4.65%
	Sarthak Sales Private Limited	52 Weston Street, 2nd Floor, Kolkata - 700 012	285,000	4.64%
	Sub Total		**570,210**	**9.29%**
Sneha Niketan Private Limited	Signet Commercials Private Limited	52 Weston Street, 1st Floor, Kolkata - 700 012	283,700	4.62%
	Viewpoint Suppliers Private Ltd	7 Grant Lane, 4th Floor, Kolkata – 700 012	282,250	4.60%
	Sub Total		**565,950**	**9.22%**
Sneha Abasan Private Limited	Vidhata Suppliers Private Limited	5 Ishwari Dutta Lane, Ground Floor, Howrah 711 101	279,650	4.56%
	Raina Commodities Private Limited	52 Weston Street, 3rd Floor, Kolkata – 700 012	274,000	4.46%
	Sub Total		**553,650**	**9.02%**
Sneha Gardens Private Limited	Diamond Vanijya Private Limited	71 Canning Street, Kolkata - 700 001	265,300	4.32%
	Highview Sales Private Limited	4B Gopi Bose Lane, Kolkata – 700 012	125,000	2.04%
	Manphool Exports Limited	29A Ballygunj Circular Road, Kolkata – 700 019	125,000	2.04%
	Sub Total		**515,300**	**8.40%**
Grand Total			**4,503,155**	**73.38%**

***** Out of above Sellers, Mr. Sandeep Sharma belongs to the Promoter Group of the Target Company and all the other Sellers are Non Promoters.

3.1.3 **The salient features of the SPA with the Promoter are:**

a) The sale of Sale Shares is subject to the Acquirers complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and amendments made thereto. Pursuant to regulation 22(16) of the SEBI (SAST) Regulations, the Seller and the Acquirers shall not act upon the sale and purchase of the Sale Shares in the event of non-compliance of the provisions of the Regulations by the Acquirers.

b) The Sale Shares will be held in an escrow till the receipt of confirmation from Manager to the Offer as regards completion of Open Offer.

c) The Target Company and the Seller shall ensure that from the Date of execution of the Agreement till the completion of open offer, the Seller & Target Company shall carry on the business of the Target Company in the ordinary course of business.

d) The Acquirers shall not exercise voting rights, which have been vested by virtue of the acquisition of Sale Shares, till the completion of all the formalities of Open Offer under Regulations.

3.1.4 **The salient features of the SPA with the Non-Promoters are:**

a) The sale of Sale Shares is subject to the Acquirers complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and amendments made thereto. Pursuant to regulation 22(16) of the SEBI (SAST) Regulations, the Seller and the Acquirers shall not act upon the sale and purchase of the Sale Shares in the event of non-compliance of the provisions of the SEBI Takeover Regulations by the Acquirers.

b) The Sale Shares will be held in an escrow till the receipt of confirmation from Manager to the Offer as regards completion of Open Offer.

c) The Acquirers shall not exercise voting rights, which have been vested by virtue of the acquisition of Sale Shares, till the completion of all the formalities of Open Offer under Regulations.

3.1.5 Being parties to SPAs, the Sellers shall not tender any of the Target Company Shares for sale to the Acquirers in this Open Offer.

3.1.6 The Acquirers have not acquired shares/ voting rights of the Target Company during the 12 months period prior to the date of Public Announcement except as stated in para 3.1.2 above.

3.1.7 As on the date of PA, Microsec Capital Limited, the Manager to the Offer does not hold any Equity Shares in the Target Company. However, the Promoter group of Microsec Capital Limited holds 297,100 equity shares representing 4.84% of the issued & paid up capital of the Target Company. Further, the Manager to the Offer undertakes that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

3.1.8 The equity shares tendered under the Open Offer will be acquired by New Way Constructions Limited & EPL Securities Limited.

3.1.9 The Acquirers have not entered into any non–compete agreement with the Sellers.

3.2 **Details of the Offer**

3.2.1 In accordance with regulation 14(1) of the SAST Regulations the Acquirers have made a public announcement within 4 (four) working days of signing of the SPAs. In accordance with regulation 15(1) of the SAST Regulations, the public Announcement has been published in the following newspapers:

Name of the Newspaper	**Edition**	**Date**
Financial Express (English)	All Editions	May 13, 2010
Jansatta (Hindi)	All Editions	May 13, 2010
EK Din (Bengali)	Kolkata - Edition	May 13, 2010

3.2.2 A copy of the Public Announcement for the Open Offer is also available on the SEBI website (www.sebi.gov.in)

3.2.3 The Acquirers are making a mandatory offer to the public shareholders of the Target Company to acquire 1,227,348 fully paid up equity shares of Rs. 10 each constituting 20% of the share capital of the Target Company at a price of Rs. 33/- (Rupees Thirty Three Only) ("Offer Price") per Equity Share aggregating to Rs. 40,502,484 (Rupees Four Crores Five Lacs Two Thousand Four Hundred Eighty Four) ("Offer Size") payable in cash subject to the terms and conditions mentioned hereinafter and the terms and conditions that will be set out in this letter of offer in relation to the Offer (the "Letter of Offer").

3.2.4 There are no outstanding partly paid up equity shares or any other instrument convertible into equity shares at a future date, in the books of the Target Company.

3.2.5 This is not a competitive bid and there have been no competitive bid(s) as on the date of this letter of offer.

3.2.6 This Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional Offer.

3.2.7 The Acquirers shall acquire all the shares that are validly tendered in accordance with the terms of the offer at the offer price, subject to a maximum of 12,27,348 Equity shares.

3.2.8 The equity shares of the Target Company tendered will be acquired by the Acquirers fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof

3.2.9 In the event the equity shares tendered in the offer by the shareholders of DCL are more than the equity shares to be acquired under the offer, the acquisition of equity shares from each shareholder will be on the proportionate basis, irrespective of whether the equity shares are held in physical or dematerialised form.

3.2.10 There are no Persons acting in Concert in relation to this Offer.

3.2.11 The Acquirers have not acquired any shares of the Target Company from the date of the PA up to the date of this letter of Offer.

3.3 Reason for the acquisition / offer

3.3.1 On completion of the offer (assuming full acceptance in the Offer), the Acquirers may hold, in the aggregate, 5,730,503 fully paid-up shares representing 93.38% of the voting capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with regulations 10 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

3.3.2 The Acquirers, through DCL, intend to invest in corporate opportunities and also provide extensive insight and support to the development of the existing business of the Target Company. For this purpose, the Acquirers will suitably strengthen the Target Company with the requisite financial resources. The Acquirers may modify the present structure in a manner which is useful to the larger interests of the shareholders in compliance with regulation 16(ix) of SEBI (SAST) Regulations, 1997. Any change in the structure that may be effected will be in accordance with the applicable laws.

4 BACK GROUND OF THE ACQUIRERS

4.1 New Way Constructions Limited (“NWCL”)

4.1.1 New Way Constructions Limited was incorporated on January 28, 1991 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M. Bypass, 6th Floor, Kolkata – 700 107. Ph: 91 33 6613 6214; Fax: 91 33 6613 6249. The name of the company was changed from New Way Constructions Private Limited to New Way Constructions Limited on March 31, 1995. NWCL is a part of the Emami Group.

4.1.2 NWCL is a Non Banking Financial Company (Registration no B-05.06019) registered with the Reserve Bank of India.

4.1.3 The present Authorised Share Capital of the NWCL is Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 7,50,000 equity shares of Rs. 10/- each and 1,25,000 Preference Shares of Rs.100/- each. The total issued, subscribed and paid up equity share capital of NWCL is Rs. 72,50,000 consisting of 7,25,000 equity shares of Rs.10/- each fully paid-up.

4.1.4 The shareholding pattern of NWCL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	7,25,000	100.00
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	Nil	-
Total	**7,25,000**	**100.00%**

4.1.5 The shares of NWCL are not listed on any stock exchange.

4.1.6 NWCL is engaged in the activities of financing, investment & trading in shares & securities.

4.1.7 The shares of NWCL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the Acquirer.

4.1.8 Since the NWCL is an unlisted company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.1.9 Apart from current acquisition, NWCL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the NWCL.

4.1.10 The details of the Board of Directors of NWCL are given as below:

Name & Designation	Din No.	Date of Appointment	Qualification	Experience	Residential Address
Mr. Naresh Hiralal Bhansali - Director	00793959	23-08-1999	B.Com FCA	Mr. Bhansali possesses extensive knowledge and 20 years of experience in the FMCG industry	275 B.B Ganguly Street, Kolkata - 700 012
Mr. Dhiraj Agarwal - Director	00083118	21-01-1995	B.COM	Mr. Agarwal has more than twenty years of business experience in the fields of finance and marketing.	118, Southern Avenue, Kolkata-700 029
Mr. Pradeep Kumar Agarwal - Director	00793998	27-01-1995	B.COM	He has 25 years of experience in the FMCG sector.	118, Southern Avenue, Kolkata-700 029
Mr. Sushil Kr. Goenka - Director	00149916	14-05-1997	B.COM.	Mr. Goenka has more than 30 years of experience in various industries.	110 A Southern Avenue, Kolkata- 700 029
Mr. Prashant Goenka-Director	00703389	23-08-1999	B.COM.	He has extensive experience in brand development & marketing	110 A Southern Avenue, Kolkata- 700 029

Note: As on the date of the Public Announcement, none of the Directors of NWCL are on the Board of Directors of Target Company.

4.1.11 Brief financials of NWCL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Income from Operations	3.13	14.29	73.40
Other Income	-	-	-
Total Income	**3.13**	**14.29**	**73.40**
Total Expenditure	0.43	0.23	15.30
Profit Before Depreciation Interest & Tax	**2.70**	**14.06**	**58.10**
Depreciation	-	-	-
Interest	-	2.51	1.36
Profit Before Tax	**2.70**	**11.56**	**56.74**
Provision for Tax	-	-	7.50
Profit After Tax	**2.70**	**11.56**	**49.24**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	62.50	62.50	72.50
Reserve & Surplus (excluding revaluation reserves)	42.52	54.07	113.31
Net Worth	**105.02**	**116.57**	**185.81**
8% Non Cumulative Redeemable preference shares	86.72	86.72	
Secured Loans		-	-
Unsecured Loans	-	52.00	6,915.37
Total	**191.74**	**255.30**	**7,101.18**

Uses of Funds			
Net Fixed Assets	-	12.53	12.53
Investments	238.32	243.82	375.91
Net Current Assets	(46.58)	(1.05)	6,712.74
Total	**191.74**	**255.30**	**7,101.18**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	0.43	1.85	6.79
Return on Networth (%)	2.57	9.91	26.50
Book Value Per Share (Rs.)	16.80	18.65	25.63

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.1.12 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost. Current investments are stated at cost or fair value whichever is lower. Diminution in value of long term investments other than temporary in nature is provided for in accounts.

iii. **Inventories** – Inventories are stated at Cost or Market Value, whichever is lower

iv. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

v. **Revenue Recognition** – Income & expenditure are recognized on accrual basis

vi. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vii. **Taxation** – Income tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current tax & deferred taxes. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

4.1.13 As per the information provided, the NWCL does not have any contingent liability in its books of accounts.

4.2 **EPL Securities Limited ("EPL")**

4.2.1 EPL Securities Limited was incorporated on September 22, 1995 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax: 91 33 6613 6249. EPL is a part of the Emami Group.

4.2.2 The present Authorised Share Capital of EPL is Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 equity shares of Rs. 10/- each. The total issued, subscribed and paid up equity share capital of EPL is Rs. 1,71,07,000 consisting of 17,10,700 equity shares of Rs.10/- each fully paid-up.

4.2.3 The shareholding pattern of EPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	17,10,700	100.00
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	Nil	-
Total	**17,10,700**	**100.00%**

4.2.4 EPL is a closely held company and is not listed.

4.2.5 EPL is engaged into the activities of financing, investment & trading in shares & securities.

4.2.6 The shares of EPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the EPL.

4.2.7 Since the EPL is an unlisted company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.2.8 Apart from current acquisition, EPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the EPL.

4.2.9 The details of the Board of Directors of EPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. R.K.Jatia - Director	00083054	10-09-2004	B.COM	Has long experience spanning over 40 years in pharmaceutical, retail trade & financial market.	9 Moor Avenue, Kolkata-700 040
Mr. Naresh Hiralal Bhansali - Director	00793959	23-08-1999	B.Com FCA	Mr. Bhansali possesses extensive knowledge and 20 years of experience in the FMCG industry	275 B.B Ganguly Street Kolkata-700 012
Mr. Dhiraj Agarwal - Director	00083118	21-01-1995	B.COM	Mr. Agarwal has more than twenty years of business experience in the fields of finance and marketing.	118, Southern Avenue Kolkata-700 029

Note: As on the date of the Public Announcement, none of the Directors of EPL are on the Board of Directors of Target Company.

4.2.10 Brief financials of EPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Income from Operations	45.46	-	-
Other Income	2.04	11.03	21.60
Total Income	**47.50**	**11.03**	**21.60**
Total Expenditure	43.88	**3.66**	0.29
Profit Before Depreciation Interest & Tax	**3.63**	**7.37**	**21.31**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**3.63**	**7.37**	**21.31**
Provision for Tax	0.60	0.50	2.50
Profit After Tax	**3.03**	**6.87**	**18.81**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	171.07	171.07	171.07
Reserve & Surplus (excluding revaluation reserves)	20.13	27.00	45.81
Miscellaneous expenditure not written off	(1.16)	-	-
Net Worth	**190.04**	**198.07**	**216.88**
Secured Loans	-	-	-
Unsecured Loans	21.11	-	-
Total	**211.15**	**198.07**	**216.88**
Uses of Funds			
Net Fixed Assets	-	14.48	14.48
Investments	183.51	167.16	170.13
Net Current Assets	27.65	16.43	32.27
Total	**211.15**	**198.07**	**216.88**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	0.18	0.40	1.10
Return on Networth (%)	1.59	3.47	8.67
Book Value Per Share (Rs.)	11.11	11.58	12.68

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.2.11 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Pre-operative expenses** - Expenses including interest on loan incurred relating to acquisition of assets till the date of put to use is treated as pre-operative expenses and therefore transferred to respective assets.

v. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

vi. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vii. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.3 **Karan Business Private Limited ("KBPL")**

4.3.1 Karan Business Private Limited was incorporated on March 28, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax: 91 33 6613 6249. KBPL is a part of the Emami Group.

4.3.2 The present Authorised Share Capital of the KBPL is Rs. 42,00,000 (Rupees Forty Two Lacs only) consisting of 60,000 equity shares of Rs. 10/- each and 3,60,000 Preference Shares of Rs.10/- each. The total issued, subscribed and paid up equity share capital of KBPL is Rs. 5,24,000 consisting of 52,400 equity shares of Rs.10/- each fully paid-up. The total issued, subscribed and paid up preference share capital is Rs. 30,75,000/- comprising of 3,07,500, "11% Non cumulative redeemable preference shares of Rs. 10/-each".

4.3.3 The shareholding pattern of KBPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	52,400	100.00
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	Nil	-
Total	**52,400**	**100.00%**

4.3.4 KBPL is engaged into the activities of financing, investment & trading in shares & securities.

4.3.5 Being a private limited company, the shares of KBPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the KBPL.

4.3.6 Since the KBPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.3.7 Apart from current acquisition, KBPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the KBPL.

4.3.8 The details of the Board of Directors of KBPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Sunil Agarwal - Director	00537566	21-01-2008	B.COM	Mr. Agarwal has more than 20 years of experience in various industries.	22A Lands Down Place, Kolkata
Mr. Abhishek Agarwal - Director	02026333	21-01-2008	B.COM(H)	Mr. Abhishek Agarwal has more than 5 years of experience in financing & investment activities.	118, Southern Avenue Kolkata-700 029

Note: As on the date of the Public Announcement, none of the Directors of KBPL are on the Board of Directors of Target Company.

4.3.9 Brief financials of KBPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	31st March 2008	31st March 2009	31st March 2010
Income from Operations	54.11	-	-
Other Income		0.93	-
Total Income	**54.11**	**0.93**	**-**
Total Expenditure	53.20	0.24	0.23
Profit Before Depreciation Interest & Tax	**0.91**	**0.69**	**(0.23)**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**0.91**	**0.69**	**(0.23)**
Provision for Tax	0.40	0.50	
Profit After Tax	**0.51**	**0.19**	**(0.23)**

Note: The Company did not have any activities during the financial year 2009-10. Hence the income from operation is nil for the said year.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	5.24	5.24	5.24
Reserve & Surplus (excluding revaluation reserves)	0.44	0.63	0.40
Miscellaneous expenditure not written off	(1.18)	-	-
Net Worth	**4.50**	**5.87**	**5.64**
11% Non Cumulative Redeemable preference shares	30.75	30.75	30.75
Secured Loans	-	-	
Unsecured Loans	21.11	17.40	16.76
Total	**56.36**	**54.02**	**53.15**
Uses of Funds			
Net Fixed Assets	-	16.04	17.84
Investments	34.96	34.96	34.96
Net Current Assets	21.40	3.02	0.35
Total	**56.36**	**54.02**	**53.15**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	0.97	0.37	(0.43)
Return on Networth (%)	11.35	3.26	(4.01)
Book Value Per Share (Rs.)	8.58	11.20	10.77

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.3.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

v. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vi. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.4 **Zen Business Private Limited ("ZBPL")**

4.4.1 Zen Business Private Limited was incorporated on March 28, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax:91 33 6613 6249. ZBPL is a part of the Emami Group.

4.4.2 The present Authorised Share Capital of ZBPL is Rs. 41,00,000 (Rupees Forty One Lacs only) consisting of 60,000 equity shares of Rs. 10/- each and 3,50,000 Preference Shares of Rs.10/-

each. The total issued, subscribed and paid up equity share capital of ZBPL is Rs. 5,23,000 consisting of 52,300 equity shares of Rs.10/- each fully paid-up. The total issued, subscribed and paid up preference share capital is Rs. 24,50,000/- comprising of 2,45,000, "11% Non cumulative redeemable preference shares of Rs. 10/-each".

4.4.3 The shareholding pattern of ZBPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	52,300	100.00
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	Nil	-
Total	**52,300**	**100.00%**

4.4.4 ZBPL is engaged into the activities of financing, investment & trading in shares & securities.

4.4.5 Being a private limited company, the shares of ZBPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the ZBPL.

4.4.6 Since the ZBPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.4.7 Apart from current acquisition, ZBPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the ZBPL.

4.4.8 The details of the Board of Directors of ZBPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Sunil Agarwal - Director	00537566	07-01-2008	B.COM	Mr. Agarwal has more than 20 years of experience in various industries.	22A Lands down Place, Kolkata
Mr. Abhishek Agarwal - Director	02026333	07-01-2008	B.COM(H)	Mr. Abhishek Agarwal has more than 5 years of experience in financing & investment activities.	118, Southern Avenue, Kolkata-700 029

Note: As on the date of the Public Announcement, none of the Directors of ZBPL are on the Board of Directors of Target Company.

4.4.9 Brief financials of ZBPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	31st March 2008	31st March 2009	31st March 2010
Income from Operations	63.51	-	-
Other Income	-	-	-
Total Income	**63.51**	**-**	**-**
Total Expenditure	61.39	0.24	0.24
Profit Before Depreciation Interest & Tax	**2.11**	**(0.24)**	**(0.24)**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**2.11**	**(0.24)**	**(0.24)**
Provision for Tax	0.80	-	-
Profit After Tax	**1.31**	**(0.24)**	**(0.24)**

Note: The Company did not have any activities during the financial years 2008-09 and 2009-10. Hence the income from operation is nil for the said years.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	5.23	5.23	5.23
Reserve & Surplus (excluding revaluation reserves)	1.13	0.88	0.65
Miscellaneous expenditure not written off	(0.41)	-	-
Net Worth	**5.95**	**6.11**	**5.88**
11% Non Cumulative Redeemable preference shares	24.50	24.50	24.50
Secured Loans	-	-	
Unsecured Loans	17.38	11.78	7.87
Total	**47.82**	**42.40**	**38.25**
Uses of Funds			
Net Fixed Assets	-	14.56	15.43
Investments	21.98	21.98	21.98
Net Current Assets	25.84	5.86	0.83
Total	**47.82**	**42.40**	**38.25**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	2.51	(0.47)	(0.45)
Return on Networth (%)	22.10	(4.00)	(4.01)
Book Value Per Share (Rs.)	11.37	11.69	11.24

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.4.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

v. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vi. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.5 **Sneha Gardens Private Limited ("SGPL")**

4.5.1 Sneha Gardens Private Limited was incorporated on September 17, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax: 91 33 6613 6249. SGPL is a part of the Emami Group.

4.5.2 The present Authorised Share Capital of the SGPL is Rs. 35,00,000 (Rupees Thirty Five Lacs only) consisting of 1,50,000 equity shares of Rs. 10/- each and 20,000 Preference Shares of Rs.100/- each. The total issued, subscribed and paid up equity share capital of SGPL is Rs. 11,17,000 consisting of 1,11,700 equity shares of Rs.10/- each fully paid-up. The total issued, subscribed and paid up preference share capital is Rs. 15,42,000/- comprising of 15,420, "11% Non cumulative redeemable preference shares of Rs. 100/-each".

4.5.3 The shareholding pattern of SGPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	1,00,100	89.62%
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	11,600	10.38%
Total	**1,11,700**	**100.00%**

4.5.4 SGPL is engaged into the activities of financing, investment & trading in shares & securities.

4.5.5 The shares of SGPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the SGPL.

4.5.6 Since the SGPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.5.7 Apart from current acquisition, SGPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the SGPL.

4.5.8 The details of the Board of Directors of SGPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. R.K.Jatia - Director	00083054	10-09-2004	B.COM	Mr. R.K.Jatia has over 40 years of experience in pharmaceutical and retail trading & financial markets	9 Moor Avenue, Kolkata-700 040
Mr. Gautam Jatia - Director	00604926	17-09-1996	COST ACCOUNT	Mr. Gautam Jatia has more than 20 years of experience in retail trading, financial services and investment activities	9 Moor Avenue, Kolkata-700 040

Note: As on the date of the Public Announcement, none of the Directors of SGPL are on the Board of Directors of Target Company.

4.5.9 Brief financials of SGPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	31st March 2008	31st March 2009	31st March 2010
Income from Operations	-	-	-
Other Income	-	-	-
Total Income	**-**	**-**	**-**
Total Expenditure	0.45	0.22	0.25
Profit Before Depreciation Interest & Tax	**(0.45)**	**(0.22)**	**(0.25)**
Depreciation	-	-	-
Interest	0.10	1.32	-
Profit Before Tax	**(0.55)**	**(1.54)**	**(0.25)**
Provision for Tax	-	-	-
Profit After Tax	**(0.55)**	**(1.54)**	**(0.25)**

Note: The Company did not have any activities during the financial years 2007-08, 2008-09 and 2009-10. Hence the income from operation is nil for the said years.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	11.17	11.17	11.17
Reserve & Surplus (excluding revaluation reserves)	45.00	45.00	45.00
Profit & Loss Account (Debit Balance)	(0.48)	(2.03)	(2.28)
Total Miscellaneous expenditure not written off	(0.48)	-	-
Net Worth	**55.21**	**54.14**	**53.89**
11% Non Cumulative Redeemable preference shares	15.42	15.42	15.42
Secured Loans	-	-	-
Unsecured Loans	18.03	21.34	24.04
Total	**88.66**	**90.90**	**93.35**
Uses of Funds			
Net Fixed Assets	-	16.26	18.52
Investments	77.36	74.40	74.40
Net Current Assets	**11.30**	**0.24**	**0.43**
Total	**88.66**	**90.90**	**93.35**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	(0.49)	(1.38)	(0.22)
Return on Networth (%)	(0.99)	(2.85)	(0.46)
Book Value Per Share (Rs.)	49.43	48.47	48.25

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.5.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

v. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vi. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.6 **Sneha Abasan Private Limited ("SAPL")**

4.6.1 Sneha Abasan Private Limited was incorporated on August 27, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107 Ph: +91 33 6613 6214; Fax:+91 33 6613 6249. SAPL is a part of the Emami Group.

4.6.2 The present Authorised Share Capital of the SAPL is Rs. 35,00,000 (Rupees Thirty Five Lacs only) consisting of 1,50,000 equity shares of Rs. 10/- each and 20,000 Preference Shares of Rs.100/- each. The total issued, subscribed and paid up equity share capital of SAPL is Rs. 11,00,000 consisting of 1,10,000 equity shares of Rs.10/- each fully paid-up. The total issued, subscribed and paid up preference share capital is Rs. 8,87,000/- comprising of 8,870, "11%

Non cumulative redeemable preference shares of Rs. 100/-each".

4.6.3 The shareholding pattern of SAPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	1,01,900	92.64%
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	8,100	7.36%
Total	**1,10,000**	**100.00%**

4.6.4 SAPL is engaged into the activities of financing, investment & trading in shares & securities.

4.6.5 Being a private limited company, the shares of SAPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the SAPL.

4.6.6 Since the SAPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.6.7 Apart from current acquisition, SAPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the SAPL.

4.6.8 The details of the Board of Directors of SAPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Address of Directors
Mr. R.K.Jatia - Director	00083054	10-09-2004	B.COM	Mr. R.K.Jatia has over 40 years of experience in pharmaceutical and retail trading & financial markets	9 Moor Avenue, Kolkata-700 040
Mr. Gautam Jatia - Director	00604926	27-08-1996	COST ACCOUNT	Mr. Gautam Jatia has more than 20 years of experience in retail trading, financial services and investment activities	9 Moor Avenue, Kolkata-700 040

Note: As on the date of the Public Announcement, none of the Directors of SAPL are on the Board of Directors of Target Company.

4.6.9 Brief financials of SAPL for the last three financials years are as below**:**

Profit & Loss Account

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Income from Operations	-	-	-
Other Income	-	-	-
Total Income	**-**	**-**	**-**
Total Expenditure	0.49	0.22	0.24
Profit Before Depreciation Interest & Tax	**(0.49)**	**(0.22)**	**(0.24)**
Depreciation	-	-	-
Interest	1.14	0.06	-
Profit Before Tax	**(1.63)**	**(0.28)**	**(0.24)**
Provision for Tax	-	-	-
Profit After Tax	**(1.63)**	**(0.28)**	**(0.24)**

Note: The Company did not have any activities during the financial years 2007-08, 2008-09 and 2009-10. Hence the income from operation is nil for the said years.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	11.00	11.00	11.00
Reserve & Surplus (excluding revaluation reserves)	45.00	45.00	45.00
Profit & Loss Account (Debit Balance)	(1.22)	(1.50)	(1.88)
Miscellaneous expenditure not written off	(0.46)	-	-
Net Worth	**54.32**	**54.50**	**54.12**
11% Non Cumulative Redeemable Preference Shares	8.87	8.87	8.87
Secured Loans	-	-	
Unsecured Loans	245.11	235.14	259.80
Total	**308.30**	**298.51**	**322.78**
Uses of Funds			
Net Fixed Assets	196.14	243.34	268.59
Investments	54.17	54.17	54.17
Net Current Assets	**58.00**	**1.00**	**0.02**
Total	**308.30**	**298.51**	**322.78**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	(1.48)	(0.26)	(0.22)
Return on Networth (%)	(3.00)	(0.52)	(0.45)
Book Value Per Share (Rs.)	49.38	49.54	49.20

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.6.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

v. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vi. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.7 **Sneha Niketan Private Limited ("SNPL")**

4.7.1 Sneha Niketan Private Limited was incorporated on August 20, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M.Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax: 91 33 6613 6249. SNPL is a part of the Emami Group.

4.7.2 The present Authorised Share Capital of the SNPL is Rs. 20,00,000 (Rupees Twenty Lacs only) consisting of 2,00,000 equity shares of Rs. 10/- each. The total issued, subscribed and paid up equity share capital of SNPL is Rs. 16,50,000 consisting of 1,65,000 equity shares of Rs.10/- each fully paid-up.

4.7.3 The shareholding pattern of SNPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	1,20,100	72.79%
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	44,900	27.21%
Total	**1,65,000**	**100.00%**

4.7.4 SNPL is engaged into the activities of financing, investment & trading in shares & securities.

4.7.5 Being a private limited company, the shares of SNPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the SNPL.

4.7.6 Since the SNPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.7.7 Apart from current acquisition, SNPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the SNPL.

4.7.8 The details of the Board of Directors of SNPL are given as below:

Name & Designation	Din No.	Date of Appointment	Qualification	Experience	Residential Address
Mr. R.K.Jatia - Director	00083054	30-09-2007	B.COM	Mr. R.K.Jatia has over 40 years of experience in pharmaceutical and retail trading & financial markets	9 Moor Avenue, Kolkata-700 040
Mr. Gautam Jatia - Director	00604926	20-08-1996	COST ACCOUNT	Mr. Gautam Jatia has more than 20 years of experience in retail trading, financial services and investment activities	9 Moor Avenue, Kolkata-700 040

Note: As on the date of the Public Announcement, none of the Directors of SNPL are on the Board of Directors of Target Company.

4.7.9 Brief financials of SNPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	31st March 2008	31st March 2009	31st March 2010
Income from Operations	-	-	-
Other Income	-	-	-
Total Income	**-**	**-**	**-**
Total Expenditure	1.51	1.19	1.24
Profit Before Depreciation Interest & Tax	**(1.51)**	**(1.19)**	**(1.24)**
Depreciation	-	-	-
Interest	0.08	-	-
Profit Before Tax	**(1.59)**	**(1.19)**	**(1.24)**
Provision for Tax			
Profit After Tax	**(1.59)**	**(1.19)**	**(1.24)**

Note: The Company did not have any activities during the financial years 2007-08, 2008-09 and 2009-10. Hence the income from operation is nil for the said years.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	16.50	16.50	16.50
Reserve & Surplus (excluding revaluation reserves)	57.68	57.68	57.68
Profit & Loss Account (Debit Balance)	(0.91)	(2.10)	(3.39)
Miscellaneous expenditure not written off	(8.96)	(7.90)	(6.85)
Net Worth	**64.31**	**64.18**	**63.94**
Secured Loans	-	-	-
Unsecured Loans	170.84	233.57	264.46
Total	**235.15**	**297.74**	**328.40**
Uses of Funds			
Net Fixed Assets	210.11	246.94	274.10
Investments	54.26	54.26	54.26
Net Current Assets	(29.22)	(3.46)	0.04
Total	**235.15**	**297.74**	**328.40**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	(0.96)	(0.72)	(0.75)
Return on Networth (%)	(2.47)	(1.86)	(1.95)
Book Value Per Share (Rs.)	38.97	38.89	38.75

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.7.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

v. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.8 **Sneha Enclave Private Limited ("SEPL")**

4.8.1 Sneha Enclave Private Limited was incorporated on August 20, 1996 under the Companies Act, 1956. Its registered office is situated at 687 Anandpur, E.M. Bypass, 6th Floor Kolkata – 700 107. Ph: 91 33 6613 6214; Fax:91 33 6613 6249. SEPL is a part of the Emami Group.

4.8.2 The present Authorised Share Capital of the SEPL is Rs. 25,00,000 (Rupees Twenty Five Lacs only) consisting of 1,50,000 equity shares of Rs. 10/- each and 10,000 Preference Shares of Rs.100/- each. The total issued, subscribed and paid up equity share capital of SEPL is Rs. 12,27,000 consisting of 1,22,700 equity shares of Rs.10/- each fully paid-up. The total issued, subscribed and paid up preference share capital is Rs. 8,92,000/- comprising of 8,920, "11% Non cumulative redeemable preference shares of Rs. 100/-each".

4.8.3 The shareholding pattern of SEPL as on the date of the Letter of Offer is as under:

Shareholders category	No. of Shares	% age holding
Promoters and Promoter Group	1,00,100	81.58%
FII/Mutual Fund/ FIs/ Banks	Nil	-
Others	22,600	18.42%
Total	**1,22,700**	**100.00%**

4.8.4 SEPL is engaged into the activities of financing, investment & trading in shares & securities.

4.8.5 Being a private limited company, the shares of SEPL are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the KBPL.

4.8.6 Since the SEPL is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.8.7 Apart from current acquisition, SEPL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the SEPL.

4.8.8 The details of the Board of Directors of SEPL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Address of Directors
Mr. R.K.Jatia - Director	00083054	10-09-2004	B.COM	Mr. R.K.Jatia has over 40 years of experience in pharmaceutical and retail trading & financial markets	9 Moor Avenue, Kolkata-700 040
Mr. Gautam Jatia - Director	00604926	20-08-1996	COST ACCOUNT	Mr. Gautam Jatia has more than 20 years of experience in retail trading, financial services and investment activities	9 Moor Avenue, Kolkata-700 040

Note: As on the date of the Public Announcement, none of the Directors of SEPL are on the Board of Directors of Target Company.

4.8.9 Brief financials of the SEPL for the last three financials years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Income from Operations	-	-	-
Other Income	0.26	0.06	0.01
Total Income	**0.26**	**0.06**	**0.01**
Total Expenditure	0.47	0.22	0.21
Profit Before Depreciation Interest & Tax	**(0.22)**	**(0.16)**	**(0.21)**
Depreciation	-	-	-
Interest	-	1.21	-
Profit Before Tax	**(0.22)**	**(1.37)**	**(0.21)**
Provision for Tax	-	-	-
Profit After Tax	**(0.22)**	**(1.37)**	**(0.21)**

Note: The Company did not have any activities during the financial years 2007-08, 2008-09 and 2009-10. Hence the income from operation is nil for the said years.

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Equity Share Capital	12.27	12.27	12.27
Reserve & Surplus (excluding revaluation reserves)	45.00	45.00	45.00
Profit & Loss Account (Debit Balance)	(0.39)	(1.76)	(1.97)
Miscellaneous expenditure not written off	(0.46)	-	-
Net Worth	**56.42**	**55.51**	**55.30**
11% Non Cumulative Redeemable Preference Shares	8.92	8.92	8.92
Secured Loans	-	-	-
Unsecured Loans	17.44	19.29	23.83
Total	**82.78**	**83.71**	**88.05**
Uses of Funds			
Net Fixed Assets	-	16.48	18.49
Investments	66.43	66.46	66.46
Net Current Assets	16.35	0.77	3.10
Total	**82.78**	**83.71**	**88.05**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs.)	(0.18)	(1.12)	(0.17)
Return on Networth (%)	(0.38)	(2.47)	(0.38)
Book Value Per Share (Rs.)	45.99	45.24	45.07

Source: *Audited annual accounts*

Note:
1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

4.8.10 **Significant accounting policies:**

i. The financial statements have been prepared in accordance with the historical cost convention of a going concern on mercantile basis unless otherwise stated.

ii. **Investments** - Investments are valued at cost.

iii. **Fixed Assets** - Fixed Assets are stated at their original cost less depreciation.

iv. **Borrowing Cost** - Borrowing Costs attributable to the acquisition of a qualifying asset, as defined in AS-16 on borrowing cost, are capitalized as part of cost of acquisition. Other borrowing costs are expensed as incurred.

v. **Provisions** - Provisions are made for present obligations arising as a result of past events and are reviewed at each Balance Sheet date and are adjusted to reflect the best estimate.

vi. **Contingencies** - Contingent assets & liabilities are not accounted for but are disclosed by way of notes to accounts.

4.9 **Companies Promoted by the Acquirers**

The following companies have been promoted by the Acquirers:

1. Shoppers City Maintenance Company Private Limited
2. Amby Properties Private Limited

3. Snow View Properties Limited
4. Anjani Properties Private Limited

1. Shoppers City Maintenance Company Private Limited

a. Background of the company

Shoppers City Maintenance Company Private Limited was incorporated on March 24, 1999 as a private limited company under the Companies Act, 1956, with its registered office at 3, Lord Sinha Road, Kolkata – 700 071. The company is engaged in the maintenance of commercial buildings.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-07**	**31-Mar-08**	**31-Mar-09**
Equity Capital	1.00	1.00	1.00
Reserve & Surplus (excluding revaluation reserve)	-	-	-
Profit & Loss Account (Debit Balance)	(8.95)	(4.95)	(4.27)
Total Income	102.55	98.59	100.27
Profit After Tax	10.46	4.00	0.68
Earnings Per Share (Rs.)	10.46	4.00	0.68
Book Value Per Share (Rs.)	(7.95)	(3.95)	(3.27)

*(**Source:** Audited annual accounts)*

2. Amby Properties Private Limited

a. Background of the company

Amby Properties Private Limited was incorporated on April 5, 1982 as a private limited company under the Companies Act, 1956, with its registered office at 1, Garstin Place, Kolkata– 700001. The company is engaged in the development and management of properties.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-07**	**31-Mar-08**	**31-Mar-09**
Equity Capital	9.60	9.60	9.60
Reserve & Surplus (excluding revaluation reserve)	-	-	-
Profit & Loss Account (Debit Balance)	(28.35)	(42.82)	(63.70)
Total Income	6.01	0.01	0.18
Profit After Tax	0.19	(14.47)	(20.88)
Earnings Per Share (Rs.)	0.19	(15.07)	(21.75)
Book Value Per Share (Rs.)	(19.53)	(34.60)	(56.35)

*(**Source:** Audited annual accounts)*

3. Snow View Properties Limited

a. Background of the company

Snow View Properties Limited was incorporated on February 11, 1983 as a limited company under the Companies Act, 1956, with its registered office at 135A, B R B B Road, Kolkata – 700 001. The company is engaged in the development and management of properties.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-07**	**31-Mar-08**	**31-Mar-09**
Equity Capital	16.00	16.00	16.00
Reserve & Surplus (excluding revaluation reserve)	-	-	-
Profit & Loss Account (Debit Balance)	(30.06)	(31.52)	(31.57)
Total Income	0.60	2.01	2.04
Profit After Tax	(0.05)	(1.46)	(0.05)
Earnings Per Share (Rs.)	(0.03)	(0.91)	(0.03)
Book Value Per Share (Rs.)	(8.79)	(9.70)	(9.73)

*(**Source:** Audited annual accounts)*

4. Anjani Properties Private Limited

a. Background of the company

Anjani Properties Private Limited was incorporated on January 3, 1989 as a private limited company under the Companies Act, 1956, with its registered office at 50 Jawahar Lal Nehru Road, Kolkata – 700 071. The company is engaged in the development and management of properties.

b. Financial information of the company

Rs. in Lacs

Particulars	**31-Mar-07**	**31-Mar-08**	**31-Mar-09**
Equity Capital	45.40	45.40	45.40
Reserve & Surplus (excluding revaluation reserve)	3.07	4.87	9.98
Total Income	12.31	4.55	6.16
Profit After Tax	0.04	1.79	5.12
Earnings Per Share (Rs.)	0.01	0.40	1.13
Book Value Per Share (Rs.)	10.68	11.07	12.20

*(**Source:** Audited annual accounts)*

Other Confirmation

None of the above named companies have become a sick company under the meaning of Sick Industrial Companies Act, 1985 and no winding proceedings have been initiated against any of these companies. Furthermore, no applications have been made in respect of any of the above companies to the Registrar of Companies for striking off their names.

4.10 Except for the current offer, the Acquirers have not announced or been involved in any of any takeover, merger, de-merger or spin off during the last three years

4.11 **Disclosure under Regulation 16 (ix)**

4.11.1 As on the date of the PA, the Acquirers do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company or except to the extent required for the purpose of restructuring, rationalizing and / or streamlining of operations, assets, liabilities, investments, businesses or otherwise of the Target Company for commercial reasons or operational efficiencies.

4.11.2 Other than in the ordinary course of business, the Acquirers undertake that they will not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

5 DISCLOSURE IN TERMS OF REGULATION 21(2) OF THE REGULATIONS

As per the listing agreement with the Stock Exchanges and in terms of Clause 40A of the Listing Agreement the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

Pursuant to the successful closure of the Offer, and assuming full acceptances, the public shareholding of the Target Company is expected to fall below 25 % of the voting capital of the Target Company. The Acquirers will in accordance with Regulation 21(2) of the SEBI (SAST) Regulations 1997, take necessary actions in compliance of the laws to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within one year and in accordance with the prescribed procedure under amended clause 40A (viii) of the Listing Agreement. The Acquirers have following options to raise the level of public shareholding in terms of clause 40A (viii) of the Listing Agreement- (a) issuance of shares to public through prospectus; (b) offer for sale of shares held by promoters to public through prospectus; (c) sale of shares held by promoters through the secondary market; (d) any other method which does not adversely affect the interest of minority shareholders.
The Acquirers undertake and declare that they do not have any intention to delist the Equity

shares of the Target Company from the Stock Exchanges in the next three years from the date of the Letter of Offer.

6 BACK GROUND OF THE TARGET COMPANY

6.1 Deevee Commercials Limited ("DCL") is a public limited company having its registered office at Gauri Business Centre, Shantiniketan, 8, Camac Street, Room NO. 409, 4th Floor, Kolkata 700 017, Ph: 91-33-2282 0231; Fax: 91-33-2282 0232. The Target Company was incorporated as "Deevee Commercials Limited" on February 23, 1983.

6.2 The Target Company is a Non Banking Financial Company (Registration no B.05.01780) registered with the Reserve Bank of India and is engaged in the business of investments.

6.3 The Present Authorized Share Capital of the Target Company is Rs.6,14,00,000 consisting of 61,40,000 equity shares of Rs. 10 each. The total current issued, subscribed and paid-up equity share capital of the Target Company is Rs. 6,13,67,360 consisting of 61,36,736 equity shares of Rs. 10 each. There are no partly paid up Equity Shares in the Target Company. The capital structure of the Target Company is as under:

Paid Up Equity Shares	No. of Shares / Voting Rights	% of shares / voting rights
Fully Paid up Equity Shares	61,36,736	100%
Partly Paid Up Equity Shares	Nil	Nil
Total paid Up Equity Shares	61,36,736	100%
Total Voting Rights in the Target Company	**61,36,736**	**100%**

6.4 The share capital of DCL has been built up as under:

Date of Allotment	Number of Shares issued	% of shares issued	Cumulative Paid-up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance*
On Incorporation	700	0.01%	7,000	Preferential Allotment	Subscribers to the Memorandum	Complied
30-Dec-83	239,300	3.90%	2,400,000	Public Issue	Initial Public Offer	Complied
2-Mar-04	1,117,200	18.21%	13,572,000	Pursuant to Merger	Promoters & Non Promoters	Complied
20-Mar-06	4,779,536	77.88%	61,367,360	Pursuant to Merger	Non Promoters	Complied
Total	**6,136,736**	**100.00%**				

** The status of compliance by the Target Company relating the capital build is with respect to all the applicable provisions of the SEBI (SAST) Regulations, 1997 and the other applicable provisions of SEBI Act, 1992 and other statutory requirements, as applicable.*

6.5 The Target Company does not have any outstanding convertible instruments to be exercised at a later date and neither any shares of the company are partly paid up carrying voting right.

6.6 The shares of the Target Company are listed on the CSE & UPSE. The Target Company has complied with the listing agreement requirements and the trading of company's stock has never been suspended from the exchange. Further no penal / punitive actions have been taken by the stock exchange.

6.7 DCL does not have any unlisted shares on the Stock Exchange.

6.8 As per the information provided, the Target Company has complied with the provisions of Regulations 6(2) and 6(4) of Chapter II of the Regulations and of 8(3) of Chapter II of the Regulations for the years ended 31st March 1998, 1999, 2000, 2001, 2002 and 2003 under the SEBI Regularization Scheme, 2002. Henceforth the Target Company has regularly complied with the provisions of Chapter II of the Regulations **(Details of compliances are attached as Annexure – A)**.

6.9 The promoter group of the Target Company has timely complied with the applicable provisions of Chapter II of SEBI (SAST) Regulation 1997. **(Details of compliances are attached as Annexure –B)**

6.10 There has been no merger, de-merger and spin off in the Target Company in the last three years.

6.11 The Target Company does not have any subsidiary.

6.12 The Board of Target Company as on the date of PA, comprises of 4 (Four) Directors. The details of the Board of Directors of the DCL are as below:

Name	**Din No.**	**Date of Appointment**	**Qualification**	**Experience**	**Residential Address**
Mr. Sandeep Sharma (Executive Director)	586681	5-3-2005	B.Com	Mr. Sharma is having more than five years of experience in finance and accounts	C 403, VIP Enclave.1, VIP Road, Baguihati, Kolkata - 700059
Mr. Akash Chatterjee (Non Executive & Independent Director)	519521	6-3-2008	B.Com	He is having four years of experience in the fields of in finance and accounts	A/2 Salt Lake, Block ED, Karunamoyee, Bidhannagar, North 24 Parganas, Kolkata - 700091
Mr. Pritam Ghosh (Non Executive & Independent Director)	1908447	11-2-2007	B.Com	Mr. Ghosh has five years of experience in corporate compliances	29, Desh Bandhu Sarani, 24 Pally, Konnagar - 712235
Mr. Sushil Kumar Khaitan (Non Executive & Independent Director)	2700207	4-6-2010	B.Com	Mr. Khaitan has five years of experience in financing and investments	29, Hat Lane, 29 Howrah - 711101

Note: As on the date of the Public Announcement, none of the Directors of Target Company are on the Board of Directors of Acquirers.

6.13 Brief financial details of Deevee Commercials Limited for the last three financial years are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Income from operations	2,175.13	3,426.52	9,319.55
Other Income	30.44	19.96	54.64
Total Income	**2,205.57**	**3,446.48**	**9,374.19**
Total Expenditure	2,678.18	3,494.50	9,308.25
Profit Before Depreciation Interest & Tax	**(472.61)**	**(48.02)**	**65.93**
Depreciation	0.43	0.33	0.20
Interest	29.44	86.30	45.57
Profit Before Tax	**(502.48)**	**(134.65)**	**20.17**
Provision for Tax	(0.08)	(0.05)	(0.07)
Profit After Tax	**(502.40)**	**(134.60)**	**20.09**

Balance Sheet Statement

Rs. in Lacs

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Sources of Funds			
Paid Up Share Capital	613.67	613.67	613.67
Reserve & Surplus (excluding revaluation reserves)	5,772.88	5,772.88	5,776.90
Profit & Loss Account (Debit Balance)	(496.13)	(630.73)	(614.66)
Total Miscellaneous expenditure not written off	(1.28)	(0.59)	-
Net Worth	**5,889.14**	**5,755.22**	**5,775.91**
Secured Loans	469.60	141.36	-
Unsecured Loans	438.37	415.00	-
Total	**6,797.12**	**6,311.58**	**5,775.91**
Uses of Funds			
Net Fixed Assets	0.83	0.50	0.30
Investments	5,417.06	4,703.81	779.80
Net Current Assets	0.07	0.12	0.05
Total	**1,379.16**	**1,607.15**	**4,995.77**

Other Financial Data

Particulars	**31st March 2008**	**31st March 2009**	**31st March 2010**
Dividend (%)	Nil	Nil	Nil
Earnings per share (Rs)	(8.19)	(2.19)	0.33
Return on Net Worth (%)	(8.53)	(2.34)	0.35
Book Value per Share (Rs.)	95.97	93.78	94.12

Source: *Audited annual accounts*

Note:

1. *Earnings per share computed as the PAT/Number of Outstanding shares as at the end of the year*
2. *Return on Networth calculated as PAT/Networth at the end of the year*
3. *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

6.14 **Reasons for fall / rise in the total income and PAT in the past:**

Comparison between 2009-10 and 2008-09

The total income has increased from Rs. 3,446.48 Lacs in FY 2009 to Rs. 9,374.19 Lacs in FY 2010 due to sale of investments. Moreover, there was a PAT of Rs. 20.09 Lacs for FY 2010 against a loss of Rs. 134.60 Lacs in FY 2009 on account of profits on sale of investments.

Comparison between 2008-09 and 2007-08

The total income increased from Rs. 2,205.57 Lacs in FY 2008 to Rs. 3,446.48 Lacs in FY 2009 on account of sale of investments. However, the company continued to make losses due to loss on sale of shares.

6.15 The contingent liabilities of the Target Company as on March 31, 2010 are as under:

Particulars	**Amount in Rs. Lacs**
Income Tax matters	26.45
Total	**26.45**

Further, interest and penalties may accrue on the above amounts as and when these liabilities materialize.

6.16 As on the date of this letter of offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' Category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares /voting rights agreed to be acquired which triggered off the Regulations**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer.**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
1.Mr. Sandeep Sharma (Parties to agreement) (a)	452,000	7.37%	(452,000)	(7.37%)	-	-	-	-
2.Promoters other than (a) above (b)	-	0.00%	-	-	-	-	-	-
Total 1(a+b)	**452,000**	**7.37%**	**(452,000)**	**(7.37%)**	-	-	-	-
(2) Acquirers								
Acquirers	-	-	4,503,155	73.38%	1,227,348	20.00%	5,730,503	93.38%
Total 2	-	-	4,503,155	**73.38%**	**1,227,348**	**20.00%**	**5,730,503**	**93.38%**
(3) Parties to agreement other than(1)& (2)	**4,051,155**	**66.01%**	**(4,051,155)**	**(66.01%)**	-	-	-	-
(4) Public (other than parties to agreement, Acquirers & PACs)								
a) Bodies Corporate	1,522,331	24.81%					This will depend on the response within each category of (4)	
b) Others	111,250	1.81%	-	-				
Total (4)(a+b)	**1,633,581**	26.62%		-			**406,233**	**6.62%**
GRAND TOTAL (1+2+3+4)	**6,136,736**	**100.00%**	-	-	**1,227,348**	**20.00%**	**6,136,736**	**100.00%**

6.17 As on March 31, 2010, there are 67 shareholders in the public category holding 5,684,736 shares of the Target Company.

6.18 The Acquirers have not acquired any share of the Target Company from the date of PA till the date of this letter of offer.

6.19 Details about the numbers of shares held and percentage holding of promoters and promoter group in the Target Company as at March 31 of every year since 1997 are given below:

Date	Shareholding	% age holding	Remark
31.03.1997	202000	84.17%	
31.03.1998	202000	84.17%	
31.03.1999	202000	84.17%	
31.03.2000	202000	84.17%	
31.03.2001	202000	84.17%	
31.03.2002	202000	84.17%	
31.03.2003	202000	84.17%	
31.03.2004	452000	33.30%	A total of 1,117,200 equity shares were allotted by the Company pursuant to a scheme of amalgamation, out of which 250,000 equity shares were allotted to the promoters
31.03.2005	452000	33.30%	
31.03.2006	452000	7.37%	Allotment of 4,779,536 shares to non promoters pursuant to a scheme of amalgamation
31.03.2007	452000	7.37%	
31.03.2008	452000	7.37%	

31.03.2009	452000	7.37%	
31.03.2010	452000	7.37%	

6.20 The Target Company has complied with all the requirement of Corporate Governance under clause 49 of the Listing agreement entered into with the stock exchanges.

6.21 **Pending Litigation matters**

There are no litigation matters pending against the Target Company as on date of the Public Announcement.

6.22 **Compliance Officer**
Mr. Sandeep Sharma
Deevee Commercials Limited
Gauri Business Centre, Shantiniketan Building,
8, Camac Street, 4th Floor, Room No. 409,
Kolkata – 700 017
Ph: +91-33-2282 0231
Fax: +91-33- 2282 0232

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of DCL are currently listed on Calcutta Stock Exchange Limited (CSE) & Uttar Pradesh Stock Exchange Limited (UPSE) (together referred herein as "the stock exchanges").

7.1.2 The Acquirers have made a public announcement on May 13, 2010. The annualized trading turnover based on the trading volume in the shares of the Target Company on CSE & UPSE during November 01, 2009 to April 30, 2010 (being 6 calendar months prior to the month of PA) is as under:

Name of Stock Exchange	Total no. of shares traded during the 6 calendar month prior to the month in which PA was made	Total No. of shares listed	Annualized Trading turnover (in terms of % to total listed share)
CSE	6,136,736	6,136,736	NIL
UPSE	6,136,736	6,136,736	NIL

(Source: Stock Exchanges)

7.1.3 Based on the information available, the equity shares of Target Company are infrequently traded on the CSE and UPSE within the meaning of explanation (i) to regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters:-

A	Negotiated price	Rs. 10 per share
B	The highest price paid by the Acquirers for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of PA	Not Applicable
C	Average of the weekly high and low of closing prices of the equity shares of the Target Company on the stock exchanges during the 26 weeks period preceding the date of Public Announcement.	Not Applicable
D	Average of the daily high and low prices of the equity shares of the Target Company on the stock exchanges during the 2 weeks preceding the date of this Public Announcement	Not Applicable
E	**Other financial Parameters**	**31/03/2010**
I	Return on Net Worth (%)	0.35
ii	Book value per share (Rs.)	94.12
iii	Earnings per Share (Rs.)	0.33
iv	Industry Average P/E Multiple*	14.14
v	Offer price P/E Multiple	100.00

** Source: Capitaline- Others - Finance & Investments- May 7, 2010*

7.1.4 Mr. Vijay Kumar Choudhary (Membership No. 059000), Proprietor of VKC & Co., Chartered Accountants, having office at 20B, British Indian Street, Room No. 19, Kolkata – 700 069 vide their certificate dated May 10, 2010 have stated that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30), the fair value of the equity share of the Target Company is Rs. 32.92.

7.1.5 Hence in the opinion of the Manager to the Offer and the Acquirers the Offer price of Rs 33.00 (Rupees Thirty Three Only) for each fully paid up equity share is justified in terms of regulation 20(5) of SEBI (SAST) Regulations, 1997.

7.1.6 There is no non-compete agreement.

7.1.7 If the Acquirers acquire any shares of the Target Company after the date of the PA and up to 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the offer. Further, the Acquirers shall not acquire any shares of the Target Company during the last seven working days prior to the closure of the offer, except those accepted in the offer.

7.2 **Financial Arrangements:**

7.2.1 The maximum consideration payable by the Acquirers assuming full acceptance in the Offer would be Rs. 4,05,02,484 (Rupees Four Crores Five Lacs Two Thousand Four Hundred Eighty Four only) ("**Maximum Consideration**") at a price of Rs. 33/- per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of cash deposit for an amount of Rs. 1,04,10,000 (Rupees One Crore Four Lacs and Ten Thousand only) ("Cash Deposit") placed with HDFC Bank Limited, Central Plaza Branch, 2/6 Sarat Bose Road, Kolkata- 700 020 ('Escrow Bank') for the performance of the Acquirer's obligations under the Regulations. The cash deposit is in excess of 25% of the maximum consideration payable under the offer. The Manager to the Offer is empowered to realize the value of the aforesaid escrow account and instruct the escrow bank to issue cheques/demand drafts in terms of the SAST Regulations.

7.2.3 Mr. J K Choudhury (Membership no. 9367), Partner of S.K. Agarwal & Company, Chartered Accountants, 4A Council House Street, Kolkata – 700001, has certified vide certificate dated May 7, 2010 that adequate financial resources are available with New Way Constructions Limited and EPL Securities Limited for meeting their obligations under the Open Offer. Both New Way Constructions Limited and EPL Securities Limited are engaged in the business of investment and trading in the shares and securities. The proceeds required for the open offer will be funded from the sale of shares and securities held by New Way Constructions Limited and EPL Securities Limited.

7.2.4 On the basis of the aforesaid financial arrangements and based on the confirmations received from the escrow bank and the chartered accountants, the Manager to the Offer confirms that adequate funds are available with the Acquirers through verifiable means to implement this offer in full.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 All owners of equity shares, except the Acquirers and Sellers, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of DCL whose names appear on the register of members of DCL and to the beneficial owners of the equity shares of DCL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 11, 2010 (the 'Specified Date'). 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. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website www.sebi.gov.in during the period the Offer is open and may also be downloaded from the site.

8.3 There shall be no discrimination in acceptance of locked-in and non-locked in shares. However, the equity shares of the Target Company tendered will be acquired by the Acquirers fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

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

8.5 The acceptances of the Offer made by the Acquirers are entirely at the discretion of the Shareholders of the Target Company. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.6 The Acquirers are permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than July 29, 2010, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirers. The same would be informed by way of Public Announcement in the same newspapers where original Public Announcement was published.

8.7 The Acquirers, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other regulation made under the SEBI Act.

8.8 **Statutory approvals and other approvals required for the offer**

8.8.1 As on the date of the PA, to the best of the knowledge of the Acquirers, there are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals.

8.8.2 It may be noted that in case of non-receipt of any statutory approval within time, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to the shareholders under the Offer provided that the Acquirers agree to pay interest for the delay, in accordance with Regulation 22(12) of the SAST Regulations.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of DCL whose names appear on the register of members of DCL and to the beneficial owners of the equity shares of DCL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 11, 2010 (the 'Specified Date').

9.2 Shareholders of the Target Company who wish to avail of and accept the offer shall send/ deliver the Form of Acceptance along with all the revelant documents to the Registrar to the offer **Maheshwari Datamatics Limited** at 6, Mangoe Lane, 2nd Floor, Kolkata- 700 001 whether by hand delivery on weekdays (Monday to Friday between 10 a.m to 5 p.m) or by registered post, so as to reach on or before the closure of the Offer, i.e. August 9, 2010 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.3 Shareholders who hold equity shares of DCL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, Original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, so as to reach on or before the closure of the Offer, i.e. August 9, 2010.

9.4 The Registrar to the Offer, **Maheshwari Datamatics Limited** at 6, Mangoe Lane, 2nd Floor, Kolkata- 700 001 has opened a special depository account with Shree Bahubali Int. Ltd. Beneficial owners and shareholders holding equity shares of DCL in the dematerialised form, will be required to send their Form of Acceptance to the Registrar to the Offer on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of **'MAHESHWARI DATAMATICS PVT. LTD. -'DCL'OPEN OFFER ESCROW A/C'** and filled in with the details given below:

Name of the Special Depository Account	MAHESHWARI DATAMATICS PVT. LTD.-'DCL'OPEN OFFER ESCROW A/C
Depository	National Securities Depository Limited
DP Name	Shree Bahubali Int. Ltd
DP ID	IN300773
Client ID	10272554
ISIN	INE161D01016
Market	"Off Market"

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in Central Depository Services (India) Limited (CDSL) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

9.5 Unregistered owners or shareholders who have not received the Letter of Offer may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, folio number, distinctive numbers, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the 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, 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 the 'off-market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

9.6 Shareholders of DCL who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to DCL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

9.7 **THE SHARES AND THE OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRERS OR THE TARGET COMPANY OR THE MANAGER TO THE OFFER**

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

9.9 **Mode of making payment**

The payment of consideration, if any, would be done through any of the following modes:

a) Electronic Clearing System (ECS) – Payment of consideration would be done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, odhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non- MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of considerations would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of consideration through ECS is mandatory for shareholders having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive payment through direct credit or RTGS.

b) Direct Credit – Shareholders having bank accounts with the Escrow Banker(s), in this case being, HDFC Bank Limited, shall be eligible to receive considerations through direct credit. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirers.

c) RTGS – Shareholders having a bank account at any of the abovementioned 68 centres and whose consideration amount exceeds Rs. One Lac, have the option to receive payment through RTGS. Such eligible shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirers. Charges, if any, levied by the shareholders's bank receiving the credit would be borne by the shareholder.

d) National Electronic Fund Transfer (NEFT) – Payment of consideration shall be undertaken through NEFT wherever the shareholders' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the shareholders through this method. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

e) For all other shareholders, including those who have not updated their bank particulars with the MICR code, the payments will be dispatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/ Registered Post for payments of Rs. 1,500 and above. Such payments will be made by cheques, pay orders or demand drafts drawn on HDFC Bank Limited and payable at par.

9.10 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the Shareholder's / unregistered owner's sole risk to the sole / first Shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

9.11 In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer on or before Wednesday, August 4, 2010.

- The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal.
- Shareholders should enclose the following: -

  For Equity Shares held in demat form beneficial owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - Photocopy of the delivery instruction slip in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP.

  For Equity Shares held in physical form Registered shareholders should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with DCL and duly witnessed at the appropriate place.

  Unregistered owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - The withdrawal of Equity Shares will be available only for the Share certificates/ Equity Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.
  - The intimation of returned Equity Shares to the shareholders will be sent at the address as per the records of DCL/ Depository as the case may be.
  - The Form of Withdrawal along with enclosure should be sent to the Registrar to the Offer only.
  - In case of partial withdrawal of Equity 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 DCL. The facility of partial withdrawal is available only to Registered shareholders.

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

  - In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

  - In case of physical Equity Shares: name, address, Distinctive Nos., Certificate Numbers., Folio Number, number of Equity Shares tendered

  - In case of dematerialized Equity Shares: name, address, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of delivery instructions slip in "off market" mode or counterfoil of the delivery instruction slip in "off market" mode, duly acknowledged by the DP, in favour of the Special Depository Escrow Account.

9.12 Any shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of the Target Company may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such shares are received

9.13 While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirers before remitting the consideration. In case the previous RBI approvals are not submitted, the Acquirers reserve the right to reject such shares tendered. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirers will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount payable to such NRI / OCB /Non-domestic companies / other persons who are not resident in India.

9.14 In case the number of shares tendered by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirers shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

Schedule of the major activities of the open offer are as under:

Activity	Original Time Schedule	Revised Time Schedule
Public Announcement Date	Thursday, May 13, 2010	Thursday, May 13, 2010
Specified Date*	Friday, June 11, 2010	Friday, June 11, 2010
Last date for a competitive bid	Thursday, June 03, 2010	Thursday, June 03, 2010
Date by which Letter of Offer will be despatched to the shareholders	Friday, June 25, 2010	Friday, July 16, 2010
Offer Opening Date	Wednesday, July 07, 2010	Wednesday, July 21, 2010
Last date for revising the offer price/number of shares	Thursday, July 15, 2010	Thursday, July 29, 2010
Last date for withdrawal by shareholders	Wednesday, July 21, 2010	Wednesday, August 04, 2010
Offer Closing Date	Monday, July 26, 2010	Monday, August 09, 2010
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Tuesday, August 10, 2010	Tuesday, August 24, 2010

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirers and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

9.15 Financial data contained in this Letter of Offer has been rounded off to the nearest Lac except wherein stated.

10 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Azimganj House, 2nd Floor 7, Camac Street, Kolkata 700 017 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

a) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
b) Certificate of Incorporation, Memorandum and Articles of Association of the Acquirers.
c) Certificate of Mr. J K Choudhury (Membership no. 9367), Partner of S.K. Agarwal & Company, Chartered Accountants, 4A Council House Street, Kolkata – 700001, certifying that adequate financial resources are available with New Way Constructions Limited and EPL Securities Limited for meeting their obligations under the Open Offer.
d) Audited Reports of Deevee Commercials Limited for the year ended March 31, 2008, 2009 and 2010
e) Audited Reports of Acquirers for the year ended March 31, 2008, 2009 and 2010
f) Copy of the SPAs dated May 8, 2010 which triggered the Open Offer.
g) Published copy of the Public Announcement
h) Confirmation from HDFC Bank for the cash deposit of Rs. 4,10,000/- (Rupees Four Lacs Ten Thousand only) being not less than 1% of the total consideration payable in accordance with the Regulations.
i) Copy of Agreement entered into between with Maheshwari Datamatics Limited and Shree Bahubali Int. Limited for opening the special depository account for the purpose of the offer.

11 DECLARATION BY THE ACQUIRERS

The Directors of the Acquirers accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirers shall be responsible for ensuring compliance with the SEBI (SAST) Regulations and for its obligations laid down in the SEBI (SAST) Regulations.

All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Mr. Naresh Hiralal Bhansali, Director of New Way Constructions Limited has been authorized by New Way Constructions Limited to sign the Letter of Offer

For **New Way Constructions Limited**

Mr. Naresh Hiralal Bhansali
Director

Date: July 15, 2010
Place: Kolkata

(All the Acquirers have authorized New Way Constructions Limited to sign this Letter of Offer on their behalf.)

Encl.:

1) Form of Acceptance-cum-Acknowledgement
2) Form of Withdrawal
3) Transfer Deed for shareholders holding Equity Shares in Physical Form

Annexure – A

STATUS OF COMPLIANCE WITH THE PROVISIONS OF CHAPTER II OF THE TAKEOVER REGULATIONS BY THE TARGET COMPANY

Sl. No.	Regulation / Sub- regulation	Due Date for compliance as mentioned in the Regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3
1	2	3	4	5
1.	6(2)	20-May-97	27-Mar-03	Complied under SEBI Regularization Scheme, 2002
2.	6(4)	20-May-97	27-Mar-03	
3.	8(3)	30-Apr-98	27-Mar-03	
4.	8(3)	30-Apr-99	27-Mar-03	
5.	8(3)	30-Apr-00	27-Mar-03	
6.	8(3)	30-Apr-01	27-Mar-03	
7.	8(3)	30-Apr-02	27-Mar-03	
8.	8(3)	30-Apr-03	28-Apr-03	---
9.	8(3)	30-Apr-04	12-Apr-04	---
10.	8(3)	30-Apr-05	11-Apr-05	---
11.	8(3)	30-Apr-06	28-Apr-06	---
12.	8(3)	30-Apr-07	25-Apr-07	---
13.	8(3)	30-Apr-08	28-Apr-08	---
14.	8(3)	30-Apr-09	25-Apr-09	---
15.	8(3)	30-Apr-10	30-Apr-10	---

Annexure – B

STATUS OF COMPLIANCE WITH THE PROVISIONS OF CHAPTER II OF THE TAKEOVER REGULATIONS BY THE PROMOTER GROUP

Sl. No.	Regulation / Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	2	3	4	5	6
1.	6(1)	20-Apr-97	20-Mar-97	---	
2.	6(3)	20-Apr-97	20-Mar-97	---	
3.	8(1)	21-Apr-98	17-Apr-98	---	
4.	8(2)	21-Apr-98	17-Apr-98	---	
5.	8(1)	21-Apr-99	18-Apr-99	---	
6.	8(2)	21-Apr-99	18-Apr-99	---	
7.	8(1)	21-Apr-00	12-Apr-00	---	
8.	8(2)	21-Apr-00	12-Apr-00	---	
9.	8(1)	21-Apr-01	9-Apr-01	---	
10.	8(2)	21-Apr-01	9-Apr-01	---	
11.	8(1)	21-Apr-02	12-Apr-02	---	
12.	8(2)	21-Apr-02	12-Apr-02	---	
13.	8(1)	21-Apr-03	16-Apr-03	---	
14.	8(2)	21-Apr-03	16-Apr-03	---	
15.	8(1)	21-Apr-04	9-Apr-04	---	
16.	8(2)	21-Apr-04	9-Apr-04	---	
17.	8(1)	21-Apr-05	9-Apr-05	---	
18.	8(2)	21-Apr-05	9-Apr-05	---	
19.	8(1)	21-Apr-06	NA	---	
20.	8(2)	21-Apr-06	20-Apr-06	---	
21.	8(1)	21-Apr-07	NA	---	
22.	8(2)	21-Apr-07	18-Apr-07	---	
23.	8(1)	21-Apr-08	NA	---	
24.	8(2)	21-Apr-08	16-Apr-08	---	
25.	8(1)	21-Apr-09	NA	---	
26.	8(2)	21-Apr-09	18-Apr-09	---	
27.	8(1)	21-Apr-10	NA	---	
28.	8(2)	21-Apr-10	18-Apr-10	---	
29.	8A(1)	06-Feb-09	NA	__	Nil Shares of the promoters have been pledged