

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as an equity shareholder(s) of JMT Auto Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Equity Shares in JMT Auto Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the sale was effected.

CASH OFFER

by

Bach Limited

“Acquirer”

c/o International Financial Services Limited, 3rd Floor, Les Cascades, Edith Cavell Street, Port Louis, Mauritius
Tel. No.: +230 211 1000; Fax No.: +230 211 1000

&

ChrysCapital III, LLC

“Person Acting in Concert”

c/o International Financial Services Limited, 3rd Floor, Les Cascades, Edith Cavell Street, Port Louis, Mauritius
Tel. No.: +230 211 1000, Fax No.: +230 211 1000

To acquire up to 2,679,041 fully paid up Equity Shares of Rs. 10/- each representing 20% of the issued and paid-up equity share capital of
JMT Auto Limited (“JMTAL” or “Target Company”)

Registered office: 224 AJC Bose Road, Room No. 902, Krishna Building 9th Floor, Kolkata, 700017, West Bengal, India
Tel. No.: +91 (0)33 3096 9042, Fax No.: +91 (0)33 2217 6399

at a price of Rs. 100/- (Rupees One Hundred Only) per Equity Share (the “Offer Price”)

The Offer is being made by Bach Limited (“Acquirer”) and ChrysCapital III, LLC (the “PAC”), being persons acting in concert with the Acquirer, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Equity Shares and Takeovers) Regulations, 1997 (“SEBI (SAST) Regulations”).

The Offer is not subject to a minimum level of acceptance by the shareholders of JMTAL.

The “Foreign Investment Promotion Board” (“FIPB”), vide its letter dated November 19, 2005, has advised the Acquirer that the acquisition of Equity Shares of JMTAL falls within the general permission route of the Reserve Bank of India (“RBI”) and has directed the Acquirer to follow the instructions contained in A.P. (DIR Series) Circular No. 16 dated October 4, 2004. The RBI, vide letter dated December 14, 2005, has confirmed the same and directed the Acquirer to approach the authorised dealer, i.e., CITIBANK, N.A., for effecting purchase of the Equity Shares by way of the Offer as per the instructions contained in the aforementioned circular. The authorised dealer is seeking clarification from RBI central office regarding the procedure for effecting such transfer. In addition, the RBI, vide letter dated December 14, 2005, has given its permission for opening of escrow account, and opening and operation of a special account for purposes of the open offer. As on the date of this Letter of Offer, there are no other statutory approvals required to implement this Offer. In case of a delay in receipt of any statutory approval(s), the Securities and Exchange Board of India (“SEBI”) has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if a delay occurs on account of wilful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.



Shareholders who accept the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22 (5A) of the SEBI (SAST) Regulations. (i.e. Wednesday, January 25, 2006).

The Acquirer can revise the Offer Price upwards up to 7 (seven) working days prior to the date of closure of the Offer (i.e. Wednesday, January 18, 2006). If there is any upward revision in the Offer Price by the Acquirer till the last date for revising the Offer Price i.e. Wednesday, January 18, 2006, or if the Offer is withdrawn, the same would be communicated by a public announcement in the same newspapers in which the Public Announcement appeared. The Acquirer would pay such revised Offer Price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

If there is a competitive bid(s):

- The public offers under all the subsisting bids shall close on the same date;
- 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.

A copy of the Public Announcement and the Letter of Offer (including Form of Acceptance and Form of Withdrawal) is also available on SEBI’s website (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>JM Morgan Stanley Private Limited 117, Himalaya House 23, Kasturba Gandhi Marg New Delhi – 110 001, India Phone : +91 (0) 11 4130 5000 Fax : +91 (0) 11 4151 0401 Email : arjun.mehra@jmmorganstanley.com Contact Person: Mr. Arjun Mehra</p>	 <p>Intime Spectrum Registry Limited C-13 Pannalal Silk Mills Compound LBS Marg, Bhandup West Mumbai 400 078 Phone : +91 (0) 22 5555 5491-94 Fax : +91 (0) 22 5555 5499 Email : jmtauto@intimespectrum.com Contact Person: Mr. Vishwas Attavar</p>

THE TABLE BELOW SUMMARIZES THE SCHEDULE OF ACTIVITIES

Sl. No.	Activity	Original Schedule	Revised Schedule
1.	Public Announcement (PA) Date	Monday, November 7, 2005	Monday, November 7, 2005
2.	Specified Date	Friday, November 11, 2005	Friday, November 11, 2005
3.	Last date for a competitive bid	Monday, November 28, 2005	Monday, November 28, 2005
4.	Date by which Letter of Offer is to be dispatched to shareholders	Tuesday, December 20, 2005	Thursday, January 5, 2006
5.	Date of opening of the Offer	Friday, December 30, 2005	Wednesday, January 11, 2006
6.	Last date for revising the Offer Price/ number of equity shares	Monday, January 9, 2006	Wednesday, January 18, 2006
7.	Last date for shareholders for withdrawing their acceptance of the Offer	Friday, January 13, 2006	Wednesday, January 25, 2006
8.	Date of closure of the Offer	Wednesday, January 18, 2006	Monday, January 30, 2006
9.	Last date of communicating rejection/ acceptance and payment of consideration for applications accepted and or return of Shares/ Share certificates for applications rejected	Thursday, February 2, 2006	Tuesday, February 14, 2006

RISK FACTORS

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 its subsidiaries or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. 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.

Risks related to the proposed Offer

The FIPB, vide its letter dated November 19, 2005, has advised the Acquirer that the acquisition of Equity Shares of JMTAL falls within the general permission route of the RBI and has directed the Acquirer to follow the instructions contained in A.P. (DIR Series) Circular No. 16 dated October 4, 2004. The RBI, vide letter dated December 14, 2005, has confirmed the same and directed the Acquirer to approach the authorised dealer, i.e., CITIBANK, N.A., for effecting purchase of the Equity Shares by way of the Offer as per the instructions contained in the aforementioned circular. The authorised dealer is seeking clarification from RBI central office regarding the procedure for effecting such transfer. As on the date of this Letter of Offer, there are no other statutory approvals required to implement this Offer. However, should additional approvals be required going forward, delays, if any, in the receipt of such approvals may delay completion of the Offer.

The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the shareholders will not be able to trade such Equity Shares. During such period there may be fluctuations in the market price of the Equity Shares of JMTAL. Accordingly, the Acquirer and the PAC make no assurance with respect to the market price of the Equity Shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of JMTAL on whether to participate or not to participate in the Offer.

Risks related to the Acquirer/ PAC

The Acquirer does not have any ongoing substantial business activities and was recently incorporated on May 4, 2005 as an investment company to hold investments in JMTAL.

Note: Please refer to the "Definitions" section for the definition of various terms used above.

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1. DEFINITIONS

Acquirer	Bach Limited.
ASE	The Stock Exchange, Ahmedabad.
Bach	Bach Limited.
BSE	The Bombay Stock Exchange Limited.
CDSL	Central Depository Services (India) Limited.
ChrysCapital	ChrysCapital III, LLC.
Citibank, London	CITIBANK, N.A., a banking company having a branch at 5 Carmelite Street, London, EC4Y OPA, United Kingdom.
CSE	Calcutta Stock Exchange Association Ltd.
DP	Depository Participant.
DSE	Delhi Stock Exchange Association Ltd.
Escrow Account	Escrow account under the name and title of "JMT Auto Ltd / Bach - Open Offer Escrow", established in accordance with Regulation 28 of the SEBI SAST Regulations by the Acquirer.
Escrow Agreement	Escrow agreement dated October 28, 2005 entered into amongst the Acquirer, Citibank, Mumbai, Escrow Agent and JM Morgan Stanley Private Limited.
Escrow Amount	Amount being not less than 25% of the maximum purchase consideration payable under the Offer in favour of the Manager to the Offer.
Escrow Agent	CITIBANK, N.A., a banking company having a branch office at 293, Dr. D.N.Road, Fort, Mumbai 400 001, India.
FEMA	Foreign Exchange Management Act, 1999.
FIPB	Foreign Investment Promotion Board.
Form of Acceptance	Form of Acceptance-cum-Acknowledgement.
Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto ("Guidelines").
Investment Agreement	Investment agreement dated October 28, 2005 between Bach and JMTAL.
JMTAL	JMT Auto Limited.
Letter of Offer	Letter of Offer dated December 30, 2005.
Manager to the Offer	JM Morgan Stanley Private Limited.
MgSE	Magadh Stock Exchange Association.
MSE	Madras Stock Exchange Limited.
Offer	This offer for the acquisition of 2,679,041 fully paid up Equity Shares representing up to 20% of the issued and paid-up equity share capital of JMTAL at a price of Rs. 100/- per Equity Share.
Offer Price	Rs. 100/- (Rupees One Hundred Only) per Equity Share.
PAC	ChrysCapital III, LLC, the persons acting in concert with the Acquirer for the purpose of the Offer, in terms of the SEBI (SAST) Regulations.
Preferential Issue	Issuance and allotment, on a preferential basis, of 3,550,000 fully paid-up equity shares of Rs. 10/- each of the Target Company for cash at a price of Rs. 100/- (including premium of Rs. 90/-) per Equity Share aggregating Rs.355 million (Rupees Three hundred fifty five million only) on October 28, 2005 in accordance with the guidelines for preferential issue of the Guidelines.
Promoters	The Promoters of JMTAL consisting of RSD Finance Ltd., Mr. Rajeev Singh Dugal, Precision Automotive Co. Pvt. Ltd. and KU Benefits Trust.
Public Announcement	Announcement of the Offer by the Acquirer, made by the Manager to the Offer on behalf of the Acquirer and the PAC in the Financial Express (All editions), Jansatta (All editions), Aajka (Kolkatta) and Navshakti (Mumbai) and any corrigendum issued in continuation thereto.
RBI	Reserve Bank of India.
Registrar to the Offer	Intime Spectrum Registry Limited.
SEBI	Securities and Exchange Board of India.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Equity Shares and Takeovers) Regulations, Regulations 1997, as amended from time to time.
Equity Share(s)	Fully paid up equity share(s) of JMTAL of the face value of Rs. 10/- each.
Specified Date	Friday November 11, 2005.
Target Company	JMT Auto Limited.
USD	US Dollars.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "USD" are to the US Dollar. Certain financial details contained herein are denominated in US Dollars. Unless otherwise stated, the Rupee equivalent quoted in each case is calculated in accordance with the average of the buying and selling TT exchange rates appearing in the October 28, 2005 edition of the Economic Times; namely USD 1.00 = Rs. 44.94. Such conversions are for convenience purposes only.

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 SEBI (SAST) REGULATION. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF JMT AUTO LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, ANY PAC OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, JM MORGAN STANLEY PRIVATE LIMITED, THE MANAGER TO THE OFFER, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 21, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

The Acquirer, the PAC 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 Acquirer, the PAC and the Manager to the Offer, and any person placing reliance on any other source of information for purpose of this Offer or in relation thereto would be doing so entirely at its own risk.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- i) The Board of Directors of the Target Company has issued and allotted, on preferential basis, 3,550,000 fully paid-up Equity Shares of Rs. 10/- each of the Target Company representing 26.5% of the post preferential fully paid-up voting equity share capital of the Target Company for cash at a price of Rs. 100/- including premium of Rs. 90/- per Equity Share aggregating Rs.355 million (Rupees Three hundred fifty five million only) to the Acquirer in accordance with the guidelines for preferential issue of the Guidelines. The Preferential Issue has been duly authorised by a resolution passed by the Board of Directors of the Target Company at its meeting held on September 17, 2005 and by the special resolution under section 81(1A) of the Companies Act, 1956 and other applicable provisions passed by the shareholders of the Target Company at the Extraordinary General Meeting ("EGM") of the shareholders of the Target Company held on October 14, 2005 authorising the Board of Directors of the Target Company to issue and allot the above Equity Shares. Pursuant to the subscription money received from the Acquirer, the Board of Directors of the Target Company allotted 3,550,000 fully paid-up Equity Shares on October 28, 2005 to the Acquirer. The Preferential Issue is covered under the Automatic Route of the RBI. Consequently, no approvals were required from the FIPB/ RBI with regard to the Preferential Issue. The Equity Shares allotted under the Preferential Issue are proposed to be listed on the BSE and CSE, and will be subject to "lock-in" as per the Guidelines. The listing application is in the process of being filed with the BSE and CSE, and listing and trading of the Equity Shares allotted under the Preferential Issue will commence subsequently.
- ii) Simultaneously, with the allotment of the Equity Shares consequent to the Preferential Issue referred to in paragraph 3.1.i above, an Investment Agreement dated October 28, 2005 was entered into amongst the Acquirer and JMTAL. Consequent to the Acquirer's shareholding and in terms of the Investment Agreement, the Acquirer will be a significant financial investor with certain limited rights as enumerated in paragraph 3.1.v below. However, the Acquirer is not in management control of the Target Company and does not intend to acquire management control of the Target Company. The aforesaid rights afforded to the Acquirer are primarily intended to protect its investment in the Target Company.
- iii) The Target Company has been promoted by the Promoters and the Promoters currently own 6,273,798 Equity Shares of Rs. 10/- each representing 46.8% of the post preferential fully paid-up voting equity share capital of JMTAL. Furthermore, pursuant to the terms of the Investment Agreement, they are and will continue to be in control and management of the Target Company.
- iv) In accordance with regulation 10 of the Regulations, consequent to the Preferential Issue of Equity Shares of the Target Company to the Acquirer referred to in paragraph 3.1.i above and on account of substantial acquisition of Equity Shares without change in control or management, this Offer is being made by the Acquirer and the PAC to acquire upto 2,679,041 fully paid-up Equity Shares of Rs. 10/- each of JMTAL, representing 20% of the outstanding voting equity share capital (post Preferential Issue) of the Target Company, at a price of Rs.100/- per Equity Share.
- v) The following are a summary of the main terms of the Investment Agreement:
 - a. Upon the preferential allotment of Equity Shares of the Target Company to the Acquirer, the Acquirer holds 3,550,000 Equity Shares representing 26.5% of the fully paid-up equity share capital of the Target Company.
 - b. The Acquirer has the right to nominate one director on the board of the Target Company. The nominee director shall be a non-executive director and shall have no responsibility for the day-to-day management of the Target Company and shall not be liable for any failure by the Target Company to comply with applicable law.
 - c. The Acquirer/ the director nominated by the Acquirer is also entitled to specified rights in relation to the Target Company including information rights relating to the following:

- i. The Acquirer shall be entitled to receive information from the Target Company consisting of the unaudited quarterly financial statements, audited financial statements, the extracts of the minutes of board, committee and shareholders meetings, budgets as approved by the board of directors.
 - ii. Without prejudice to the above, the Target Company shall, ensure that the Acquirer is not provided with any unpublished price sensitive information and the Target Company shall, if such information is unpublished price sensitive information, publish such information in accordance with law and provide such information to the Acquirer only after the Target Company publishes such information in accordance with law.
 - iii. Subject to applicable law, the Acquirer shall be permitted to examine the books and records (including minutes of meetings, notices, consents and other material that is provided to directors) of the Target Company and inspect its facilities and information relating to the general status of the Target Company's financial condition and operation.
- d. The Acquirer does not have the right to appoint a majority of the directors of the Target Company.
 - e. It is intended that the Promoters of the Target Company will retain overall management and control of the Target Company.
 - f. The Acquirer will not to be, at any time, a promoter of the Target Company.
 - g. The Target Company will indemnify the Acquirer in case of any breach of the representations, warranties and covenants.
 - h. The parties to the Investment Agreement agree upon the manner in which the equity shares issued and allotted in the preferential issue are to be dealt with in the event that the Acquirer is for any reason unable to complete the Offer or if the Offer is withdrawn for any reason or the acquisition of equity shares issued and allotted in the preferential issue under the Investment Agreement cannot be given effect to consequent to the provisions of the SEBI (SAST) Regulations.
 - i. No other investor in the Target Company will receive rights more favourable than those granted to the Acquirer under the Investment Agreement.
- vi) The Acquirer, PAC and Target Company have not been prohibited by the SEBI from dealing in securities, in terms of directions issued under Section 11B of, or any other regulations made under the SEBI Act.
 - viii) In terms of the Investment Agreement, the Acquirer has the right to nominate one director on the board of the Target Company. The nominee director shall be a non-executive director and shall have no responsibility for the day-to-day management of the Target Company and shall not be liable for any failure by the Target Company to comply with applicable law.

3.2 Details of the Proposed Offer

- i) The Public Announcement announcing the Offer as per Regulation 15(1) of the SEBI (SAST) Regulations was made in the following newspapers:

Newspaper	Language	Editions	Date
Financial Express	English	All	November 7, 2005
Jansatta	Hindi	All	November 7, 2005
Aajkal	Bengali	Kolkatta	November 7, 2005
Navshakti	Marathi	Mumbai	November 8, 2005

A copy of the Public Announcement is available on the SEBI website at <http://www.sebi.gov.in/>. A revised Public Announcement was made in the above newspapers on Tuesday, January 3, 2006.

Any decision for an upward revision in the Offer Price by the Acquirer till the last date of revision i.e. Wednesday, January 18, 2006, or withdrawal of the Offer would be communicated by way of a public announcement in the same newspapers in which the Public Announcement had appeared. In case of an upward revision in the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

- ii) This offer is being made by the Acquirer and the PAC to the shareholders (other than Acquirer, PAC and the Promoters) of JMTAL to acquire upto 2,679,041 Equity Shares of JMTAL, representing 20% of the outstanding voting equity share capital (post Preferential Issue) of JMTAL, at an Offer Price of Rs. 100/- per fully paid-up Equity Share payable in cash in terms of regulation 20 and 21 of the Regulations. The Offer is in accordance with regulation 10 of the Regulations, consequent to the Preferential Issue of Equity Shares of the Target Company to the Acquirer referred to in paragraph 3.1.i above and on account of substantial acquisition of Equity Shares without change in control or management.
- iii) The Offer is for the fully paid up Equity Shares of JMTAL and there are no partly paid up Equity Shares.
- iv) If there is a competitive bid:
 - The public offers under all the subsisting bids shall close on the same date.
 - As the Offer Price cannot be revised during 7 (seven) working days prior to the closure of the Offer/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
- v) The Offer is not a conditional offer and is not subject to a minimum level of acceptance by the shareholders of JMTAL. Accordingly, the Acquirer will accept all Equity Shares tendered by the shareholders of the Target Company pursuant to the Offer at the Offer Price subject to the Offer size not being exceeded. In case the number of Equity Shares received

in the Offer exceeds the offer size, the acceptance will be made on a proportionate basis.

- vi) No Equity Shares have been acquired by the Acquirer or the PAC from the date of the Public Announcement till the date of this Letter of Offer.
- vii) There have been no competitive bids from the date of the Public Announcement to the date of this Letter of Offer.

3.3 Object of the Offer and Future Plans

- i) The Acquirer and the PAC are undertaking the Offer to discharge their obligations under regulation 10 of the Regulations, consequent to the Preferential Issue of Equity Shares of the Target Company to the Acquirer referred to in paragraph 3.1.i above and on account of substantial acquisition of Equity Shares without change in control or management. Consequent to the Acquirer's shareholding and in terms of the Investment Agreement, the Acquirer will be a significant financial investor with certain limited rights as enumerated in paragraph 3.1.v above. However, the Acquirer is not in management control of the Target Company and does not intend to acquire management control of the Target Company. The aforesaid rights afforded to the Acquirer are primarily intended to protect its investment in the Target Company.
- ii) As required under Regulation 16 (ix), the Acquirer and the PAC do not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years except in the ordinary course of the business of the Target Company. Further, the Acquirer and the PAC shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company to the extent required by applicable laws.

4. BACKGROUND OF THE ACQUIRER AND PERSONS ACTING IN CONCERT

Bach Limited ("Bach"/ "Acquirer")

- a) Bach is a private company limited by shares incorporated under section 24 of the Companies Act 2001 of the Republic of Mauritius with its registered office at c/o International Financial Services Limited, 3rd Floor, Les Cascades, Edith Cavell Street, Port Louis, Mauritius. (Telephone No.: +230 211 1000/ Fax No.: +230 211 1000).
- b) Bach is a wholly owned subsidiary of ChrysCapital. Furthermore, consequent to the Preferential Issue referred to in paragraph 3.1.i above, Bach currently holds 3,550,000 Equity Shares representing 26.5% of the post preferential fully paid-up voting equity share capital of the Target Company. Bach is an investment company and its primary objective is to make equity and equity related investments in both Indian and non-Indian companies which have business linkages in India. Bach is not engaged in any other business activity.
- c) An Investment Agreement dated October 28, 2005 was entered into amongst the Acquirer and JMTAL with the allotment of the Equity Shares consequent to the Preferential Issue referred to in paragraph 3.1.i above. The main terms of the Investment Agreement are enumerated in paragraph 3.1.v above. Bach and the PAC have not entered into any agreement amongst themselves for the purpose of this Offer.
- d) Brief history of Bach is as follows:

May 4, 2005	Incorporated as a private company limited by shares under section 24 of the Companies Act 2001 of the Republic of Mauritius.
October 28, 2005	Consequent to the Preferential Issue, Bach acquired 3,550,000 Equity Shares representing 26.5% of the post preferential fully paid-up voting equity share capital of JMTAL.

- e) There have been no acquisitions, spin-offs or mergers involving Bach over the last three years.
- f) Besides JMTAL, Bach has not invested in any other company in India.
- g) Other than the Preferential Issue, Bach has not acquired any Equity Shares of the Target Company. Bach has complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations within the time specified in the SEBI (SAST) Regulations. Kindly refer to the sections titled "Background of the Offer" for details of the said Preferential Issue and compliance with other applicable regulations under the SEBI Act 1992.
- h) The Board of Directors of Bach as on the date of Public Announcement are as follows:

Name	Title	Date of Appointment	Qualification	Experience	Residential Address
Mr. Dev Joory	Director	May 4, 2005	Chartered Accountant	25 years of post qualification experience in international tax planning and business restructuring.	Ancienne Route Publique de Moka, Montagne Ory, Moka, Mauritius
Mr. Couldip Basanta Lala	Director	May 4, 2005	Chartered Accountant	Past Chairman of the Mauritius Stock Exchange Commission & executive partner of the local representative firm of the Arthur Andersen. Currently serves as a director of SBI International (Mauritius) Ltd. & Indian Oil (Mauritius).	Avenue des Hirondelles, Sodmac, Quatre Bornes, Mauritius

Name	Title	Date of Appointment	Qualification	Experience	Residential Address
Mr. Brahmal Vasudevan	Director	July 5, 2005	Masters Degree in Business Administration from Harvard University	10 Years of post qualification experience in Investment banking and Finance.	285, Hamilton Avenue, Suite 240, Palo Alto, CA 94301, USA

- i) Bach has not acquired any Equity Shares of the Target Company during the 12 months preceding the date of this Letter of Offer other than through Preferential Issue as stated above. In addition, none of the Directors of Bach have acquired any Equity Shares of the Target Company during 12 months preceding the date of this Letter of Offer.
- j) None of the Directors of Bach are on the board of JMTAL as on the date of this Letter of Offer.
- k) As Bach was incorporated on May 4, 2005, there are no audited financial statements relating to a full operating year. However, as per the unaudited financial statements reviewed by KPMG, Public Accountants, located at KPMG Centre, 30, St. George Street, Port Louis, Mauritius, Bach had no income and incurred losses of USD 6,600 (equivalent to Rs. 296,571) for the period May 4, 2005 (date of incorporation) to June 30, 2005. Bach had a paid up share capital of USD 2 (equivalent to Rs. 89.9) as on June 30, 2005.
- l) Bach did not have any contingent liabilities as on June 30, 2005.
- m) As the period May 4, 2005 to June 30, 2005 was the first operating period of Bach, no comparison is possible for an analysis of the trends in total income and profit after tax.
- n) Significant accounting policies of Bach as provided by KPMG, Public Accountants, Mauritius:
- i) Basis of preparation
- The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ('US GAAP') which require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. Management believes that the estimates made in the preparation of these financial statements are prudent and reasonable. Actual results could differ from such estimates.
- ii) Investments
- Investments are accounted for on a trade date basis and valued at fair value. Specific cost identification basis is used to determine realized gains and losses.
- Investments for which market quotations are readily available are stated at market value, which is determined using the last reported selling price on its principal exchange. A marketability discount is taken on publicly traded securities when there is a formal restriction that limits sale.
- Investments in unquoted securities or illiquid quoted securities are carried in the balance sheet at their fair value as determined by the Board of Directors of the Company. The Board of Directors uses the best estimates of fair value using methods applied consistently and determined in good faith. The Board of Directors also ensures that the estimates of fair value are reasonable and appropriate and the resulting valuation is representative of fair value.
- Unquoted equity investments in respect of which third party transactions at arm's length have taken place or terms for which have been agreed to during the twelve months prior to the balance sheet date are valued on the basis of such transactions less a discount, where applicable, to reflect their illiquidity.
- Realised and unrealized gains and losses are recorded through the statement of operations.
- iii) Income taxes
- The current charges for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to supply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of operations in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefits of which future realization is uncertain.
- iv) Related parties
- Parties are considered to be related if one party has ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. All related party transactions have been disclosed in the notes.
- v) Prior year comparatives
- Since this is the first year of operations, previous year comparatives are not applicable.
- o) Bach is an unlisted company and has complied with all corporate governance requirements as are applicable under the laws of the jurisdiction of its incorporation, i.e., Mauritius.
- p) As required under Regulation 16 (ix)(a) of the Regulations, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial part of the assets of the Target Company except with the prior approval of the shareholders of the

Target Company. Please refer to "Object of the Offer and Future Plans" for object and purpose of the acquisition of the Equity Shares and future plans of the Acquirer/ PAC for the Target Company.

ChrysCapital III, LLC ("ChrysCapital"/ "Person Acting in Concert"/ "PAC")

- a) ChrysCapital is a public company limited by shares incorporated under section 24 of the Companies Act 2001 of the Republic of Mauritius with its registered office at c/o International Financial Services Limited, 3rd Floor, Les Cascades, Edith Cavell Street, Port Louis, Mauritius. (Telephone No.: +230 211 1000/ Fax No.: +230 211 1000).
- b) ChrysCapital is the parent company of Bach which currently holds 3,550,000 Equity Shares representing 26.5% of the post preferential fully paid-up voting equity share capital of the Target Company consequent to the Preferential Issue referred to in paragraph 3.1.i above. ChrysCapital does not hold any Equity Shares in the Target Company.
- c) ChrysCapital is a private equity fund in Mauritius that is organized as a limited partnership and is focused on making financial investments in sectors including outsourcing services, financial services, software services, skilled engineering and manufacturing sectors. The investors of ChrysCapital are financial institutions, foundations, endowments and other institutional investors. The private equity fund is operated by ChrysCapital Management Company III LLC, the general partner which makes investment decisions and acts on behalf of the private equity fund.
- d) Brief history of ChrysCapital is as follows:

June 7, 2004	Incorporated as a public company limited by shares under section 24 of the Companies Act 2001 of the Republic of Mauritius.
June 25, 2001	Uno Investments was incorporated as a wholly owned subsidiary of ChrysCapital II, LLC. The equity shares of Uno Investments were subsequently acquired from ChrysCapital II, LLC by ChrysCapital on September 3, 2004. Uno Investments is an investment company and is not engaged in any other business activity.
September 6, 2004	Copa Cabana was incorporated as a wholly owned subsidiary of ChrysCapital. Copa Cabana is an investment company and is not engaged in any other business activity.
May 4, 2005	Bach was incorporated as a wholly owned subsidiary of ChrysCapital.

- e) There have been no acquisitions, spin-offs or mergers involving ChrysCapital over the last three years, other than the investments made by ChrysCapital directly or through special purpose vehicles in other companies.
- f) ChrysCapital does not directly hold a stake in the Target Company and therefore the provisions of chapter II of SEBI (SAST) Regulations are not applicable.
- g) The Board of Directors of ChrysCapital as on the date of Public Announcement was as follows:

Name	Title	Board member since*	Qualification	Experience	Residential Address
Mr. Dev Joory	Director	June 7, 2004	Chartered Accountant	25 years of post qualification experience in international tax planning and business restructuring.	Ancienne Route Publique de Moka, Montagne Ory, Moka, Mauritius
Ms. Rubina Toorawa	Director	June 7, 2004	Chartered Accountant	11 years of experience in the Mauritius financial, textile and tourism Sector.	Bait-UI-Noor-Villa, Canda Lane, Boundary Road, Rose - Hill, Mauritius
Mr. Ashish Dhawan	Director	June 7, 2004	Masters Degree in Business Administration from Harvard University	10 Years of post qualification experience in Investment banking and Finance	55A Jor, Bagh, New Delhi - 110001, India
Mr. Anish Rajparia	Director	November 16, 2004	Masters Degree in Business Administration from Harvard University	8 Years of post qualification Experience.	270 West, 17th Street, Apt 5B, New York, NY 10011
Mr. Brahmaj Vasudevan	Director	June 7, 2004	Masters Degree in Business Administration from Harvard University	10 Years of post qualification experience in Investment banking and Finance.	285, Hamilton Avenue, Suite 240, Palo Alto, CA 94301, USA

- h) Neither ChrysCapital nor any of the Directors of ChrysCapital have acquired any Equity Shares of the Target Company during the 12 months preceding the date of this Letter of Offer.
- i) None of the Directors of ChrysCapital are on the board of the Target Company.
- j) The brief audited consolidated financials of ChrysCapital for the period June 7, 2004 to December 31, 2004 and unaudited consolidated financial statements for the period January 1 2005 to June 30, 2005 certified by KPMG, Public Accountants, located at KPMG Centre, 30, St. George Street, Port Louis, Mauritius, are as under:

Profit and Loss Statement

(in millions)

	June 7, 2004 to December 31, 2004		January 1 2005 to June 30, 2005	
	USD	Rs.	USD	Rs.
Interest, dividend and other income	0.40	17.98	0.11	4.94
Total income	0.40	17.98	0.11	4.94
Total expenditure	2.98	133.92	2.93	131.67
Changes in unrealised gain on investments	5.27	236.83	150.96	6,784.14
Net profit	2.69	120.89	148.14	6,657.41

Balance Sheet

(in millions)

	As of December 31, 2004		As of June 30, 2005	
	USD	Rs.	USD	Rs.
Liabilities and members' equity				
Paid up share capital	*	*	*	*
Additional paid up capital	76.97	3,459.03	102.73	4,616.69
Accumulated profits	2.69	120.89	150.83	6,778.30
Total members' equity	79.66	3,579.92	253.56	11,394.99
Accounts payable and accrued liabilities	0.03	1.35	0.01	0.45
Total liabilities and members equity	79.69	3,581.27	253.57	11,395.44
Assets				
Cash and cash equivalents	19.97	897.45	7.52	337.95
Accounts receivable	0.35	15.73	0.82	36.85
Investments (at fair value)	59.37	2,668.09	245.23	11,020.64
Total assets	79.69	3,581.27	253.57	11,395.44

* Please note that ChrysCapital had a paid up share capital of USD 260 for the periods June 7, 2004 to December 31, 2004 and January 1 2005 to June 30, 2005

Other Financial Data

(in millions)

	June 7, 2004 to December 31, 2004		January 1 2005 to June 30, 2005	
	USD	Rs.	USD	Rs.
Dividend Amount (millions)	0.00	0.00	0.00	0.00
Earnings per share	103.54	4,653.09	5,697.65	256,052.39
Return on Net Worth (%)	3.38%		58.42%	
Book Value per Share	3,063.96	137,694.36	9,752.30	438,268.36

k) ChrysCapital did not have any contingent liabilities as on June 30, 2005.

l) Reasons for the fall/ rise in the total income and profit after tax:

Period June 7, 2004 to December 31, 2004 compared to January 1 2005 to June 30, 2005

While total income decreased from Rs. 18.1 million for the period June 7, 2004 to December 31, 2004 to Rs. 4.8 million for the period January 1 2005 to June 30, 2005, Profit After Tax rose from Rs. 121.0 million to Rs. 6,657.4 million primarily due to an increase in unrealised gain on investments which rose from Rs. 236.7 million to Rs. 6,784.5 million for the same period. The rise in the unrealized gain on investments was due to increase in investments made during the year and a rise in the fair value of certain investments compared to the previous period.

m) Significant accounting policies of ChrysCapital as provided by KPMG, Public Accountants, Mauritius:

i) Basis of preparation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ('US GAAP') which require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. Management believes that the estimates made in the preparation of these financial statements are prudent and reasonable. Actual results could differ from such estimates.

ii) Principles of consolidation

The consolidated financial statements include the financial statements of the Company and subsidiary investment companies, which are more than 50% owned and controlled by the Company. All material inter-company accounts and transactions are eliminated on consolidation.

On September 3, 2004 the Company purchased 100% of the shares of the Uno Investments from ChrysCapital II, LLC, a related party, thereby making Uno Investments a 100% subsidiary of the Company. The Company also holds 100% of the shares of Copa Cabana which was incorporated by the Company on November 4, 2004 in Mauritius.

iii) Cash and cash equivalents

Cash and cash equivalents consist of cash and deposits held with banks.

iv) Investments

Investments are accounted for on a trade date basis and specific cost identification basis is used to determine realized gains and losses.

Investments for which market quotations are readily available are stated at market value, which is determined using the last reported selling price on its principal exchange. A marketability discount is taken on publicly traded securities when there is a formal restriction that limits sale.

Investments in unquoted securities or illiquid quoted securities are carried in the balance sheet at their fair value as determined by the Board of Directors of the Company. The Board of Directors uses the best estimates of fair value using methods applied consistently and determined in good faith. The Board of Directors also ensures that the estimates of fair value are reasonable and appropriate and the resulting valuation is representative of fair value.

Unquoted equity investments in respect of which third party transactions at arm's length have taken place or terms for which have been agreed to during the twelve months prior to the balance sheet date are valued on the basis of such transactions less a discount, where applicable, to reflect their illiquidity.

Realised and unrealized gains and losses are recorded through the statements of operations.

v) Fair value of financial instruments

The Company's investments are recorded as described above. The Company's other assets and liabilities include cash, accounts receivables and accounts payable and accrued liabilities, which are realizable or settled within a short period of time. The carrying amounts of these assets and liabilities approximate their fair value.

vi) Income

Dividend income is recognized on ex dividend date. Interest income is recognized on an accrual basis.

vii) Foreign currency translation

The accompanying financial statements are reported in United States Dollars (USD), the functional currency of the Company.

Monetary assets and liabilities in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the date of the transaction. The gains or losses resulting from foreign currency transactions are included in the consolidated statements of operations.

viii) Income taxes

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefit of which future realization is uncertain.

ix) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

n) ChrysCapital has not promoted any new company in India during the last three years. However, as a private equity fund ChrysCapital has made equity investments in various companies in India as a financial investor.

o) ChrysCapital is an unlisted company and has complied with all corporate governance requirements as are applicable under the laws of the jurisdiction of its incorporation, i.e., Mauritius.

p) As required under Regulation 16 (ix)(a) of the SEBI (SAST) Regulations, the PAC undertakes that it shall not sell, dispose of or otherwise encumber any substantial part of the assets of the Target Company except with the prior approval of the shareholders of the Target Company. Please refer to "Object of the Offer and Future Plans" for object and purpose of the acquisition of the Equity Shares and future plans of the Acquirer/ PAC for the Target Company.

5. DISCLOSURE IN TERMS OF REGULATION 21(3)

The Offer will not result in public shareholding being reduced to less than a level below the limit specified in the Listing Agreement with the stock exchange for the purpose of listing on continuous basis.

6. BACKGROUND OF JMT AUTO LIMITED (“JMTAL”/ “TARGET COMPANY”)

- a) JMTAL is a public limited company incorporated under the Indian Companies Act, 1956 and having its registered office at 224 AJC Bose Road, Room No. 902, Krishna Building 9th Floor, Kolkata, 700017, West Bengal, India. (Tel. No.: +91 (0)33 3096 9042, Fax No.: +91 (0)33 2217 6399)
- b) JMTAL was incorporated as a private limited company in the name of Jamshedpur Metal Treat Limited on April 30, 1987 under the Indian Companies Act, 1956 to take over the running business of Metal Treat Company, an ancillary of TELCO, engaged in pickling jobs. The Target Company became on public company on April 21, 1994 and changed its name from Jamshedpur Metal Treat Limited to JMT Auto Limited on November 7, 1997. In 1997-98, JMTAL was registered under QS-9000 covering its operational areas in machining, broaching and gear cutting of components for the automotive industry.
- c) JMTAL manufactures auto ancillaries such as transmission gears, engine gears, gear boxes, shafts, rear axle shafts, synchro rings, seal wear rings, synchronising cones, fly wheels, drums, housing pipes, spindles, pins, bushes, fabrications, sheet metal parts and other auto components primarily for heavy earthmoving equipments, tractors, scooters etc. It has two manufacturing facilities in Adityapur Industrial Area, Jamshedpur and one manufacturing facility in Belur Industrial Area, Dharwad. JMTAL primarily services the OEM (Original Equipment Manufacturing) market.
- d) JMTAL has a total of three manufacturing facilities, two of which are located in the state of Jharkhand and one is located in the state of Karnataka. Details of these plants are given below:

S.No.	Plant	State	Year of Commissioning	Number of Employees	Products Produced (with corresponding capacities)
1.	JMT Auto Limited A-20 Phase-I Industrial Area Adityapur Jamshedpur – 832109.	Jharkhand	1987	36	Transmission gears, engine gears, gear boxes, shafts, fly wheels, drums, housing pipes, spindles, pins, case cover, body center joints.
2.	JMT Auto Limited, C 19 & 20 D8-12 NS 29-34, Phase VII Indl Area, Adityapur, Jamshedpur – 832109.	Jharkhand	1996	218	Rear axle shafts, synchro rings, seal wear rings, synchronising cones, bushes, fabrications, sheet metal parts and other auto components primarily for heavy earthmoving equipments, tractors, scooters etc.
3.	JMT Auto Limited, Plot No 222 KIADB, Belur Industrial Area, Dharwad – 580011.	Karnataka	2002	16	Pins, pipes, sheet metal components

- e) The share capital structure of JMTAL as on the date of the Public Announcement is as follows:

Particulars	No. of Equity Shares		Voting Rights	
	No. of Equity Shares	%	Voting Rights	%
Fully paid up Equity Shares	13,395,204	100	13,395,204	100
Partly paid up Equity Shares	-	-	-	-
Total paid up Equity Shares	13,395,204	100	13,395,204	100

- f) The current share capital structure of JMTAL since inception and the disclosure relating to the status of compliance with applicable provisions of SEBI (SAST) Regulations/ other applicable regulations under the SEBI Act 1992 and other statutory requirements as applicable, is given as under:

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (Rs.)	Cumulative paid up capital (No. of Equity Shares)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance with SEBI (SAST) Regulations
April 30, 1987	20	10	20	Subscription to MOA	Promoters	Not Applicable
November 22, 1988	77,000	10	77,020	Cash	Others	Not Applicable
March 1, 1989	83,800	10	160,820	18,300 Equity Shares for consideration other than cash. Balance in cash	Promoters & Others	Not Applicable
March 20, 1990	55,900	10	216,720	Cash	Promoters & Others	Not Applicable
July 31, 1990	120,300	10	337,020	Cash	Promoters & Others	Not Applicable
August 22, 1990	61,500	10	398,520	Cash	Promoters & Others	Not Applicable
October 12, 1990	31,700	10	430,220	Cash	Promoters & Others	Not Applicable

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (Rs.)	Cumulative paid up capital (No. of Equity Shares)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance with SEBI (SAST) Regulations
December 4, 1990	12,000	10	442,220	Cash	Promoters & Others	Not Applicable
September 16, 1991	116,010	10	558,230	Cash	Promoters & Others	Not Applicable
March 23, 1992	75,500	10	633,730	Cash	Promoters & Others	Complied with
May 11, 1993	314,000	10	947,730	Cash	Promoters & Others	Complied with
June 21, 1994	631,794	10	1,579,524	Bonus	Promoters & Others	Complied with
December 1, 1994	4,572,400	10	6,151,924	Public Issue	Promoters & Others	Complied with
December 8, 1997	3,693,280	10	9,845,204	Preferential Allotment	Promoters & Others	Complied with
October 28, 2005	3,550,000	10	13,395,204	Preferential Allotment	Others	Complied with to the extent applicable

- g) The Equity Shares of JMTAL are currently listed on the BSE, CSE, ASE and MgSE. The Equity Shares of JMTAL were also formerly listed on the MSE and DSE from where they were subsequently delisted on September 6, 2005 and October 14, 2005, respectively.
- h) There has been no suspension of trading of the Equity Shares of JMTAL in any stock exchange(s), as applicable.
- i) The Equity Shares of JMTAL have not undergone any non-listing in any Stock Exchange(s) as applicable except for voluntary delisting from MSE on September 6, 2005 and DSE on October 14, 2005 consequent to a shareholders approval dated August 10, 2005 to delist the Equity Shares of the Target Company from the DSE, ASE, MSE and MgSE. The Equity Shares are in the process of being delisted from the ASE and MgSE.
- j) There are no partly paid up Equity Shares carrying voting rights nor outstanding convertibles nor any stock options as on the date of this Letter of Offer based on public information.
- k) JMTAL is in compliance with the listing agreement as on the date of the Letter of Offer except as disclosed under paragraphs (q) and (r) below and no punitive action has been initiated against JMTAL by the stock exchanges where its Equity Shares are listed.
- l) The Board of Directors of JMTAL as on the date of the Public Announcement is as follows:

Name	Title	Date of Appointment	Qualification	Experience	Residential Address
Mr. Rajeev Singh Dugal	Director	Since Incorporation	Masters in Business Administration, Bachelor of Commerce	18 years experience in the auto components manufacturing industry. Other directorships held in Creative Finance Ltd., RSD Finance Ltd. and Precision Automotive Co. (P) Ltd.	4, Jubilee Road, Beldih Triangle, Jamshedpur – 831 001, Jharkhand.
Mr. Bharat Kumar Seta	Director	January 20, 2003	FCA, Company Secretary	20 years of work experience out of which 14 years Industry specific experience. Worked in Magma Leasing Limited for 5 years as Vice President, gas division. Has been a company secretary in practice for the last 7 years.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata, West Bengal
Mr. Jasjit Singh Dugal	Director	February 9, 2001	Bachelor of Sciences	35 years of experience in auto manufacturing sector. Directorship in M/s KU Auto Engineering Pvt. Ltd., Jamshedpur and M/s Omega Automotive Pvt. Ltd.	23, Circuit House Area (Old), Jamshedpur – 831 001, Jharkhand.
Mr. Sushil Kumar Khowala	Director	January 20, 2003	FCA, Bachelor of Sciences	Practicing for 15 years. Directorship in Brahmanad Himghar Ltd. and G. Raj & Co. (Consultants) Ltd.	A-60, Air Base Colony, Kadma, Jamshedpur 831005, Jharkhand.
Mr. Udit Kumar Sarkar	Director	December 4, 2003	LLB, Bachelor of Commerce	22 years experience.	6, Sakchi Highway, Jamshedpur 831005, Jharkhand.
Mr. Kawaijeet Dugal	Director	April 30, 2001	Bachelor of	15 years experience. Directorship in SRP Oil Pvt. Ltd.	6, Beldih Triangle, Bistupur, Jamshedpur.

In terms of the Investment Agreement, the Acquirer has the right to nominate one director on the board of the JMTAL. The nominee director shall be a non-executive director and shall have no responsibility for the day-to-day management of JMTAL and shall not be liable for any failure by the Target Company to comply with applicable law.

- m) There have been no acquisitions, spin-offs or mergers involving JMTAL over the last three years.
- n) The brief audited financials of JMTAL for the years ended March 31 2003, 2004 and 2005 and unaudited financials for the quarter ended June 30, 2005 as certified by Damle Dhandhani & Co., Chartered Accountants are as under:

Profit and Loss Statement

	Year ended March 31,			Quarter ended
				June 30,
	2003	2004	2005	2005
Income from operations	445.1	673.2	960.4	250.4
Other Income	4.9	9.8	8.9	3.7
Total Income	450.0	683.0	969.3	254.1
Total Expenditure.	366.0	553.1	785.3	206.4
Profit Before Depreciation Interest and Tax	84.0	129.9	184.0	47.7
Depreciation	33.5	42.4	55.9	17.2
Interest	9.0	7.3	12.4	6.1
Profit Before Tax	41.5	80.2	115.7	24.4
Provision for Tax	17.2	24.3	43.3	8.2
Profit After Tax	24.3	56.0	72.4	16.2

Balance Sheet

	As on March 31,			As on
				June 30,
	2003	2004	2005	2005
Source of Funds				
Paid up share capital	98.5	98.5	98.5	98.5
Reserves and Surplus (excluding revaluation reserves)	119.5	164.3	226.1	242.2
<i>Networth</i>	<i>217.9</i>	<i>262.8</i>	<i>324.5</i>	<i>340.7</i>
Secured loans	65.0	139.8	228.5	330.3
Unsecured loans	9.4	7.2	9.9	9.8
Deferred tax Liability	49.8	56.7	72.0	76.0
Total	342.1	466.4	635.0	756.8
Uses of funds				
Net fixed assets	263.7	367.3	503.0	571.0
Investments	0.2	0.2	0.2	0.2
Net current assets	78.1	99.0	131.7	185.3
Total miscellaneous expenditure not written off	0.1	0.0	0.0	0.3
Total	342.1	466.4	635.0	756.8

Other Financial Data

	As on March 31,			As on
				June 30,
	2003	2004	2005	2005
Dividend (%)	Nil	10	10	Nil
Earning Per Share (Rs.)	2.47	5.68	7.36	1.64 *
Return on Networth	11.1%	21.3%	22.3%	4.7% *
Book Value Per Share	22.13	26.69	32.96	34.60 *

* Not Annualised

- o) Reasons for the fall/ rise in the total income and profit after tax:

Year ended March 31, 2005 compared to Year ended March 31, 2004

Income from operations grew by approximately 43% from Rs. 673.2 million for the year ended March 31, 2004 to Rs. 960.4 million for the year ended March 31, 2005 primarily due to a general increase in volumes achieved through efficient utilization of existing capacity and improved market scenario, a rise in exports and better pricing for JMTAL's products. Other income stood at Rs. 8.9 million, mainly representing discounts received from suppliers. Profit Before Depreciation Interest and Tax

increased by 42% to Rs.184.0 million for the year ended March 31, 2005, up from Rs. 129.9 million for the year ended March 31, 2004. Interest expenditure increased from Rs. 7.3 million to Rs. 12.4 million due to a fresh term loan interest. Depreciation was at Rs. 55.9 million compared to Rs. 42.4 million for the corresponding period in the previous year. The higher charge was on account of Depreciation on assets acquired during the year. JMT's total tax liability for the year ended March 31, 2005 was Rs. 43.3 million which included a deferred tax liability of Rs. 15.3 million. As a result of the above, JMTAL recorded a Profit After Tax of Rs.72.4 million as against Rs.56.4 million for the previous year, reflecting an increase of approximately 29%.

Year ended March 31, 2004 compared to Year ended March 31, 2003

Income from operations grew by approximately 51% from Rs. 445.1 million for the year ended March 31, 2003 to Rs. 673.2 million for the year ended March 31, 2004 primarily due to improved market scenario for JMTAL's products including a revival in the auto business resulting from a pick up in the steel, cement and construction sectors. Other income stood at Rs. 9.8 million compared to Rs. 4.9 million in the previous period, mainly representing discounts received from suppliers. Profit Before Depreciation Interest and Tax increased by 55% to Rs.129.9 million for the year ended March 31, 2004 from Rs. 84.0 million for the year ended March 31, 2003. Interest expenditure fell from Rs. 9.0 million to Rs. 7.3 million due to prudent financial and cash flow management. Depreciation was at Rs. 42.4 million compared to Rs. 33.5 million for the corresponding period in the previous year. The higher charge was on account of Depreciation on certain assets acquired during the year. JMT's total tax liability for the year ended March 31, 2004 increased by 41% to Rs. 24.3 million from Rs. 17.2 million for the year ended March 31, 2003. As a result of the above, JMTAL recorded a Profit After Tax of Rs. 56.0 million as against Rs. 24.3 million for the previous year, reflecting an increase of approximately 130%.

- p) Shareholding pattern of JMTAL prior and after the Preferential Issue (Stage – I) and prior and after the Offer (Stage-II) are given below:

Stage – I

Particulars	Shareholding & voting rights prior to the Preferential Issue and Offer		Shares/ voting rights acquired in the Preferential Issue which triggered off the Regulations		Shares/ voting rights held after the Preference Issue but before the Offer	
	(A)		(B)		C = A + B	
	No.	%	No.	%	No.	%
(1) Promoter group						
a. Parties to agreement, if any	6,273,798	63.7%			6,273,798	46.8%
b. Promoters other than (a) above	0	0.0%			0	0.0%
Total 1 (a+b)	6,273,798	63.7%			6,273,798	46.8%
(2) Acquirers						
a. Acquirer (Bach)	0	0.0%	3,550,000 ⁽¹⁾	100.0%	3,550,000	26.5%
b. PAC (ChrysCapital)	0	0.0%	0	0.0%		
Total 2 (a+b)	0	0.0%	3,550,000	100.0%	3,550,000	26.5%
(3) Public (Other than 1 & 2)						
a. FIs/ MF/ FIs/ Banks/ SFIs/ OCBs	307,828	3.1%			307,828	2.3%
b. Others	3,263,578	33.1%			3,263,578	24.4%
Total 3 (a+b)	3,571,406	36.3%			3,571,406	26.7%
Grand Total (1+2+3)	9,845,204	100.0%	3,550,000	100.0%	13,395,204	100.0%

⁽¹⁾ Simultaneously, with the allotment of the Equity Shares consequent to the Preferential Issue, an Investment Agreement dated October 28, 2005 was entered into between the Acquirer and JMTAL. Consequent to the Acquirer's shareholding and in terms of the Investment Agreement, the Acquirer will be a significant financial investor with certain limited rights as enumerated in paragraph 3.1.v above. However, the Acquirer is not in management control of the Target Company and does not intend to acquire management control of the Target Company. The aforesaid rights afforded to the Acquirer are primarily intended to protect its investment in the Target Company.

Stage – II

Particulars	Shares / voting rights held after the Preference Issue but before the Offer		Shares / voting rights to be acquired in the Offer (Assuming full acceptances)		Shareholding / voting rights after the Preference Issue and the Offer (Assuming full acceptances)	
	C = A + B		(D)		E = C + D	
	No.	%	No.	%	No.	%
(1) Promoter group						
a. Parties to agreement, if any	6,273,798	46.8%			6,273,798	46.8%
b. Promoters other than (a) above	0	0.0%			0	0.0%
Total 1 (a+b)	6,273,798	46.8%			6,273,798	46.8%
(2) Acquirers						
a. Acquirer (Bach)	3,550,000	26.5%	2,679,041	100.0%	6,229,041	46.5%
b. PAC (ChrysCapital)	0	0.0%	0	0.0%	0	0.0%
Total 2 (a+b)	3,550,000	26.5%	2,679,041	100.0%	6,229,041	46.5%
(3) Public (Other than 1 & 2)						
a. Fls/MF/FIIs/Banks/SFIs/OCBs						
a.1) Financial Institutions	0	0.0%				
a.2) Insurance Companies	0	0.0%				
a.3) Banks						
- Union Bank of India	1,100	0.0%				
- Bank of India	100	0.0%				
a.4) Mutual Funds & UTI						
- Sundaram Mutual Fund A/c Sundaram Smile	106,991	0.8%				
- Sundaram Mutual Fund A/c Sundaram Tax Save	14,450	0.1%				
- Apple Mutual Fund- A/c Appl. Midas Fund	4,600	0.0%				
- Southern India Depository Services	3,900	0.0%				
- 20th Century Finance Corporation Ltd.	3,500	0.0%				
- Unit Trust of India-Vecaus III	1,000	0.0%				
- Stock Holding Corpn. of India Ltd.	800	0.0%				
a.5) FIIs						
- Premier Investment Fund Limited	14,000	0.1%				
a.6) OCB's/ NRIs	157,387	1.2%				
Sub Total 3.a.	307,828	2.3%				
b. Others	3,263,578	24.4%				
Total 3 (a+b)	3,571,406	26.7%				
Grand Total (1+2+3)	13,395,204	100.0%	2,679,041	100.0%	13,395,204	100.0%

- q) JMTAL has been complying with applicable provisions of Chapter II of SEBI (SAST) Regulations except for the following:
- There was a delay in compliance with Regulation 8(3) of SEBI (SAST) Regulations of 12 days in 1999 and 3 days in 2001 with respect to the CSE.
 - There were delays in compliance with Regulations 6(2), 6(4) and 8(3) of the SEBI (SAST) Regulations between 1997 and 2002 with respect to the BSE. While JMTAL, subsequently, made necessary submissions to the BSE in response to a query raised by the BSE, JMTAL was not in compliance with Chapter II of the SEBI (SAST) Regulations with respect to the BSE and SEBI may initiate appropriate action in light of such non-compliance.
- r) Between 1997 and 2002, JMTAL was not in compliance with applicable provisions of SEBI (SAST) Regulations with respect to the BSE relating to the changes in the shareholding of its promoters. However, subsequently, JMTAL has complied with these requirements. The following table details the change in the shareholding of the promoters of JMTAL since 1997-98, i.e., the year in which the SEBI (SAST) Regulations came into force:

Year	Transaction	Promoter	No. of Equity Shares
1997-98	Purchase	Precision Automotive Co. Pvt. Ltd.	2,000
1997-98	Purchase	RSD finance Limited	11,300
1997-98	Purchase	Rajeev Singh Dugal	5,100
1997-98	Purchase	K. Dugal	2,500
1997-98	Preferential allotment	RSD finance Limited	1,144,000
1997-98	Preferential allotment	Rajeev Singh Dugal	440,000
1997-98	Preferential allotment	K. Dugal	18,720
1997-98	Preferential allotment	Others	2,090,560
1998-99	Purchase	RSD finance Limited	10,000
1998-99	Sale	RSD finance Limited	10,000
1998-99	Sale	K. Dugal	46,500
1998-1999	Sale	K. Dugal	47,870
1999-2000	Purchase	K. Dugal	2,000
2000-2001	Purchase	RSD finance Limited	1,000
2000-2001	Sale	Rajeev Singh Dugal	194,220
2001-02	Purchase	Rajeev Singh Dugal	19,750
2001-02	Gift to KU Benefit Trust	K. Dugal/ KU Benefit Trust	89,433
2001-02	Purchase	Precision Automotive Co. Pvt. Ltd.	150,960
2002-03	Purchase	Precision Automotive Co. Pvt. Ltd.	46,500
2002-03	Purchase	Rajeev Singh Dugal	1,501
2002-03	Purchase	Rajeev Singh Dugal	2,000
2002-03	Purchase	Rajeev Singh Dugal	2,000
2002-03	Purchase	RSD finance Limited	7,700
2002-03	Merger of RSD Finance Limited with Nulite Engineering Pvt. Ltd. *	RSD finance Limited	659,000
2002-03	Merger of RSD Finance Limited with Amit Medicines Pvt. Ltd. *	RSD finance Limited	1,378,637
2003-04	Purchase	Rajeev Singh Dugal	194,220
2004-05	Sale	Precision Automotive Co. Pvt. Ltd.	2,000

* The amalgamation of M/s Nulite Engineering Pvt. Ltd. and M/s Amit Medicines Pvt. Ltd. with RSD Finance Ltd. took place vide High Court Order dated June 28, 2004. All the shares held by the above companies in JMTAL were consequently transferred to RSD Finance Ltd.

- s) JMTAL is in full compliance with clause 49 of the listing agreement on corporate governance.
t) Contingent Liabilities as on March 31, 2005 for JMTAL as per the 2004-05 Annual Report are as follows:

(in Rs. millions)

S. No.	Particulars	As on March 31, 2005
1.	Bank guarantees outstanding	0.6
2.	Claims made against JMTAL not acknowledged as debts	186.0
3.	JMTAL has executed a letter of undertaking in favour of the President of India through the Commissioner of Customs, Custom House, 15/1, Strand Road, Kolkata-01, for availing duty exemption under EPCG Scheme	11.4
	Total Contingent Liabilities	497.2

- u) The details of the pending litigation for JMTAL are as follows:

JMTAL filed a criminal complaint under section 420, 406/34 of the Indian Penal Code in the Court of the Chief Judicial Magistrate at Seraikela against Mr. Aditya Salunkhe, Mr. Kulthe, Mr. Ghosh (collectively "the Accused"), and all officers of a company by the name M/s Aditya Engineering Company for non-delivery of certain machinery for which JMTAL had paid an advance of Rs.180,000/- constituting 20% of the total value of the machinery, the remaining 80% being payable on delivery. However, the Accused failed to deliver the machine as required. Thereafter the Accused approached JMTAL and requested that the balance 80% of the cost of the machine be paid prior to delivery as the machine was ready. However, JMTAL refused and demanded a refund of Rs.1,80,000/- together with interest 24% per annum. Neither was the amount refunded, nor was the machine delivered by the Accused. The complaint has been referred to the relevant police station for investigation. No reply has been filed by the Accused.

- v) The compliance officer of JMTAL is Ms. Suhita Mukhopadhyaya –Company Secretary. She can be contacted at 224 A.J.C Bose Road, Room No. 902, Krishna Building 9th Floor, Kolkata, 700017, West Bengal, India. (Telephone No.: +91 (0)657 3091484, 3094147/ Fax No.: +91 (0)657 2200280, 2200749/ E-Mail: suhita@jmtauto.com)

7. OFFER PRICE & FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

- a) The Equity Shares of the Target Company are currently listed on the BSE, CSE, ASE and MgSE. The Equity Shares of the Target Company were also formerly listed on the MSE and DSE from where they were subsequently delisted on September 6, 2005 and October 14, 2005, respectively consequent to a shareholders approval dated August 10, 2005 to delist the Equity Shares of the Target Company from the DSE, ASE, MSE and MgSE. The Equity Shares are in the process of being delisted from the ASE and MgSE.
- b) The Equity Shares are frequently traded on the BSE and infrequently traded on CSE, ASE and MgSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

Name of the Stock Exchange	Total number of Equity Shares traded during the 6 calendar months prior to the month in which the public announcement was made	Total number of listed Equity Shares	Annualised trading turnover (in terms of % of total listed Equity Shares)	Trading Status in terms of SEBI (SAST) Regulations
BSE	3,435,341	9,845,204	69.79%	Frequently traded
CSE	Not traded	9,845,204	Nil	Infrequently traded
ASE	Not traded	9,845,204	Nil	Infrequently traded
MgSE	Not traded	9,845,204	Nil	Infrequently traded

(Source: BSE data from www.bseindia.com, CSE and ASE data from official source, MgSE data from Annual Report of JMTAL for 2004-05)

Note: 3,550,000 Equity Shares allotted under the Preferential Issue to the Acquirer are proposed to be listed on the BSE and CSE. The listing application is in the process of being filed with the BSE and CSE, and listing and trading of the Equity Shares allotted under the Preferential Issue will commence subsequently.

- c) The Target Company has issued and allotted, on preferential basis, 3,550,000 Equity Shares constituting 26.5% of the post preferential fully paid-up voting equity share capital of the Target Company for cash at a price of Rs. 100/- including premium of Rs. 90/- per Equity Share on October 28, 2005 to the Acquirer as disclosed in para 3.1.i hereinabove.
- d) Other than the said Preferential Issue, neither the Acquirer nor the PAC has acquired any Equity Shares of the Target Company including by way of allotment in the Public or Rights Issue, if any, during the 26 weeks period prior to the date of the Public Announcement.
- e) Other than the said Preferential Issue, neither the Acquirer nor the PAC has acquired any Equity Shares of the Target Company in a preferential allotment during 12 months prior to the date of the Public Announcement. In addition, Neither the Acquirer nor the PAC has acquired any Equity Shares of JMTAL from the date of the Public Announcement up to the date of the Letter of Offer.
- f) The weekly high and low of the closing prices of the Equity Shares of JMTAL, during the 26 weeks period prior to the date of the board resolution authorizing the Preferential Issue, i.e., September 17, 2005 on the stock exchange where the Equity Shares of the Target Company are most frequently traded, i.e. BSE are given below:

Week No.	Week ending	Weekly High	Weekly Low	Average	Weekly Volume
1	Friday, March 25, 2005	62.40	56.65	59.53	53,217
2	Friday, April 01, 2005	61.20	52.85	57.03	57,844
3	Friday, April 08, 2005	68.15	61.90	65.03	111,801
4	Friday, April 15, 2005	71.10	61.85	66.48	149,940
5	Friday, April 22, 2005	67.20	64.40	65.80	48,519
6	Friday, April 29, 2005	69.25	66.40	67.83	39,390
7	Friday, May 06, 2005	76.35	68.00	72.18	133,330
8	Friday, May 13, 2005	82.20	77.35	79.78	133,910
9	Friday, May 20, 2005	85.35	80.10	82.73	89,926
10	Friday, May 27, 2005	88.65	81.45	85.05	134,197
11	Friday, June 03, 2005	81.30	77.65	79.48	59,696
12	Friday, June 10, 2005	89.85	79.95	84.90	314,283
13	Friday, June 17, 2005	89.85	81.35	85.60	134,363
14	Friday, June 24, 2005	81.85	78.05	79.95	131,710
15	Friday, July 01, 2005	83.65	75.85	79.75	72,549
16	Friday, July 08, 2005	80.00	74.80	77.40	82,281

Week No.	Week ending	Weekly High	Weekly Low	Average	Weekly Volume
17	Friday, July 15, 2005	91.50	76.80	84.15	324,777
18	Friday, July 22, 2005	95.10	88.15	91.63	257,400
19	Friday, July 29, 2005	89.55	87.05	88.30	47,867
20	Friday, August 05, 2005	87.20	83.40	85.30	42,410
21	Friday, August 12, 2005	87.40	85.50	86.45	62,474
22	Friday, August 19, 2005	87.05	85.65	86.35	54,660
23	Friday, August 26, 2005	85.65	81.60	83.63	42,747
24	Friday, September 02, 2005	90.80	84.05	87.43	109,610
25	Friday, September 09, 2005	89.95	87.20	88.58	43,901
26	Friday, September 16, 2005	104.80	87.10	95.95	364,473
			Average	79.47	

The daily high and low of the prices of the Equity Shares of JMTAL during the 2 weeks period prior to the date of the board resolution authorizing the Preferential Issue, i.e., September 17, 2005 on the stock exchange where the Equity Shares of the Target Company are most frequently traded, i.e. BSE are given below:

Day No.	Date	Daily High	Daily Low	Average	Daily Volume
1	Monday, September 05, 2005	93.50	89.05	91.28	17,195
2	Tuesday, September 06, 2005	90.40	88.00	89.20	6,865
3	Thursday, September 08, 2005	91.00	88.00	89.50	12,832
4	Friday, September 09, 2005	89.05	85.60	87.33	7,009
5	Monday, September 12, 2005	90.00	86.60	88.30	10,698
6	Tuesday, September 13, 2005	90.00	87.00	88.50	10,475
7	Wednesday, September 14, 2005	90.45	70.60	80.53	50,128
8	Thursday, September 15, 2005	106.55	90.00	98.28	137,392
9	Friday, September 16, 2005	114.00	96.10	105.05	155,780
			Average	90.88	

- g) In accordance with regulations 20(4) and 20(5) of the Regulations, the Offer Price of Rs. 100 per Equity Share is higher of the following:

i) Negotiated Price under the agreement for acquisition of share or voting rights or deciding to acquire shares or voting rights.	Not Applicable
ii) The highest Price paid by the Acquirer or PAC for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of this Public Announcement.	Rs.100.00
iii) The highest of the average of the weekly high and low of the closing prices for the Equity Shares of JMTAL for the 26 week period and the average of the daily high and low prices of the Equity Shares during the 2 week period prior to the date of the board resolution authorizing the preferential issue, i.e., September 17, 2005, on the stock exchange where the shares of the Target Company are most frequently traded, i.e. BSE.	Rs. 90.88
iv) Other parameters with reference to the Target Company for the year ending March 31, 2005 are as follows:	22.32%
Return on Net Worth:	
Book Value per share:	Rs.32.96
Earnings Per Share:	Rs.7.36
Price/ Earnings (PE) Ratio based on Offer Price:	13.59 ⁽¹⁾

⁽¹⁾ The Target Company is operating in the Industry segment "Auto Ancillaries" with an industry PE of 20.10 (Source: Capital Market Vol. XX/ 16; October 10 – 23, 2005). The Industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies which have varied and different businesses compared to JMTAL and also vary widely in terms of financial parameters with JMTAL.

- h) In view of the above, the offer price of Rs. 100 per Equity Share is justified as per Regulation 20 of the SEBI (SAST) Regulations. The Manager to the Offer does not hold any shares of the Target Company as of the date hereof.
- i) If the Acquirer acquires Equity Shares after the date of Public Announcement up to 7 (seven) 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 acceptances received under the Offer.

7.2 Financial Arrangements

The maximum purchase consideration payable by the Acquirer in case of full acceptance of the Offer and exercise of the right to purchase up to 20% of the equity share capital of JMTAL would be Rs. 267.90 million.

Pursuant to the Escrow Agreement, the Acquirer had made a cash deposit of US\$ 1,550,000 (equivalent to Rs. 69.66 million) in a bank account with CITIBANK, London. The Manager to the Offer was authorised in terms of another escrow agreement dated October 28, 2005 ("Overseas Escrow Agreement") to realise the Escrow Amount from CITIBANK, London after the requisite approval has been obtained from RBI for operating the Escrow Account in India.

Subsequent to receipt of approval from the RBI vide letter dated December 14, 2005 and in accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer established an escrow account with the Escrow Agent in terms of the Escrow Agreement, under the name and title of "JMT Auto Ltd / Bach - Open Offer Escrow" in favour of the Manager to the Offer for an amount of Rs.70.06 million (being in excess of 25% of the maximum purchase consideration payable under the Offer) which was remitted out of an overseas escrow account maintained with CITIBANK, London. In terms of the Escrow Agreement, the Acquirer has authorised the Manager to the Offer to realise the value of the Escrow Account as required under the SEBI (SAST) Regulations.

ChrysCapital has given an undertaking dated October 28, 2005 to the Acquirer and the Manager to the Offer to provide the Acquirer with the necessary funds for payment of the purchase consideration to JMTAL's shareholders, whose shares are acquired pursuant to this Offer. Further, Luthra & Luthra Chartered Accountants have confirmed that the Acquirer and ChrysCapital have sufficient means to fulfil the latter's payment obligations in full under the Offer.

Based on the above, the Manager to the Offer is satisfied that the Acquirer/ PAC have the financial resources to implement the Offer in accordance with the Regulations.

8. TERMS AND CONDITIONS OF THE OFFER

- a. This Letter of Offer together with the Form of Acceptance has been mailed to the Shareholders of JMTAL whose names appear on the Register of Members of JMTAL and to the beneficial owners of the Equity Shares of JMTAL whose names appear on the beneficial records of the respective depositories at the close of business on Friday, November 11, 2005 (the "Specified Date").
- b. All Equity Shares tendered and accepted under the Offer, will be acquired by the Acquirer, subject to the terms and conditions set out in this Letter of Offer. All necessary requirements for the valid transfer of the Equity Shares to the Acquirer will be pre-conditions for acceptance of the tendered Equity Shares. Besides the Equity Shares allotted by JMTAL to the Acquirer consequent to the Preferential Issue, JMTAL does not have any Equity Shares that are subject to lock-in.
- c. All equity shareholders of JMTAL (except the Acquirer and the Promoters), whose names appear in the register of members of JMTAL as of November 11, 2005 and also persons (except the Acquirer, the PAC and the Promoters), who acquire any Equity Shares of JMTAL at any time prior to the closure of the Offer, whether or not they are registered shareholders, are eligible to participate in the Offer anytime before the closure of the Offer.
- d. The acceptance of the Offer made by Acquirer is entirely at the discretion of the shareholders of JMTAL and each shareholder of JMTAL to whom this Offer is being made, is free to offer his shareholding in JMTAL, in whole or in part while accepting the Offer.
- e. The FIPB, vide its letter dated November 19, 2005, has advised the Acquirer that the acquisition of Equity Shares of JMTAL falls within the general permission route of the RBI and has directed the Acquirer to follow the instructions contained in A.P. (DIR Series) Circular No. 16 dated October 4, 2004. The RBI, vide letter dated December 14, 2005, has confirmed the same and directed the Acquirer to approach the authorised dealer, i.e., CITIBANK, N.A., for effecting purchase of the Equity Shares by way of the Offer as per the instructions contained in the aforementioned circular. The authorised dealer is seeking clarification from RBI central office regarding the procedure for effecting such transfer. In addition, the RBI, vide letter dated December 14, 2005, has given its permission for opening of escrow account, and opening and operation of a special account for purposes of the open offer. As on the date of this Letter of Offer, there are no other statutory approvals required to implement this Offer.
- f. As on the date of this Letter of Offer, no statutory or regulatory approval other than the aforementioned approvals is required for the Acquirer to proceed with this Offer. If any other such approvals are required subsequently, the Offer would be subject to such additional approvals. The Acquirer will have a right not to proceed with the Offer in the event the approvals indicated above are refused in terms of Regulation 27(b) of the SEBI (SAST) Regulations.
- g. In case of delay in receipt of any statutory approval, SEBI has the power to grant an extension of the time required for payment of consideration under the Offer provided that the Acquirer agrees to pay interest in accordance with Regulation 22(12) of the SEBI (SAST) Regulations. If the delay occurs due to the wilful default or neglect or inaction or non-action on the part of the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable. **The Acquirer will not proceed with the Offer in the event the statutory approvals indicated above are refused in terms of Regulations 27 of the SEBI (SAST) Regulations.**
- h. In case RBI approval for acquisition of Equity Shares from non-resident shareholders is unduly delayed, the Acquirer reserves the right to proceed with payment to the resident shareholders whose Equity Shares have been accepted by the Acquirer in terms of this Offer, pending payment to the non-resident shareholders, subject to the entire amount payable to non-resident shareholders being kept in an Escrow Account whose value can be realised by the Manager as per the SEBI (SAST) Regulations.
- i. **Applications in respect of Equity Shares that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.**
- j. Accidental omission to dispatch this Letter of Offer or any further communication to any person to whom this Letter of Offer is or should be made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

- k. The instructions, authorisations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.
- l. Barring unforeseen circumstances and factors beyond their control, the Acquirer intends to complete all formalities pertaining to the purchase of the Equity Shares, including dispatch payment of consideration to the shareholders who have accepted the Offer, by Tuesday, February 14, 2006.
- m. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer 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.
- n. As already mentioned elsewhere in para 3 under "Details of the Offer", the Offer is not subject to any minimum level of acceptance from the shareholders. This Offer is being made by the Acquirer to the public shareholders of JMTAL to acquire up to 2,679,041 Equity Shares, representing 20% of the equity share capital of the Target Company. The Acquirer will proceed with the Offer even if it is unable to obtain acceptance to the full extent of the Equity Shares of JMTAL for which this Offer is made.
- o. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
- p. The Acquirer is permitted to revise the Offer Price upward any time up to seven working days prior to the date of the closure of the Offer (i.e. Wednesday, January 18, 2006). If there is any upward revision in the Offer Price before the last date of revision (i.e. Wednesday, January 18, 2006) or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where the original Public Announcement has appeared. Such revised Offer Price would be payable by the Acquirer to all shareholders who tender their Equity Shares at any time during the Offer and which are accepted under the Offer. However, the Acquirer does not intend to revise the Offer Price.
- q. Shareholders who have sent their Equity Shares for dematerialization need to ensure that the process of getting Equity Shares dematerialized is completed well in time so that the credit in the Registrar's special depository account should be received on or before the date of closure of the offer, i.e. Monday, January 30, 2006, else the application would be rejected.
- r. The instructions, authorisations and provisions contained in the Form of Acceptance constitute an integral part of the terms of the Offer. The marketable lot for Equity Shares in demat form is 1 equity share and in physical 50 Equity Shares.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- a. Shareholders of JMTAL, who wish to avail this Offer should forward the under mentioned documents **by hand delivery or by registered post** to the Registrar to the Offer at the collection centers given below so as to reach the Registrar on or before the date of closure of the Offer (i.e., Monday, January 30, 2006) on their working days during business hours indicated below. In the case of demat Equity Shares, the Registrar is not bound to accept Equity Shares which have not yet been credited to the Special Depository Account as on the date of closure of the Offer, i.e. Monday, January 30, 2006.

For equity share held in physical form

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ first shareholders whose names appear on the share certificates (in case of joint holdings) in the same order in which their names appear in the Register of Members.
- Original Share Certificate(s)
- Valid share transfer deed(s) duly signed as transferors by all shareholders (in case of joint holdings) in the same order and as per specimen signatures lodged with JMTAL and duly witnessed at the appropriate place. It is preferred that the transferor's signature(s) is attested by a Notary or Bank Manager or Member of Stock Exchange under their seal of office and membership number. The transfer deed should be left blank, excepting the signatures as mentioned above.
- Documents mentioned in para 9 (e), for resident shareholders
- Documents mentioned in para 9 (d) for NRI/ OCB/ FII shareholders

For equity share held in demat form

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ all shareholders whose names (in case of joint holdings) in the same order in which their names appear in their beneficiary account. The Form of Acceptance has to be tendered by the beneficial holder of Equity Shares only.
- A photocopy of the Delivery Instruction Slip duly acknowledged by the Depository Participant ("DP") filled as per the instructions given hereunder:
 - The Beneficial Owners who hold Equity Shares in demat form are required to execute a trade by tendering the Delivery Instruction for debiting their Beneficiary Account with the concerned DP and crediting the Special Depository Account. The credit in the Special Depository Account should be received on or before 3 p.m as on the date of closure of the Offer, i.e. Monday, January 30, 2006.
 - The Delivery Instructions to be given to the DP should be in "Off-Market" mode only. For each Delivery Instruction the Beneficial Owner should submit a separate Form of Acceptance.
- The Registrar to the Offer, Intime Spectrum Registry Limited, has opened a special depository account. Beneficial owners holding Equity Shares in the demat form, will be required to send their Form of Acceptance to the Registrar to the Offer either by hand delivery during normal business hours or by Registered Post on or before the close of the Offer, i.e. Monday, January 30, 2006, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of "Intime Spectrum Registry Limited - JMT Auto Limited Escrow A/c" filled in with details given below:

Depository	:	National Securities Depository Limited ("NSDL")
DP Name	:	HDFC Bank
DP ID Number	:	IN301151
Client ID Number	:	20424731

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

- Documents mentioned in para 9(e), for resident shareholders
- Documents mentioned in para 9(d), for NRI/ OCB/ FII shareholders
- In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Special Depository Escrow Account, the Acquirers may deem the Offer to have been accepted by the shareholder.

The collection centres of the Registrar Intime Spectrum Registry Limited for the purpose of the Offer are as follows:

Name & Address of the collection centre	Tel. No.	Fax No.	Contact Person	Mode of delivery
Intime Spectrum Registry Ltd. 203 Davar House, Next to Central Camera, D N Road, Fort, Mumbai - 400 001	022-2269 4127	022-5555 5353	Vivek Limaye	Hand Delivery
Intime Spectrum Registry Ltd. C-13 Pannalal Silk Mills Compound LBS Marg, Bhandup West Mumbai 400 078	022-5555 5391-94	022-5555 5499	Vishwas A	Hand Delivery & Registered Post
Intime Spectrum Registry Ltd. 59C ,Chowringhee Road 3rd Floor,Kolkata-700020	033-22890539/40	033-22890539/40	S.P. Guha	Hand Delivery
Intime Spectrum Registry Ltd. 3rd Floor, A-31, Naraina Indl. Area Phase I, New Delhi -110 028	011-5141 0592/93/94	011-5141 0591	Sanjiv Kapoor	Hand Delivery
Intime Spectrum Registry Ltd. C/o S4 Millenium Tower, R Road, Bistupur Jamshedpur 831001	0657-3093757	0657-3093757	Nazish Khan/ Laxman Sahu	Hand Delivery

Business Hours : Monday to Saturday: 10.00 a.m. to 3.00 p.m.

Holidays : Sundays and Bank Holidays

Applicants may send their documents only by Registered Post, at their own risk, if not hand delivered at the designated collection centers, to the Registrar at the addresses as mentioned hereinabove during business hours indicated above other than on holidays.

Please note that the Share Certificates/ Delivery Instruction Slip and other documents in relation to the acceptance of the Offer should not be sent to the Acquirer or the Target Company. Such documents should NOT be sent to the Manager to the Offer

- All owners of Equity Shares registered or unregistered, who own the Equity Shares at any time prior to the closure of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer. They are required to submit, besides the documents as mentioned in para (a) above, other documents to prove their title to the Equity Shares offered for acceptance, such as a copy of the contract note issued by the broker through whom they acquired their Equity Shares on or before the close of the Offer, i.e. Monday, January 30, 2006, transfer deed(s) executed by the registered holders of the Equity Shares in addition to the Form of Acceptance and share certificate(s). No indemnity is required from the unregistered owners. Unregistered owners, if they so desire, may also apply on the Form of Acceptance downloadable from SEBI's website (www.sebi.gov.in). Notwithstanding that the signature(s) of the transferor(s) have been witnessed as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with JMTAL or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a bona fide owner of such Equity Shares.
- In case of non-receipt of the Letter of Offer, shareholders may send their acceptance of the Offer to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Equity Shares held, Distinctive Number., Folio Number, Number of Equity Shares offered, along with documents as mentioned above, so as to reach the Registrar to the Offer on or before the date of closure of the Offer (i.e. Monday, January 30, 2006). No indemnity is required in this regard. Shareholders who have lodged their Equity Shares for transfer with JMTAL must also send the acknowledgement, if any, received from JMTAL towards such lodging of Equity Shares.
- As per the provisions of Section 196 D(2) of the Income-tax Act, 1961, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income-tax Act, 1961, payable to a Foreign Institutional Investor. While tendering Equity Shares under the Offer, NRI/ OCB/ foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring Equity Shares of JMTAL 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 Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject the Equity Shares. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate of 41.820% in case of a non-resident corporate

- shareholder, 33.66% in case of non-resident partnership firms and 30.6% in case of non-resident individual shareholders or trusts on the entire consideration amount (offer price as well as interest thereon) if the amount paid is upto Rs.1,000,000 and at the rate of 33.66% if the amount paid exceeds Rs.1,000,000.
- e. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:
 - duly attested death certificate and succession certificate/ probate/ letter of administration (in case of single shareholder) if the original shareholder is deceased;
 - duly attested Power of Attorney if any person apart from the shareholder has signed the application form and/or transfer deed(s);
 - no objection certificates from the chargeholder/ lender, if the Equity Shares in respect of which the application is sent, are under any charge, lien or encumbrance;
 - in case of companies, the necessary corporate authorisation (including Board Resolutions);
 - any other relevant documentation.
 - f. Payment of consideration will be made by crossed account payee cheques/ demand drafts and sent by registered post and /or courier in case of consideration amount exceeding Rs. 1,500/- (under Certificate of Posting otherwise) to those shareholders whose share certificates and other documents are found in order and accepted by the Acquirer. All cheques /demand drafts will be drawn in the name of the first holder, in case of joint registered holders. In case of the extension of time for payment of consideration and payment of interest, please refer to para 8(g) hereinabove under "Terms and Conditions of the Offer".
 - g. In case of physical Equity Shares, the Registrar to the Offer will hold in trust the share certificates, Form of Acceptance duly filled in and the transfer deed(s) on behalf of shareholders of JMTAL who have accepted the Offer, till the cheques/ drafts for the consideration and/ or the share certificates are posted.
 - h. In case of demat Equity Shares, the Equity Shares would reside in the Special Depository Account as mentioned above. The Registrar to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for credit to the beneficial account of the Acquirer.
 - i. Barring unforeseen circumstances and factors beyond their control, the Acquirer intends to complete all formalities pertaining to the purchase of the Equity Shares, including dispatch of consideration to the shareholders who have accepted the Offer, by Tuesday, February 14, 2006.
 - j. In case of physical Equity Shares, to the extent the Equity Shares are not accepted under the Offer, the rejected Share Certificates, transfer deeds and other documents, if any, will be returned by registered post by the Registrar to the Offer to the shareholders /unregistered owners. Subject to the necessary approval from RBI, for the physical Equity Shares accepted under the Offer, the Registrar shall take action for transferring the Equity Shares to Acquirer after the consideration cheques are released to the shareholders concerned.
 - k. The Equity Shares held in demat form to the extent not accepted under the Offer will be released to the Beneficial Owner's Depository Account with the respective DP as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owner. An intimation to that effect will be sent to the Beneficial Owner by Ordinary Post. Subject to the necessary approval from RBI, for the Equity Shares lying in the Special Depository Account, the Registrar shall take action for transferring the Equity Shares to Acquirer after the consideration cheques are released to the Beneficial Owners.
 - l. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer, can do so up to three working days prior to the date of Closure of the Offer. The withdrawal option can be exercised by submitting the document as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Wednesday, January 25, 2006.
 - 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 at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein 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 JMTAL 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 JMTAL/ Depository as the case may be.

- The Form of Withdrawal alongwith 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 JMTAL. 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 dematerialised 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.

10. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the shareholders of JMTAL at its registered office at 224 AJC Bose Road, Room No. 902, Krishna Building 9th Floor, Kolkata, 700017, West Bengal, India (Tel. No.: +91 (0)33 3096 9042, Fax No.: +91 (0)33-2217 6399) between 11 a.m. and 4 p.m. on all working days except (Saturdays and Sundays) from the date of opening of the Offer till the date of closure of the Offer:

- a. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
- b. Certificate dated October 28, 2005 from Luthra & Luthra Chartered Accountants, regarding the adequacy of financial resources with the Acquirer and ChrysCapital to fulfill the Offer obligation and undertaking dated October 28, 2005 from ChrysCapital to the Acquirer and the Manager to the Offer to provide the Acquirer with the necessary funds for payment of the purchase consideration to JMTAL's shareholders.
- c. Annual Reports containing the audited financials of the Target Company for the accounting years ended March 31, 2003, March 31, 2004 and March 31, 2005.
- d. Report containing the unaudited financial statements of the Acquirer for the period May 4, 2005 (date of incorporation) to June 30, 2005 reviewed by KPMG, Public Accountants.
- e. Report containing the audited consolidated financial statements of the PAC for the period ended June 7, 2004 to December 31, 2004 and unaudited consolidated financial statements for the period January 1 2005 to June 30, 2005 reviewed by KPMG, Public Accountants.
- f. Copy of a certificate from CITIBANK, London, confirming the amount placed in escrow towards the proposed Offer, with a lien in favour of JM Morgan Stanley Private Limited, Manager to the Offer.
- g. Copy of the Investment Agreement, dated October 28, 2005 entered into between Bach and JMTAL.
- h. Copy of the Board Resolution of Bach and Power of Attorney authorizing Mr. Vikram Gera to be the authorized signatory to the Letter of Offer.
- i. Copy of the Board Resolution of ChrysCapital and Power of Attorney authorizing Mr. Vikram Gera to be the authorized signatories to the Letter of Offer.
- j. Published copies of Public Announcement made on November 7, 2005 by the Acquirer and the PACs.
- k. Copies of the applications/ clarifications/ approvals made to/ received from the FIPB and RBI.
- l. A copy of the agreement entered into with the Depository participant for opening a special depository account for the purpose of the offer.
- m. Published copies of Public Announcement made on January 3, 2006 by the Acquirer and the PACs.
- n. Copy of letter received from SEBI, Ref. No. CFD/DCR/TO/AT/56155/05 dated December 21, 2005 in terms of proviso to Regulation 18(2) of the SEBI (SAST) Regulations.

11. DECLARATION BY THE ACQUIRER AND PERSON ACTING IN CONCERT

The Acquirer and the PACs accept joint and several responsibility for the information contained in this Letter of Offer and also for their obligations under the SEBI (SAST) Regulations. The Acquirer and each PAC is responsible for their respective obligations in terms of the SEBI (SAST) Regulations.

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

Mr. Vikram Gera, legal counsel has been authorized by the Acquirer and the PAC to sign the Letter of Offer on their behalf.

For and on behalf of:

Bach Limited

sd/-

Vikram Gera

(Authorised Signatory)

Chryscapital III, LLC

sd/-

Vikram Gera

(Authorised Signatory)

Place: New Delhi

Date: December 30, 2005

Encl.:

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

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

OFFER SCHEDULE	
Opens On	Wednesday, January 11, 2006
Closes On	Monday, January 30, 2006

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

Status : Resident / Non - resident

Name:
Full Address:

Tel. No.: Fax No.: E-mail:

To,
Bach Limited,
C/o International Financial Services Limited, 3rd Floor,
Les Cascades, Edith Cavell Street, Port Louis, Mauritius.
(Telephone No.: +230 211 1000/ Fax No.: +230 211 1000).

Sub: Open Offer to purchase fully paid-up equity shares of Rs 10/- each of JMT Auto Limited by Bach Limited (hereinafter referred to as the "Acquirer")

Dear Sir,

I/We refer to the Letter of Offer dated December 30, 2005 constituting an offer to acquire the Equity Shares held by me / us in **JMT Auto Limited**. I/We the undersigned, have read the Letter of Offer and accept unconditionally its contents including the terms and conditions as mentioned therein.

For Equity Shares held In Physical Form

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

Sr. No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
		From	To	
1				
2				
3				
4				
5				
(In case the space provided is inadequate, please attach a separate sheet with details and authenticate the same.)				
Total Number of Equity Shares				

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

I/We have enclosed the following herewith:

- No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities
- Self-declaration in Form 15G

For Equity Shares held in Demat Form

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

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

I/We have done an off market transaction for crediting the Equity Shares to the Escrow Account named "Intime Spectrum Registry Limited - JMT Auto Limited Escrow A/c" with the following particulars:

Depository Participant Name: HDFC Bank

DP ID No.: IN 301151	Client ID No.: 20424731
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Shareholders having their beneficiary Account in CDSL have to use an inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

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

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

For NRIs/OCBs/FIIs/Foreign Shareholders

I/we have enclosed the following documents:

- No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.
- Previous RBI approvals for holding the shares of JMT Auto Limited hereby tendered in the Offer.

----- TEAR ALONG THIS LINE -----

Folio No. _____ **Sr. No.** _____ **Bach Limited**
C/o International Financial Services Limited, 3rd Floor,
Les Cascades, Edith Cavell Street, Port Louis, Mauritius. **Acknowledgement Slip for the Acquirer**

Received from Mr./Ms/M/s _____
Address _____
Form of Acceptance-cum-Acknowledgement, # _____ Number of Share Certificates for _____ shares
Copy of Delivery Instruction to (DP) for _____ shares
(Delete whichever is not applicable)

Signature of Official and Date of Receipt	Stamp of Collection Centre

P.T.O.

For FI Shareholders : I/We confirm that the Equity Shares of JMT Auto Limited are held by me/us on Investment/Capital Account OR Trade Account. (whichever is applicable in your case)

For NRIs/OCBs Shareholders :

(1) I/We confirm that the Equity Shares of JMT Auto Limited are held by me/us on Investment/Capital Account OR Trade Account.

(2) I/We confirm that the Equity Shares of JMT Auto Limited are held by me/us as Long Term Capital Asset OR Short Term Capital Asset. (whichever is applicable in your case)

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

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

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

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

Yours faithfully,

Signed and Delivered:

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

Address of First/Sole Shareholder _____

Place:

Date :

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

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

Details of Collection Centres:

Name & Address of the collection centre	Tel. No.	Fax No.	Contact Person	Mode of delivery
Intime Spectrum Registry Ltd., 203 Davar House, Next to Central Camera, D N Road, Fort, Mumbai - 400 001	022-2269 4127	022-5555 5353	Vivek Limaye	Hand Delivery
Intime Spectrum Registry Ltd., C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078	022-5555 5391-94	022-5555 5499	Vishwas A	Hand Delivery & Registered Post
Intime Spectrum Registry Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata-700020	033-22890539/40	033-22890539/40	S.P. Guha	Hand Delivery
Intime Spectrum Registry Ltd. 3rd Floor, A-31, Naraina Industrial Area, Phase I, New Delhi -110 028	011-5141 0592/93/94	011-5141 0591	Sanjiv Kapoor	Hand Delivery
Intime Spectrum Registry Ltd. C/o S4 Millenium Tower, R Road, Bistupur, Jamshedpur 831001	0657-3093757	0657-3093757	Nazish Khan/ Laxman Sahu	Hand Delivery

Business Hours : Monday to Saturday: 10.00 a.m. to 3.00 p.m.

Holidays : Sundays and Bank Holidays

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

----- TEAR ALONG THIS LINE -----

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

Intime Spectrum Registry Limited
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup West, Mumbai 400 078
Phone : +91 (0)22 5555 5391-94, Fax : +91 (0)22 5555 5499
Email : jmtauto@intimespectrum.com, Contact Person : Mr. Vishwas Attavar

FORM OF WITHDRAWAL

OFFER SCHEDULE	
OPENS ON	Wednesday, January 11, 2006
CLOSES ON	Monday, January 30, 2006
LAST DATE OF WITHDRAWAL	Wednesday, January 25, 2006

To

Bach Limited,

c/o International Financial Services Limited, 3rd Floor,
Les Cascades, Edith Cavell Street, Port Louis, Mauritius.
(Telephone No.: +230 211 1000/ Fax No.: +230 211 1000).

Dear Sir,

**Sub: Open Offer to purchase fully paid-up equity shares of Rs 10/- each of JMT Auto Limited by Bach Limited
(hereinafter referred to as the "Acquirer")**

I/We refer to the Letter of Offer dated December 30, 2005 for acquiring the Equity Shares held by me/us in **JMT Auto Limited**. I/We the undersigned have read the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of Equity Shares tendered by me/us in the Offer as mentioned in para 9.I. of the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

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

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

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

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

I/ We also note and understand that the Acquirer will return Original Share Certificate(s), Share Transfer Deed(s) and Equity Shares only on completion of verification of the documents, signatures carried out by JMT Auto Limited and/ or their R & T Agents and beneficiary position data as available from the Depository from time to time, respectively.

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

Ledger Folio No. _____ No. of Share Certificate(s) _____ No. of Equity Shares _____

Sr.No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
		From	To	
Tendered				
1				
2				
3				
Withdrawn				
1				
2				
3				
Total				

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

I/We hold the following Equity Shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Equity Shares to the "Intime Spectrum Registry Limited - JMT Auto Limited Escrow A/c" (Special Depository Escrow Account) as per the following particulars: -

DP Name – HDFC Bank.	Client ID – 20424731.	DP ID – IN 301151.
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Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP.

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

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

----- TEAR ALONG THIS LINE -----

Acknowledgement Slip

Bach Limited

C/o International Financial Services Limited, 3rd Floor,
Les Cascades, Edith Cavell Street, Port Louis, Mauritius.

Sr. No.

Folio No.

Received from Mr./Ms/M/s _____

Form of Withdrawal

_____ Number of Share Certificates for _____

Equity shares / #Copy of the Delivery Instruction to (DP) for _____ Equity Shares

Delete whichever is not applicable

Signature of Official and Date of Receipt	Stamp of Collection Centre

P.T.O.

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

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

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

Yours faithfully,

Signed and delivered	FULL NAME(S)	SIGNATURE(S)	Verified and Attested by us. Please affix the stamp of DP (in case of demat Shares) /Bank (in case of physical Shares)
1st Shareholder			
2nd Shareholder			
3rd Shareholder			

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

Place:

Date :

INSTRUCTIONS

- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or below as per the mode of delivery indicated therein 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 cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip
 - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction 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 cum Acknowledgement/ 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 R&T Agent of JMT Auto Limited and duly witnessed at the appropriate place.
 - Unregistered owners should enclose:
 - Duly signed and completed Form of Withdrawal
 - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip
- The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
- The intimation of returned shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
- The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
- In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target. The facility of partial withdrawal is available only on to Registered shareholders.
- Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.**

Details of Collection Centres:

Name & Address of the collection centre	Tel. No.	Fax No.	Contact Person	Mode of delivery
Intime Spectrum Registry Ltd., 203 Davar House, Next to Central Camera, D N Road, Fort, Mumbai - 400 001	022-2269 4127	022-5555 5353	Vivek Limaye	Hand Delivery
Intime Spectrum Registry Ltd., C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078	022-5555 5391-94	022-5555 5499	Vishwas A	Hand Delivery & Registered Post
Intime Spectrum Registry Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata-700020	033-22890539/40	033-22890539/40	S.P. Guha	Hand Delivery
Intime Spectrum Registry Ltd., 3rd Floor, A-31, Naraina Industrial Area, Phase I, New Delhi -110 028	011-5141 0592/93/94	011-5141 0591	Sanjiv Kapoor	Hand Delivery
Intime Spectrum Registry Ltd., C/o S4 Millenium Tower, R Road, Bistupur, Jamshedpur 831001	0657-3093757	0657-3093757	Nazish Khan/	Hand Delivery

Business Hours : Monday to Saturday: 10.00 a.m. to 3.00 p.m.

Holidays : Sundays and Bank Holidays

----- TEAR ALONG THIS LINE -----

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

Intime Spectrum Registry Limited
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup West, Mumbai 400 078
Phone : +91 (0)22 5555 5391-94, Fax : +91 (0)22 5555 5499
Email : jmtauto@intimespectrum.com, Contact Person : Mr. Vishwas Attavar