LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of Monotype India Limited ("MIL"). If you require any clarification about the action to be taken, you may consult your Stockbroker or Investment Consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was affected.

CASH OFFER

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

By

Swagatam Tradevin Limited ("Acquirer'')

having its

Registered Office at: 40, Burtolla Street, 5th Floor Kolkata – 700 007
Ph: +91-33-2262 1706; Fax: +91-33-2262 1706

Along with following Persons Acting in Concert (PACs)

Gateway Distributors Limited	Subhankar Vinimay Limited	Unicorn Vyapaar Limited
having its	**having its**	**having its**
Registered Office at: 125, N. S. Road, 3rd Floor, Room No-34, Kolkata – 700 007 Ph: +91-33- 3261 6411	**Registered Office at:** 125, N. S. Road, 3rd Floor, Room No-34, Kolkata – 700 007 Ph: +91-33- 3261 1685	**Registered Office at:** 34A, Met Calfe Street, Kolkata – 700 012 Ph: +91-33- 4064 9182

to the shareholder(s) of

Monotype India Limited

having its

Registered office at: 27 AB, Royd Street, 'Abhinandan', Ground floor, Kolkata- 700 016
Tel: +91-33-2229 7263, Fax: +91-33-2230 2260

To acquire 329,700 fully paid up Equity Shares of Rs. 10/- each representing 20% of the current voting capital of Monotype India Limited **at a price of Rs. 6/- (Rupees Six Only) (the "Offer Price")per fully paid-up Equity Share payable in cash.**

Please Note:

1. This Offer is being made pursuant to and in accordance with regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof (the "SAST Regulations / Regulations").
2. This Offer is neither conditional nor subject to any minimum level of acceptance by shareholders of the Target Company.
3. There are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer & PACs shall not proceed with the Offer in the event any statutory approval is not obtained.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Friday, July 08, 2011, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Wednesday, July 13, 2011.
5. If there is any upward revision in the Offer Price by the Acquirer & PACs prior to or on the last date for revising the Offer Price viz., Monday, July 4, 2011, you will be informed by way of another Public Announcement in the same newspapers in which the first Public Announcement was published. The Acquirer & PACs shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. **This is not a competitive bid.**
7. **If there is a competitive bid(s):**
   a. **The public offers under all the subsisting bids shall close on the same date;**
   b. **As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
8. No competitive bid has been announced till the date of this Letter of Offer.
9. A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) will also be available on the website of Securities and Exchange Board of India ("SEBI") (http://www.sebi.gov.in)

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
MICROSEC MICRO FOCUS. MEGA WEALTH	**Microsec Capital Limited** Azimganj House, 2nd Floor 7 Camac Street, Kolkata- 700 017 Tel.: 91-33-2282 9330 (5 Lines) Fax: 91-33-2282 9335 E-mail: mgoenka@microsec.in Website: www.microsec.in **Contact Person Mr. Manav Goenka**		**Maheshwari Datamatics Pvt. Ltd.** 6, Mangoe Lane 2nd Floor Kolkata – 700 001 **Tel:** 91-33-2248 2248/ 2243 5029 **Fax:** 91-33-2248 4787 **E-mail:** mdpl@cal.vsnl.net.in **Website:** www.mdpl.in **Contact Person: Mr. S. Rajagopal**
Offer Opens on : Friday, June 24, 2011		**Offer Closes on: Wednesday, July 13, 2011**	

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	**Time Schedule**
Public Announcement Date	Tuesday, May 03, 2011
Specified Date*	Friday, May 27, 2011
Last date for a competitive bid	Tuesday, May 24, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Friday, June 17, 2011
Offer Opening Date	Friday, June 24, 2011
Last date for revising the offer price/offer size	Monday, July 04, 2011
Last date for withdrawal by shareholders	Friday, July 08, 2011
Offer Closing Date	Wednesday, July 13, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Thursday, July 28, 2011

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

RISK FACTORS

RISK RELATED TO THE TRANSACTION

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

RISK RELATED TO THE OFFER

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

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

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

c. The Shares tendered in the Offer will lie in trust with the Registrar in credit of designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of MIL. Accordingly, the Acquirer & PACs makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of MIL on whether to participate or not to participate in the Offer.

d. The shareholders who have lodged their shares would not be able to withdraw them after the last date of withdrawal i.e. Friday, July 8, 2011 even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, in the designated escrow account, till such time as the process of acceptance of tendered shares and the payment of consideration is completed.

RISK RELATED TO ASSOCIATION WITH THE ACQUIRER & PACs

a. The Acquirer & PACs make no assurance with respect to the future financial performance of the Target Company.

b. Presently, the Acquirer and the PACs are not engaged in any business activities.

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1 DEFINITIONS

Acquirer	Swagatam Tradevin Limited ("STL")
BSE	Bombay Stock Exchange Limited
CSE	The Calcutta Stock Exchange Limited
Monotype India Limited / MIL /Target Company	A Company incorporated under the Companies Act, 1956 and having its registered office at 27 AB, Royd Street, 'Abhinandan', Ground floor, Kolkata-700016
CDSL	Central Depository Services (India) Limited
Date of closure of Offer	Wednesday, July 13, 2011
DP	Depository Participant
Eligible Person(s) / Eligible Shareholder(s) for the Offer	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company excepts the Acquirer, parties to the SPA, and any persons acting in concert.
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
Letter of Offer/LOO	This Letter of Offer dated June 14, 2011
Microsec/MCL/Manager to the offer/MB/Merchant Banker	Microsec Capital Limited, the Merchant Banker appointed by the Acquirer pursuant to regulation 13 of the SAST Regulations, having registered office at 53 Syed Amir Ali Avenue, 1st floor, Kolkata – 700 019
Offer	Open Offer for acquisition of 329,700 equity shares of the Target Company, representing 20% of its current voting capital at the Offer Price payable in cash.
Offer Price	Rs. 6/- (Rupees Six Only) per equity share.
Offer Period	20 (twenty) days period from the date of opening of offer on Friday, June 24, 2011 to closing of Offer on Wednesday, July 13, 2011
Persons Acting in Concert (PACs)	Gateway Distributors Limited, Subhankar Vinimay Limited & Unicorn Vyapaar Limited
Public Announcement/PA	Public Announcement of the Offer made by the Acquirer on May 3, 2011 • In all editions of Financial Express (English); • In all editions of Jansatta (Hindi); • In Kolkata edition of Sokal Bela (Bengali); • In Mumbai edition of Nav Shakti (Marathi)
Registrar/ Registrar to the Offer/	Maheshwari Datamatics Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 6, Mangoe Lane 2nd Floor, Kolkata – 700 001
Regulations / SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act 1992
Sellers	Prism Impex Private Limited and Mr. Sushil Kumar Khaitan
Share(s)	Fully Paid up equity shares of face value of Rs 10/- each of Monotype India Limited
SPA / Share Purchase Agreements	Share Purchase Agreement dated April 28, 2011 entered between Acquirer and Sellers
Specified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent
Voting Capital /Paid-up capital of Target Company	Equity share capital of Monotype India Limited comprising of 16,48,496 equity shares of Rs. 10 each.

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

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MONOTYPE INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER & PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER & PACs DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, MICROSEC CAPITAL LIMITED, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 12, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER & PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

The Acquirer, PACs 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, PACs and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so entirely at his/her/their own risk.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

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

3.1.2 The Acquirer & PACs have made a mandatory offer ("the Offer" or "Open Offer") to the public shareholders of the Target to acquire 329,700 fully paid up equity shares of Rs. 10 each constituting 20% of the current issued & paid-up equity capital of the Target Company at a price of Rs. 6/- (Rupees Six Only) ("Offer Price") per Equity Share aggregating to Rs. 19,78,200 (Rupees Nineteen Lacs Seventy Eight Thousand Two Hundred) ("Offer Size") payable in cash.

3.1.3 The Acquirer has entered into a Share Purchase Agreement ('SPA') on April 28, 2011 with (a) Prism Impex Private Limited and (b) Mr. Sushil Kumar Khaitan (collectively referred to as the "Sellers"). Under the SPA, the Acquirer has acquired 12,23,705 fully paid-up equity shares of face value of Rs.10/- each representing 74.23% of the total current issued, subscribed and fully paid-up equity capital of Target Company at a price of Rs. 6/- (Rupees Six only) per fully paid-up equity share and 2,50,000 fully paid-up Preference Shares of face value of Rs. 100/- each representing 100% of the total current issued, subscribed and fully paid-up Preference capital of Target Company at a price of Rs. 40/- (Rupees Forty only) per fully paid-up preference share in cash (together referred as the "Sale Shares"). The total consideration paid by the Acquirer for 12,23,705 fully paid-up equity shares is Rs. 73,42,230 (Rupees Seventy Three Lacs Four Two Thousand Two Hundred Thirty only) and for 2,50,000 fully paid-up Preference Shares is Rs. 10,000,000 (Rupees One Crore only). The Acquirer has not paid any other consideration to the Seller Promoters apart from the price stated in the SPA. As per the stock exchange filings by MIL, the Sellers belong to the Promoter Group of the Target Company.

3.1.4 **The salient features of the SPA are as follows:**

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

b) The Target Company and the Sellers shall ensure that from the Date of execution of the SPA till the completion of Open Offer, the Sellers & Target Company shall carry on the business of the Target Company in the ordinary course of business.

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

d) In terms of regulation 22(7) of the SAST Regulations, the Acquirer is entitled to appoint their nominees on the Board of Directors of the Target Company after a period of 21 days from the date of the public announcement. There are no representatives of the Acquirer on the Board of Directors of the Target Company as of the date of this Letter of Offer.

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

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

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

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

3.1.9 The Acquirer & PACS have not acquired shares/ voting rights of the Target Company during the 12 months period prior to the date of Public Announcement except as stated in para 3.1.3 above.

3.1.10 As on date of this Letter of Offer, Microsec Capital Limited, Manager to the Offer does not hold any shares of the Target Company. Further, as required under regulation 24(5A) of the SEBI (SAST) Regulations, they have undertaken not to deal in the shares during the period commencing from the date of their appointment in terms of regulation 13 of the SEBI (SAST) Regulations till the expiry of fifteen days from the date of closure of the offer.

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

3.1.12 The Acquirer has not entered into any non–compete agreement with the Sellers.

3.2 **Details of the Offer**

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

Name of the Newspaper	**Edition**	**Date**
Financial Express (English)	All Editions	May 3, 2011
Jansatta (Hindi)	All Editions	May 3, 2011
Sokal Bela (Bengali)	Kolkata – Edition	May 3, 2011
Nav Shakti (Marathi)	Mumbai – Edition	May 3, 2011

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

3.2.3 The Acquirer & PACs are making a mandatory offer ("the Offer" or "Open Offer") to the public shareholders of the Target Company to acquire 329,700 fully paid up equity shares of Rs. 10 each constituting 20% of the share capital of the Target Company at a price of Rs. 6/- (Rupees Six only) ("Offer Price") per Equity Share aggregating to Rs. 19,78,200 (Rupees Nineteen Lacs Seventy Eight Thousand Two Hundred) ("Offer Size") payable in cash.

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

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

3.2.6 The Acquirer shall acquire 329,700 Equity shares that are validly tendered in open Offer.

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

3.2.8 Gateway Distributors Limited, Subhankar Vinimay Limited and Unicorn Vyapaar Limited are Persons acting in Concerts in relation to this Offer.

3.2.9 The Acquirer & PACs have not acquired any shares of the Target Company from the date of the PA up to the date of this letter of Offer.

3.3 Future Plans of the Acquirer & PACS with regard to the Target Company

The Target Company was earlier engaged in the manufacturing of printing machinery and other equipments like cameras, offset printers, etc. At present the Target Company is not engaged in any manufacturing activities. The Acquirer and the PACs would explore various business options including obtaining a NBFC license for carrying out financing and investing activities and would undertake business in the line of their core expertise. Any new line of activity, restructuring and rationalization/streamlining of assets and liabilities would be subject to the necessary approval of the shareholders of the Target Company and compliance with applicable laws.

3.4 Reason for the acquisition / offer

3.4.1 On completion of the offer (assuming full acceptance in the Offer), the Acquirer may hold, in the aggregate 1,553,405 fully paid-up shares representing 94.23% of the voting capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with regulations 10 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

3.4.2 As on the date of PA, the Acquirer & PACs does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

3.4.3 Presently the Acquirer is exploring various business options including acquisition. Accordingly they are intending to acquire the Target Company and undertake business in the line of their core expertise.

3.4.4 To the extent required and to optimize the value to all the shareholders, the Acquirer may subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, amalgamation, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company.

3.4.5 The Acquirer has deposited an amount of Rs. 20,00,000 (Rupees Twenty Lacs only) in cash in an escrow account, which is in excess of 100% of the maximum consideration payable under this offer (as defined in para 7.2.1 below). Hence, in accordance and in compliance with regulation 22(7) of the Regulations, the Acquirer is entitled to appoint their nominees on the Board of Directors of the Target Company after a period of 21 days from the date of the public announcement. The Acquirer has an ability under regulation 22(7) of the Regulations to nominate such further directors as may be possible, and may in future appoint such directors in accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Target Company.

4 BACK GROUND OF THE ACQUIRER & PERSONS ACTING IN CONCERTS (PACS)

4.1 Swagatam Tradevin Limited (“STL” / “ACQUIRER”)

4.1.1 Swagatam Tradevin Limited was incorporated under the Companies Act, 1956 on August 6, 2008 as a private limited company. It was subsequently converted to public limited company on October 20, 2010 and was issued a fresh certificate of incorporation pursuant to change in its name. Its registered office is situated at 40, Burtolla Street, 5th Floor Kolkata – 700 007. Ph: +91 33 2262 1706; Fax: +91 33 2262 1706. The promoter of STL is Riteshwari Trading and Investment Private Limited.

4.1.2 The present Authorised Share Capital of the STL is Rs. 15,00,00,000 (Rupees Fifteen Crores only) consisting of 15,00,00,000 equity shares of Re. 1/- each. The total issued, subscribed and paid up equity share capital of STL is Rs. 14,75,50,600 consisting of 14,75,50,600 equity shares of Re.1/- each fully paid-up.

4.1.3 The Acquirer has been incorporated with the objects of buying, selling and distribution of various types of goods and commodities. The company is presently not engaged into any business activity. The resources of the Acquirer have been invested in shares and securities of various companies. The Acquirer had 608 shareholders as on May 13, 2011.

4.1.4 The shareholding pattern of the STL as on the date of the Letter of Offer is as shown below:

Sl. No	Shareholder’s Category	No. of Shares Held	Percentage of Shares held
1	Promoters and Promoter Group	50,265,000	34.07
2	Public	97,285,600	65.93
	Total Paid Up Capital	**147,550,600**	**100.00**

4.1.5 The Equity shares of Acquirer are not listed on any stock exchange. Hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the company.

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

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

4.1.8 The details of the Board of Directors of STL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Ramji Yadav - Director	02628813	18.08.2009	B.Com	Having 4 years of experience in Finance, Accounts & Taxation	4, Raja Sri Radhakanta Deb Lane, Kolkata, 700 005
Mr. Prithvi Raj Chouhan - Director	02634469	18.08.2009	B.Com	Having experience of 5 years in office administration and personnel management	173, Gadh Ki Paras,Ward San 35, TH. Bundi, Bundi, 323001, Rajasthan
Mr. Subhendu Mitra - Director	01419454	10.09.2010	B.Com	Having experience of 15 years in Accounts and Taxation.	Part No – 0262, Rajarhat – Gopalpur, North 24 – Parganas, Kolkata, 700 059
Mr. Samir Manna – Director	02698523	10.09.2010	B.Com	Having experience of 5 years in Finance & Accounts.	Deulti Dakshinpurba Deulti Bagnan, Howrah, 711303

Note: None of the Directors of STL are on the Board of Directors of Target Company.

4.1.9 Brief financials of STL for last two financials years and for the nine months period ended December 31, 2010 are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Income from operations	7.37	0.32	3.13
Other Income	-	-	0.15
Total Income	**7.37**	**0.32**	**3.28**
Total Expenditure	7.49	0.31	1.20
Profit Before Depreciation Interest and Tax	**(0.12)**	**0.01**	**2.07**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**(0.12)**	**0.01**	**2.07**
Provision for Tax	-	-	0.64
Profit After Tax	**(0.12)**	**0.01**	**1.43**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As At**		
	March 31, 2009	**March 31, 2010**	**December 31, 2010**
Sources of funds			
Paid up share capital	1.00	10.00	882.26*
Reserves and Surplus (excluding revaluation reserves)	-	440.80	42.28
Total Miscellaneous expenditure not written off	(0.19)	(0.15)	(4.76)
Profit and Loss Account (Debit Balance)	(0.12)	(0.12)	-
Net Worth	**0.69**	**450.54**	**919.77**
Unsecured Loan	0.18	-	-
Total	**0.87**	**450.54**	**919.77**
Uses of funds			
Investments	-	450.50	891.00
Net current assets	0.87	0.04	28.77
Total	**0.87**	**450.54**	**919.77**

**There has been a substantial increase in the share capital as on December 31, 2010 as compared to the year ended March 31, 2010. Such increase was firstly on account of bonus issues made by the company to its existing shareholders and secondly due to further allotments made by the company to certain entities.*

Other Financial Data

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Face Valve (Rs.)	10.00	10.00	1.00
Dividend (%)	Nil	Nil	Nil
Earnings Per Share (Rs.)	(1.23)	0.01	-
Return on Net Worth (%)	-	-	0.16
Book Value Per Share (Rs.)	6.92	450.72	1.04

Source: *Audited accounts*

Note:

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

4.1.10 **Significant accounting policies:**

a) **Basis of Preparation of Financial Statement** - The financial statements are prepared under historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) comprising the mandatory accounting standard issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company. For recognition of income and expenses, accrual basis of accounting is followed

b) **Investment** – Investments in securities are stated at cost.

c) **Revenue Recognition** – Revenue is recognized when there is reasonable certainty of its ultimate realization/collection.

d) **Miscellaneous Expenditure** – Preliminary expenses is amortized over a period of 5 years.

e) **Contingent Liabilities** – Contingent liabilities are not provided for and are disclosed by way of note to accounts.

f) **Taxes On Income** – Current tax is determined as the amount of tax payable in respect of taxable income for the year.

4.1.11 **Notes on Accounts**

		Period Ending 31/12/2010
1.	Contingent liabilities not provided for	Nil

2. Figures for the previous year has been regrouped and rearranged wherever necessary.

3. Sundry creditors does not include amount due to small-scale industries as on 31.12.2010.

4. The company has duly complied with the Accounting standards referred to in clause 3 (c) of Section 211 of the Companies Act, 1956.

BACK GROUND OF THE PERSONS ACTING IN CONCERTS (PACs)

4.2 **Gateway Distributors Limited (“GDL”)**

4.2.1 Gateway Distributors Limited was incorporated under the Companies Act, 1956 on June 19, 2008 as a private limited company. It was subsequently converted to public limited company on October 28, 2010 and was issued a fresh certificate of incorporation pursuant to change in its name. Its registered office is situated at 125, N. S. Road, 3rd Floor, Room No-34, Kolkata – 700 007. Ph: +91 33 3261 6411. The promoters of GDL are Mr. Samir Manna and Mr. Gautam Sen.

4.2.2 The present Authorised Share Capital of the GDL is Rs. 9,00,00,000 (Rupees Nine Crore only) consisting of 9,00,00,000 equity shares of Re. 1/- each. The total issued, subscribed and paid up equity share capital of GDL is Rs. 8,77,57,700 consisting of 8,77,57,700 equity shares of Re.1/- each fully paid-up.

4.2.3 GDL has been incorporated with the objects of buying, selling and distribution of various types of goods and commodities. GDL is presently not engaged into any business activity. The resources of GDL have been invested in shares and securities of various companies. GDL had 296 shareholders as on May 13, 2011.

4.2.4 The shareholding pattern of the GDL as on the date of the Letter of Offer is as shown below:

Sl. No	Shareholder’s Category	No. of Shares Held	Percentage of Shares held
1	Promoters and Promoter Group	10,000	0.01
2	Public	87,747,700	99.99
	Total Paid Up Capital	**87,757,700**	**100.00**

4.2.5 The Equity shares of GDL are not listed on any stock exchange. Hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the company.

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

4.2.7 GDL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the GDL.

4.2.8 The details of the Board of Directors of GDL are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Ramji Yadav - Director	02628813	27.07.2009	B.Com	Having 4 years of experience in Finance, Taxation and Accounts.	4, Raja Sri Radhakanta Deb Lane, Kolkata, 700005, West Bengal
Mr. Prithvi Raj Chouhan Director	02634469	27.07.2009	B.Com	Having experience of 5 years in office administration and personnel management	173, Gadh Ki Paras, Ward San 35, Th. Bundi, Bundi, 323001, Rajasthan, India
Mr. Samir Manna - Director	02698523	27.08.2010	B.Com	Having experience of 5 years in Finance & Accounts	Deulti Dakshinpurba Deulti Bagnan, Howrah, 711303, West Bengal
Mr. Gautam Sen - Director	02792335	27.08.2010	B.Com	Having eight years of experience in marketing of consumer & industrial products	Paschim Kalipaharikalipahadi, Nityanandapur Bhatar, Burdwan, 713125, West Bengal

Note: None of the Directors of GDL are on the Board of Directors of Target Company.

4.2.9 Brief financials of GDL for the last two financials years and for the nine months period ended December 31, 2010 are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Income from operations	-	0.20	5.03
Other Income	-	-	-
Total Income	**-**	**0.20**	**5.03**
Total Expenditure	**0.12**	**0.18**	**1.67**
Profit Before Depreciation Interest and Tax	**(0.12)**	**0.02**	**3.35**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**(0.12)**	**0.02**	**3.35**
Provision for Tax	-	0.01	1.04
Profit After Tax	**(0.12)**	**0.01**	**2.32**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As at**		
	March 31, 2009	**March 31, 2010**	**December 31, 2010**
Sources of funds			
Paid up Share capital	1.00	5.45	868.58*
Reserves and Surplus (excluding revaluation reserves)	-	440.25	6.70
Miscellaneous expenditure not written off	(0.29)	(0.23)	(4.49)
Profit & Loss A/c (Debit Balance)	(0.12)	(0.11)	-

Net Worth	**0.59**	**445.36**	**870.79**
Unsecured Loans	0.18	-	-
Total	**0.77**	**445.36**	**870.79**
Uses of funds			
Net fixed assets	-	-	-
Investments	-	443.70	507.70
Net current assets	0.77	1.66	363.09
Total	**0.77**	**445.36**	**870.79**

**There has been a substantial increase in the share capital as on December 31, 2010 as compared to the year ended March 31, 2010. Such increase was firstly on account of bonus issues made by the company to its existing shareholders and secondly due to further allotments made by the company to certain entities.*

Other Financial Data

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Face Value (Rs.)	10.00	10.00	1.00
Dividend (%)	Nil	Nil	Nil
Earnings Per Share (Rs.)	(1.23)	0.02	-
Return on Net Worth (%)	-	-	0.27
Book Value Per Share (Rs.)	5.92	817.62	1.00

Source: *Audited accounts*

Note:

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

4.2.10 **Significant accounting policies:**

a) **Basis of Preparation of Financial Statement** - The financial statements are prepared under historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) comprising the mandatory accounting standard issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company. For recognition of income and expenses, accrual basis of accounting is followed.

b) **Investment –** Investments in securities are stated at cost.

c) **Revenue Recognition** – Revenue is recognized when there is reasonable certainty of its ultimate realization/collection.

d) **Miscellaneous Expenditure** – Preliminary expenses is amortized over a period of 5 years.

e) **Contingent Liabilities** – Contingent liabilities are not provided for and are disclosed by way of note to accounts.

f) **Taxes On Income** – Current tax is determined as the amount of tax payable in respect of taxable income for the year.

4.2.11 **Notes on Accounts**

		Period Ending 31/12/2010
1.	Contingent liabilities not provided for	Nil

2. Figures for the previous year has been regrouped and rearranged wherever necessary.

3. Sundry creditors does not include amount due to small-scale industries as on 31.12.2010.

4. The company has duly complied with the Accounting standards referred to in clause 3 (c) of Section 211 of the Companies Act, 1956.

4.3 **Subhankar Vinimay Limited ("SVL")**

4.3.1 Subhankar Vinimay Limited was incorporated under the Companies Act, 1956 on February 25, 2009 as a private limited company. It was subsequently converted to public limited company on October 20, 2010 and was issued a fresh certificate of incorporation pursuant to change in its name. Its registered office is situated at 125, N. S. Road, 3rd Floor, Room No-34, Kolkata – 700 007. Ph: +91 33 3261 1685. The promoters of GDL are Mr. Subhendu Mitra, Mr. Gautam Sen and Mr. Binod Kumar Toshniwal.

4.3.2 The present Authorised Share Capital of the SVL is Rs. 17,50,00,000 (Rupees Seventeen Crores Fifty Lacs only) consisting of 17,50,00,000 equity shares of Re. 1/- each. The total issued, subscribed and paid up equity share capital of SVL is Rs. 16,95,10,200 consisting of 16,95,10,200 equity shares of Re.1/- each fully paid-up.

4.3.3 SVL has been incorporated with the object to engage into various kinds of commercial businesses (eg. distributors, agents, traders). SVL is presently not engaged into any business activity. The resources of SVL have been invested in shares and securities of various companies. SVL had 928 shareholders as on May 13, 2011.

4.3.4 The shareholding pattern of the SVL as on the date of the Letter of Offer is as shown below:

Sl. No	Shareholder's Category	No. of Shares Held	Percentage of Shares held
1	Promoters and Promoter Group	1,027,500	0.61
2	Public	168,482,700	99.39
	Total Paid Up Capital	**169,510,200**	**100.00**

4.3.5 The Equity shares of SVL are not listed on any stock exchange. Hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the company.

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

4.3.7 SVL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the STL.

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

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Subhendu Mitra - Director	01419454	13.09.2010	B.com	Having experience of 15 years in Accounts and Taxation.	Part No - 0262, Rajarhat - Gopalpur, North 24 - Parganas, Kolkata, 700059, West Bengal
Mr. Binod Kumar Toshniwal – Director	02498335	07.10.2009	B.com	Having 20 years of experience in Finance, Accounts and Taxation.	Rabindra Nagar, Ps - Dankuni, Hooghly, Dankuni, 712333, West Bengal
Mr. Hanish Toshniwal - Director	02498356	07.10.2009	B.com	Having five years of experience in Finance and Accounts.	Rabindra Nagar, Ps - Dankuni, Hooghly, Dankuni, 712333, West Bengal
Mr. Gautam Sen – Director	02792335	13.09.2010	B.com	Having eight years of experience in marketing of consumer & industrial products	Paschim Kalipahari kalipahadi, Nityanandapur Bhatar, Burdwan, 713125, West Bengal

Note: None of the Directors of SVL are on the Board of Directors of Target Company.

4.3.9 Brief financials of SVL for the last two financials years and for the nine months period ended December 31, 2010 are as below are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Income from operations	7.65	-	6.44
Other Income	-	0.32	0.00
Total Income	**7.65**	**0.32**	**6.44**
Total Expenditure	**7.78**	**0.30**	**2.39**
Profit Before Depreciation Interest and Tax	**(0.13)**	**0.02**	**4.05**
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	**(0.13)**	**0.02**	**4.05**
Provision for Tax	0.01	0.01	1.25
Profit After Tax	**(0.14)**	**0.01**	**2.80**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As at**		
	March 31, 2009	**March 31, 2010**	**December 31, 2010**
Sources of funds			
Paid up Equity Share Capital	1.00	10.57	1,462.81*
Reserves and Surplus (excluding revaluation reserves)	-	468.73	48.77
Miscellaneous expenditure not written off	(0.20)	(0.16)	(7.15)
Profit & Loss A/c (Debit Balance)	(0.14)	(0.12)	-
Net Worth	**0.66**	**479.01**	**1,504.43**
Unsecured Loans	-	-	-
Total	**0.66**	**479.01**	**1,504.43**
Uses of funds			
Investments	-	478.50	739.16
Net current assets	0.66	0.51	765.27
Total	**0.66**	**479.01**	**1,504.43**

**There has been a substantial increase in the share capital as on December 31, 2010 as compared to the year ended March 31, 2010. Such increase was firstly on account of bonus issues made by the company to its existing shareholders and secondly due to further allotments made by the company to certain entities.*

Other Financial Data

Particulars	**For the year ended**		**Nine Month period ended December 31, 2010**
	March 31, 2009	**March 31, 2010**	
Face Value (Rs.)	10.00	10.00	1.00
Dividend (%)	Nil	Nil	Nil
Earnings Per Share (Rs.)	(1.38)	0.01	-
Return on Net Worth (%)	-	-	0.19
Book Value Per Share (Rs.)	6.60	453.35	1.03

Source: *Audited accounts*

Note:

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

4.3.10 **Significant accounting policies:**

a) **Basis of Preparation of Financial Statement** - The financial statements are prepared under historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) comprising the mandatory accounting standard issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company. For recognition of income and expenses, accrual basis of accounting is followed

b) **Investment –** Investments in securities are stated at cost.

c) **Revenue Recognition** – Revenue is recognized when there is reasonable certainty of its ultimate realization/collection.

d) **Miscellaneous Expenditure** – Preliminary expenses is amortized over a period of 5 years.

e) **Contingent Liabilities** – Contingent liabilities are not provided for and are disclosed by way of note to accounts.

f) **Taxes On Income** – Current tax is determined as the amount of tax payable in respect of taxable income for the year.

4.3.11 **Notes on Accounts**

	Period Ending 31/12/2010
1. Contingent liabilities not provided for	Nil

2. Figures for the previous year has been regrouped and rearranged wherever necessary.

3. Sundry creditors does not include amount due to small-scale industries as on 31.12.2010.

4. The company has duly complied with the Accounting standards referred to in clause 3 (c) of Section 211 of the Companies Act, 1956.

4.4 Unicorn Vyapaar Limited ("UVL")

4.4.1 Unicorn Vyapaar Limited was incorporated under the Companies Act, 1956 on October 15, 1993 as a private limited company. It was subsequently converted to public limited company on December 3, 2010 and was issued a fresh certificate of incorporation pursuant to change in its name. Its registered office is situated at 34A Met Calfe Street, Kolkata – 700 012. Ph: +91 33 4064 9182. The promoters of UVL are Mr. Samir Manna, Mr. Anand Sagar Thakur and Mr. Pradipta Kumar Barick.

4.4.2 The present authorised share capital of the UVL is Rs. 80,000,000 (Rupees Eight Crore only) consisting of 80,000,000 equity shares of Re. 1/- each. The total issued, subscribed and paid up equity share capital of UVL is Rs. 78,372,000 consisting of 78,372,000 equity shares of Re.1/- each fully paid-up.

4.4.3 UVL has been incorporated with the object to engage into various kinds of commercial businesses (eg. distributors, agents, traders). UVL is presently not engaged into any business activity. The resources of UVL have been invested in shares and securities of various companies. UVL had 547 shareholders as on May 13, 2011.

4.4.4 The shareholding pattern of the UVL as on the date of the Letter of Offer is as shown below:

Sl. No	Shareholder's Category	No. of Shares Held	Percentage of Shares held
1	Promoters and Promoter Group	4,000	0.01
2	Public	78,368,000	99.99
	Total Paid Up Capital	**78,372,000**	**100.00**

4.4.5 The Equity shares of UVL are not listed on any stock exchange. Hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the company.

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

4.4.7 UVL has never acquired any shares of the Target Company. Hence the provisions of the chapter II of the Regulations do not apply to the UVL.

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

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Anand Thakur Sagar - Director	01097375	18.11.2010	B.Com	Having experience of 5 years in Accounts and Taxation.	Radhanagar Santra Para, 26 Bauria, Howrah, 711310, West Bengal
Mr. Pradipta Kumar Barick - Director	01097710	18.11.2010	B.Com	Having experience of 5 years in office administration and personnel management	19 R N Mukherjee Road, TI Business Centre, 2nd Floor, Room no - 11, Kolkata, 700001, West Bengal
Mr. Samir Manna - Director	02698523	03.11.2010	B.Com	Having experience of 5 years in Finance & Account	Deulti Dakshinpurba Deulti Bagnan, Howrah, 711303, West Bengal

Note: None of the Directors of UVL are on the Board of Directors of Target Company.

4.4.9 Brief financials of UVL for the last three financials years and for the nine months period ended December 31, 2010 are as below:

Profit & Loss Account

Rs. in Lacs

Particulars	**For the year ended**			**Nine Month period ended December 31, 2010**
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	
Income from operations	1.80	3.49	4.00	0.85
Other Income	-	-	-	-
Total Income	**1.80**	**3.49**	**4.00**	**0.85**
Total Expenditure	**1.82**	**3.47**	**3.99**	**1.07**
Profit Before Depreciation Interest and Tax	**(0.02)**	**0.02**	**0.01**	**(0.21)**
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	**(0.02)**	**0.02**	**0.01**	**(0.21)**
Provision for Tax	-	0.01	0.00	0.00
Profit After Tax	**(0.02)**	**0.01**	**0.01**	**(0.21)**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As At**			
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	**December 31, 2010**
Sources of funds				
Paid up Equity Share Capital	24.37	24.37	24.37	783.72
Reserves and Surplus (excluding revaluation reserves)	93.20	93.20	93.20	20.09
Miscellaneous expenditure not written off	(0.59)	(0.39)	(0.20)	(2.16)
Profit & Loss Account	(0.06)	(0.04)	(0.03)	(0.24)
Net Worth	**116.92**	**117.13**	**117.34**	**801.41**
Unsecured Loan	-	-	-	-
Total	**116.92**	**117.13**	**117.34**	**801.41**
Uses of funds				
Investments	67.75	77.75	106.25	722.85
Net current assets	49.17	39.38	11.09	78.56
Total	**116.92**	**117.13**	**117.34**	**801.41**

**There has been a substantial increase in the share capital as on December 31, 2010 as compared to the year ended March 31, 2010. Such increase was firstly on account of bonus issues made by the company to its existing shareholders and secondly due to further allotments made by the company to certain entities.*

Other Financial Data

Particulars	**For the year ended**			**Nine Month period ended December 31, 2010**
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	
Face Value (Rs.)	10.00	10.00	10.00	1.00
Dividend (%)	Nil	Nil	Nil	Nil
Earnings Per Share (Rs.)	(0.01)	0.01	-	-
Return on Net Worth (%)	-	0.01	0.01	-
Book Value Per Share (Rs.)	47.98	48.06	48.15	1.02

Source: *Audited accounts*

Note:

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

4.4.10 **Significant accounting policies:**

a) **Basis of Preparation of Financial Statement** - The financial statements are prepared under historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) comprising the mandatory accounting standard issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company. For recognition of income and expenses, accrual basis of accounting is followed

b) **Investment –** Investments in securities are stated at cost.

c) **Revenue Recognition** – Revenue is recognized when there is reasonable certainty of its ultimate realization/collection.

d) **Miscellaneous Expenditure** – Preliminary expenses is amortized over a period of 5 years.

e) **Contingent Liabilities** – Contingent liabilities are not provided for and are disclosed by way of note to accounts.

f) **Taxes On Income** – Current tax is determined as the amount of tax payable in respect of taxable income for the year.

4.4.11 **Notes on Accounts**

		Period Ending 31/12/2010
1.	Contingent liabilities not provided for	Nil

2. Figures for the previous year has been regrouped and rearranged wherever necessary.

3. Sundry creditors does not include amount due to small-scale industries as on 31.12.2010.

4. The company has duly complied with the Accounting standards referred to in clause 3 (c) of Section 211 of the Companies Act, 1956.

4.5 **Other Confirmations**

4.5.1 **Companies Promoted by the Acquirer & PACs**

No company has been promoted by the Acquirer & PACs. Further, the Acquirer & PACs have not acquired control of any listed company in the past.

4.5.2 The Acquirer and PACs are acting in concert for acquisition of the control of the Target Company and would together invest financial and human resources for the future business of the Target Company.

4.5.3 The Acquirer & PACs have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

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

4.6.1 As on the date of the PA, the Acquirer & PACs do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

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

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

As per the listing agreement with the Stock Exchanges and in terms of Clause 40A of the Listing Agreement the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. Further, the Central Government by notification dated June 4, 2010 has amended the Securities Contracts (Regulation) Rules, 1957 and inter alia raised the minimum threshold level of public shareholding to be 25% for all listed companies.

Pursuant to the successful closure of the Offer, and assuming full acceptances, the public shareholding of the Target Company is expected to fall below 25 % of the voting capital of the Target Company. The Acquirer will take necessary actions in compliance with Securities Contracts (Regulation) Rules, 1957 to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within one year and in accordance with the prescribed procedure under amended clause 40A (viii) of the Listing Agreement. The Acquirer has following options to raise the level of public shareholding in terms of clause 40A (viii) of the Listing Agreement- (a) issuance of shares to public through prospectus; (b) offer for sale of shares held by promoters to public through prospectus; (c) sale of shares held by promoters through the secondary market; (d) any other method which does not adversely affect the interest of minority shareholders.

The Acquirer undertakes and declares that they do not have any intention to delist the Equity shares of the Target Company from the Stock Exchanges in the next three years from the date of the Public Announcement.

6 BACK GROUND OF THE TARGET COMPANY

6.1 Monotype India Limited ("Target Company") was incorporated under the Companies Act, 1956 on September 30, 1974 as a private limited company. It was subsequently converted to public limited company on January 27, 1977 and was issued a fresh certificate of incorporation pursuant to change in its name. The registered office of the company is located at 27 AB, Royd Street, 'Abhinandan', Ground floor, Kolkata- 700016, Tel: +91-33 -2229 7263, Fax: +91-33-2230 2260.

6.2 The Target Company was earlier engaged in the manufacturing of printing machinery and other equipments like cameras, offset printers, etc. At present the Target Company is not engaged in any manufacturing activities.

6.3 The Present Authorized Share Capital of the Target Company is Rs. 500.00 Lacs comprising of 25,00,000 Equity Shares of Rs. 10/- each and 2,50,000 1% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each. The total current issued, subscribed and paid-up capital of the Target Company is Rs. 414.85 Lacs comprising of 16,48,496 fully paid-up Equity Shares of Rs. 10/- each and 2,50,000 fully paid-up Preference Shares of Rs. 100/- each. There are no partly paid up Equity Shares in the Target Company. The capital structure of the Target Company is as under:

Paid Up Equity Shares	**No. of Shares/ Voting Rights**	**% of shares/voting rights**
Fully Paid up Equity Shares	16,48,496	100%
Partly Paid Up Equity Shares	Nil	Nil
Total paid Up Equity Shares	16,48,496	100%
Total Voting Rights in the Target Company	16,48,496	**100%**

6.4 The build-up of the Capital of the Target Company as certified and provided by the management of the Target Company is detailed as below:

Date of allotment	**No. and % of shares issued**		**Cumulative paid up capital in Rs.**	**Mode of allotment**	**Identity of Allottees**	**Status of compliance ***
On Incorporation	2	0.00%	20	Signatories to MOA	Promoter/ Promoter Group	Complied
20-Oct-76	5	0.00%	70	Preferential basis	Promoter/ Promoter Group	Complied
5-May-77	161,993	9.83%	1,620,000	Public Issue	Others	Complied
5-May-77	108,000	6.55%	2,700,000	Preferential Allotment	Promoter/ Promoter Group	Complied
25-Sep-81	54,000	3.28%	3,240,000	Bonus Issue	Shareholders	Complied
22-Apr-82	226,800	13.76%	5,508,000	Rights Issue	Shareholders	Complied
19-Jan-90	550,800	33.41%	11,016,000	Rights Issue	Shareholders	Complied
29-May-93	546,896	33.18%	16,484,960	Rights Issue	Shareholders	Complied
Total	**1,648,496**	**100.00%**				

** The status of compliance by the Target Company relating the capital build is with respect to Companies Act 1956 and the other statutory requirements, as applicable.*

6.5 The shares of the Target Company are listed on the BSE & CSE (the "Stock Exchanges").

6.6 The trading of the shares of the Target Company was suspended at BSE since September 10, 2001 for non-payment of listing fees. The company had taken necessary measures for revoking the suspension at BSE. The Target Company has paid the re-instatement penalty amount and had complied with all other requirements of BSE. The suspension on trading has been revoked w.e.f. April 27, 2010. Henceforth, the Target Company has duly complied with all the provisions of the listing agreement entered into with the Stock Exchange from time to time.

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

6.8 MIL does not have any unlisted shares on the Stock Exchanges.

6.9 As per the information provided, the Target Company has made delays in complying with the provisions of Regulations 6(2) and 6(4) of Chapter II of the Regulations and of 8(3) of Chapter II of the Regulations for the years ended 31st March, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007. Henceforth the Target Company has regularly complied with the provisions of Chapter II of the Regulations. SEBI has initiated adjudication against the Target Company for delay in chapter II non compliances. (**Details of compliances are attached as Annexure – A**).

6.10 As per the information provided, the promoter group of the Target Company has complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997.**(Details of compliances are attached as Annexure –B)**

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

6.12 The Target Company does not have any subsidiary.

6.13 The details of the Board of Directors of Target Company are given as below:

Name/ Designation	**DIN**	**Date of Appointment**	**Qualification**	**Experience**	**Residential Address**
Mr. Rajesh Jain Executive Director	00520859	29.09.2001	FCA, AICWA, B.Com	17 years in the field of accounting, finance and legal matters	3, Middleton Row, Kolkata – 700 071
Mr. Ashok Kumar Independent & Non-Executive Director	00627777	29.09.2001	Matriculation	42 years in printing and allied industries	89, Salkia School Road, Howrah - 711 006

Mr. Vivek Vardhan Agarwalla Independent & Non-Executive Director	00674395	29.09.2001	B.Com	20 years in investment and management advisory	19 Ballygunge Circular Road, Kolkata – 700 019

Note: None of the directors of the Target Company is a representative of the Acquirer or PACs.

6.14 Brief financial details of Monotype India Limited for the last three financial years and for the nine months period ended December 31, 2010 are as below are as below:

Profit and Loss Account

(Rs. in Lacs)

Particulars	**For the year ended**			**Nine Month period ended December 31, 2010**
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	
Income from operations	-	-	-	-
Other Income	43.47	8.18	2.46	5.22
Total Income	**43.47**	**8.18**	**2.46**	**5.22**
Total Expenditure	12.61	2.40	3.99	3.97
Profit Before Depreciation Interest and Tax	**30.86**	**5.78**	**(1.53)**	**1.25**
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit Before Tax	**30.86**	**5.78**	**(1.53)**	**1.25**
Provision for Tax	3.12	0.59	-	-
Profit After Tax	**27.73**	**5.19**	**(1.53)**	**1.25**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**As At**			
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	**December 31, 2010**
Sources of funds				
Paid up Equity Share Capital	164.85	164.85	164.85	164.85
Reserves and Surplus (excluding revaluation reserves)	0.27	0.27	0.27	0.27
Profit & Loss A/c (Debit Balance)	(446.69)	(441.50)	(443.03)	(441.79)
Net Worth	**(281.57)**	**(276.38)**	**(277.91)**	**(276.67)**
1% Non- Cumulative Preference Shares	250.00	250.00	250.00	250.00
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	175.17	34.17	28.47	28.00
Total	**143.60**	**7.79**	**0.56**	**1.33**
Uses of funds				
Net fixed assets	0.00	0.00	0.00	0.00
Investments	8.82	6.97	0.48	0.00
Net current assets	134.78	0.82	0.08	1.33
Total	**143.60**	**7.79**	**0.56**	**1.33**

Other Financial data

Particulars	**For the year ended**			**Nine Month period ended December 31, 2010**
	March 31, 2008	**March 31, 2009**	**March 31, 2010**	
Dividend (%)	NIL	NIL	NIL	Nil
Earnings Per Share	1.68	0.31	(0.09)	0.08
Return on Net Worth (%)	-	-	-	-
Book Value Per Share	(17.08)	(16.77)	(16.86)	(16.78)

Source: *Audited annual accounts. However, the accounts for the nine month period ended December 31, 2010 are unaudited and have been certified by the statutory auditor.*

Note:

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

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

Comparison between 2009-10 and 2008-09

Total Income for the year ended March 31, 2010 was Rs. 2.46 lacs as against Rs.8.18 Lacs for the relevant previous financial year. The Company has made a net loss of Rs.1.53 lacs for the year ended 31st March, 2010 as against net profit of Rs. 5.19 lacs for the year ended 31st March, 2009. The fall in total income in 2010 was due to decrease in interest income. The decrease in PAT in 2010 was due to fall in interest income and loss on sale of shares.

Comparison between 2008-09 and 2007-08

Total Income for the year ended 31st March 2009 was Rs. 8.18 lacs as against Rs.43.47 lacs for the relevant previous financial year. The Company has made a net profit of Rs. 5.19 lacs for the year ended 31st March, 2009 as against net profit of Rs. 27.74 lacs for the year ended 31st March, 2008. The Income/PAT in 2008 was on account of profit on sale of shares and interest income. The fall in total income/PAT in 2009 was on account of decrease in such activity.

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

Particulars	**Amount in Rs. Lacs**
Excise liability under dispute	16.34
Total	**16.34**

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

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

Shareholders' Category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares /voting rights agreed to be acquired which triggered off the Regulations**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer.**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement, if any	1,223,705	74.23	(1,223,705)	(74.23)	-	-	-	-
b. Promoters other than (a) above	-	-	-	-	-	-	-	-
(2) Acquirer	-	-	**1,223,705**	**74.23**	**329,700**	**20.00**	**1,553,405**	**94.23**
(3) Parties to agreement other than(1)& (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(4) Public (other than parties to agreement, Acquirer & PACs)								
a) Institutions (Mutual Funds / UTI, FIs/Banks/FIIs/FVCI etc	14,000	0.85			(329,700)	(20.00)	95,091	5.77
b) Bodies Corporate	158,471	9.61						
c) Others	252,320	15.31						
Total (4)(a+b+c)	**424,791**	**25.77**			**(329,700)**	**(20.00)**	**95,091**	**5.77**
GRAND TOTAL (1+2+3+4)	**1,648,496**	**100.00**					**1,648,496**	**100.00**

6.18 As on March 31, 2011, there are 1122 shareholders in the public category holding 424,791 shares of the Target Company.

6.19 The Acquirer & PACs have not acquired any share of the Target Company from the date of PA till the date of this Letter of Offer.

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

Date	Shareholding	% age holding	Remark
31.03.1997	1,373,431	83.31%	
31.03.1998	1,373,431	83.31%	
31.03.1999	1,373,431	83.31%	
31.03.2000	1,373,431	83.31%	
31.03.2001	1,373,431	83.31%	
31.03.2002	1,373,431	83.31%	
31.03.2003	1,373,431	83.31%	
31.03.2004	1,373,431	83.31%	
31.03.2005	1,373,431	83.31%	
31.03.2006	1,373,431	83.31%	
31.03.2007	1,223,431	74.21%	The erstwhile promoters of the Target Company had disassociated themselves from Sara Securities Pvt. Ltd. which held 150,000 Equity shares representing 9.10% of the equity share capital of the Target Company. Hence the shares held by Sara Securities Pvt. Ltd (SSPL), were included in the public category.
31.03.2008	1,223,431	74.21%	
31.03.2009	1,223,231	74.20%	200 shares were sold by the erstwhile promoters
31.03.2010	1,223,231	74.20%	
31.03.2011	1,223,705	74.23%	The Sellers had made a public announcement in July 2010 on acquisition of 1,223,231 equity shares from the erstwhile promoters. The Sellers had acquired 474 equity shares which were tendered in the Open Offer.

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

6.22 **Pending Litigation matters**

There are no litigation matters pending against the Target Company as on date this Letter of Offer.

6.23 **Compliance Officer**

Mr. Sankar Prosad Ghosh (Company Secretary)
Monotype India Limited
27AB, Royd Street,
'Abhinandan', Ground Floor,
Kolkata- 700016
Tel: +91-33-2229 7263; Fax: +91-33-2230 2260

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of MIL are currently listed on Bombay Stock Exchange Limited (BSE) & Calcutta Stock Exchange Limited (CSE) (together referred herein as "the stock exchanges"). Based on the information available, the equity shares of the Target Company are infrequently traded on the exchanges within the meaning of explanation (i) to regulation 20(5) of the SAST Regulations.

7.1.2 The Acquirer has made a public announcement on May 3, 2011. The annualized trading turnover based on the trading volume in the shares of the Target Company on BSE & CSE during November 01, 2010 to April 30, 2011 (being 6 calendar month prior to the month of PA) is as under:

Name of Stock Exchange	**Total no. of shares traded during the 6 calendar month prior to the month in which PA was made**	**Total No. of shares listed**	**Annualized Trading turnover (in terms of % to total listed share)**
BSE	2950	1,648,496	0.36%
CSE	NIL	1,648,496	NIL

*(**Source:** Stock Exchanges)*

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

A	Negotiated price	Rs. 6/- per share
B	The highest price paid by the Acquirer for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of PA	Not Applicable
C	**Other financial Parameters**	**31/03/2010**
I	Return on Net Worth (%)	Negative
ii	Book value per share (Rs.)	(16.86)
iii	Earnings per Share (Rs.)	(0.09)
iv	Industry Average P/E Multiple*	19.70

** Source: Capital Market Vol. XXVI/04, April 18, 2011 – May 01, 2011; Sector: Finance & Investments.*

7.1.4 Mr. Vikash Kedia (Membership No. 066852), Partner of B.S. Kedia & Co., Chartered Accountants, having office at 8/1, Lal Bazar Street, Bikaner Building, 1st Floor, Room 8, Kolkata – 700 001 vide their certificate dated April 30, 2011 have certified that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30), the fair value of the equity share of the Target Company is Rs. 2.37.

7.1.5 Hence in the opinion of the Manager to the Offer and the Acquirer along with the PACs, the Offer price of Rs. 6/- (Rupees Six Only) for each fully paid up equity share is justified in terms of regulation 20(5) of SEBI (SAST) Regulations, 1997.

7.1.6 There is no non-compete agreement.

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

7.2 **Financial Arrangements:**

7.2.1 The maximum consideration payable by the Acquirer assuming full acceptance in the Offer would be Rs. 19,78,200 (Rupees Nineteen Lacs Seventy Eight Thousand Two Hundred only) ("Maximum Consideration") at a price of Rs. 6/- per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of cash deposit for an amount of Rs. 20,00,000 (Rupees Twenty Lacs only) ("**Cash Deposit**") placed with HDFC Bank Limited, 2/6 Sarat Bose Road, Kolkata- 700 020 ('**Escrow Bank**') for the performance of the Acquirer's obligations under the Regulations. The cash deposit more than 100% of the maximum consideration payable under the offer. The Manager to the Offer is empowered to realize the value of the aforesaid escrow account and instruct the escrow bank to issue cheques/demand drafts in terms of the SAST Regulations.

7.2.3 Swagatam Tradevin Limited has made firm financial arrangements to meet the financial requirement for the Offer. Mr. Vikash Kedia (Membership No. 066852), Partner of B.S. Kedia & Co., Chartered Accountants, having office at 8/1, Lal Bazar Street, Bikaner Building, 1st Floor, Room 8, Kolkata –

700 001 has confirmed vide his letter dated April 30, 2011 that Swagatam Tradevin Limited has adequate financial resources available for meeting its obligations under the Regulations for a value up to the Maximum Consideration.

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

8 TERMS AND CONDITIONS OF THE OFFER

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

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of MIL whose names appear on the register of members of MIL and to the beneficial owners of the equity shares of MIL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, May 27, 2011 (the 'Specified Date'). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the open offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website www.sebi.gov.in during the period the Offer is open and may also be downloaded from the site.

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

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

8.5 The 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.

8.6 The Acquirer & PACs are permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than July 4, 2011, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where original Public Announcement was published.

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

8.8 Statutory approvals and other approvals required for the offer

8.8.1 As on the date of the PA, to the best of the knowledge of the Acquirer & PACS, there are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer and PACs shall not proceed with the Offer in the event any statutory approval indicated herein is not obtained in terms of regulation 27 of the Regulations.

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

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of MIL whose names appear on the register of members of MIL and to the beneficial owners of the equity shares of MIL whose names appear as beneficiaries on the records of Central Depository Services (India) Limited, at the close of business hours on Friday, May 27, 2011 (the 'Specified Date').

9.2 Shareholders of the Target Company who wish to avail of and accept the offer shall send/ deliver the Form of Acceptance along with all the revelant documents to the Registrar to the offer **Maheshwari Datamatics Private Limited** at 6, Mangoe Lane 2nd Floor, Kolkata - 700 001 whether by hand delivery on weekdays (Monday to Friday between 10 a.m to 5 p.m) or by registered post, so as to reach on or before the closure of the Offer, i.e. July 13, 2011 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.3 Shareholders who hold equity shares of MIL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, Original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, so as to reach on or before the closure of the Offer, i.e. July 13, 2011.

9.4 The Registrar to the Offer, **Maheshwari Datamatics Private Limited** at 6, Mangoe Lane 2nd Floor, Kolkata - 700 001 has opened a special depository account with Dimensional Securities Private Limited. Beneficial owners and shareholders holding equity shares of MIL in the dematerialised form, will be required to send their Form of Acceptance to the Registrar to the Offer on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of **'Monotype India Ltd.-Open Offer Escrow Account-Operated by Maheshwari'** and filled in with the details given below:

Name of the Special Depository Account	Monotype India Ltd.-Open Offer Escrow Account-Operated by Maheshwari
Depository	Central Depository Services (India) Limited
DP Name	Dimensional Securities Private Limited
DP ID	12026501
Client ID	00051852
ISIN	INE811D01016
Market	"Off Market"

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer.

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

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

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

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

9.9 **Mode of making payment**

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

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

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

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

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

e) For all other shareholders, the payments will be dispatched through Speed Post/ Registered Post. Such payments will be made by cheques, pay orders or demand drafts drawn on HDFC Bank Limited and payable at par.

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

9.11 In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer on or before Friday, July 8, 2011.

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

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

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

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

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
- In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with MIL 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 MIL/ Depository as the case may be.
- The Form of Withdrawal along with enclosure should be sent to the Registrar to the Offer only.
- In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from MIL. The facility of partial withdrawal is available only to Registered shareholders.
- Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

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

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

9.12 Any shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of the Target Company may be precluded from transferring the

Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such shares are received

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

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

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

Activity	**Time Schedule**
Public Announcement Date	Tuesday, May 03, 2011
Specified Date*	Friday, May 27, 2011
Last date for a competitive bid	Tuesday, May 24, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Friday, June 17, 2011
Offer Opening Date	Friday, June 24, 2011
Last date for revising the offer price/offer size	Monday, July 04, 2011
Last date for withdrawal by shareholders	Friday, July 08, 2011
Offer Closing Date	Wednesday, July 13, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Thursday, July 28, 2011

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

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

10 DOCUMENTS FOR INSPECTION

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

a) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company, Acquirer & PACs.
b) Certificate of Vikash Kedia (Membership No. 066852), Partner of B.S. Kedia & Co., Chartered Accountants, having office at 8/1, Lal Bazar Street, Bikaner Building, 1st Floor, Room 8, Kolkata – 700 001, dated April 30, 2011 confirming that adequate financial resources are available with Swagatam Tradevin Limited for meeting their obligations under the Open Offer.
c) Audited Reports of Monotype India Limited for the year ended March 31, 2008, 2009 and 2010.
d) Unaudited accounts of Monotype India Limited for the nine month period ended December 31, 2010 certified by the statutory auditor.
e) Audited Reports of Swagatam Tradevin Limited, Gateway Distributors Limited & Subhankar Vinimay Limited for the years ended March 31, 2009 & 2010 and for Nine Month Period ended December 31, 2010.

f) Audited Reports of Unicorn Vyapaar Limited for the years ended March 31, 2008, 2009 & 2010 and for Nine Month Period ended December 31, 2010.
g) Copy of the SPA dated April 28, 2011 which triggered the Open Offer.
h) Published copy of the Public Announcement.
i) Copy of letter from HDFC Bank Limited confirming the cash deposit in the escrow account for an amount in excess of the maximum Consideration.
j) Copy of Agreement entered into between with Maheshwari Datamatics Private Limited and Dimensional Securities Private Limited for opening the special depository account for the purpose of the offer.
k) SEBI letter No.CFD/DCR/TO/DA/18429/11 dated June 9, 2011 issued in terms of proviso to the regulation 18(2) of the Regulations.

11 DECLARATION BY THE ACQUIRER & PACS

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

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

Mr. Subhendu Mitra has been authorized by the Acquirer and the PACs to sign the Letter of Offer.

Subhendu Mitra

Date: June 14, 2011
Place: Kolkata

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

Annexure – A

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

Sl. No.	Regulation / Sub- regulation	Due Date for compliance as mentioned in the Regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3
1	**2**	**3**	**4**	**5**
1.	6(2)	20-May-97	11-Apr-08	3979
2.	6(4)	20-May-97	11-Apr-08	3979
3.	8(3)	30-Apr-98	11-Apr-08	3634
4.	8(3)	30-Apr-99	11-Apr-08	3269
5.	8(3)	30-Apr-00	11-Apr-08	2903
6.	8(3)	30-Apr-01	11-Apr-08	2538
7.	8(3)	30-Apr-02	11-Apr-08	2173
8.	8(3)	30-Apr-03	11-Apr-08	1808
9.	8(3)	30-Apr-04	11-Apr-08	1442
10.	8(3)	30-Apr-05	11-Apr-08	1077
11.	8(3)	30-Apr-06	11-Apr-08	712
12.	8(3)	30-Apr-07	11-Apr-08	347
13.	8(3)	30-Apr-08	11-Apr-08	-
14.	8(3)	30-Apr-09	16-Apr-09	-
15.	8(3)	30-Apr-10	9-Apr-10	-
16.	8(3)	30-Apr-11	19-Apr-11	-
17.	7(3)	----	N.A	-

Annexure – B

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

Sl. No.	Regulation / Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4-Col. 3	Remarks
1	2	3	4	5	6
1.	6(1)	20-Apr-97	11-Apr-97	-	
2.	6(3)	20-Apr-97	11-Apr-97	-	
3.	8(1)	21-Apr-98	17-Apr-98	-	
4.	8(2)	21-Apr-98	17-Apr-98	-	
5.	8(1)	21-Apr-99	19-Apr-99	-	
6.	8(2)	21-Apr-99	19-Apr-99	-	
7.	8(1)	21-Apr-00	17-Apr-00	-	
8.	8(2)	21-Apr-00	17-Apr-00	-	
9.	8(1)	21-Apr-01	18-Apr-01	-	
10.	8(2)	21-Apr-01	18-Apr-01	-	
11.	8(1)	21-Apr-02	16-Apr-02	-	
12.	8(2)	21-Apr-02	16-Apr-02	-	
13.	8(1)	21-Apr-03	15-Apr-03	-	
14.	8(2)	21-Apr-03	15-Apr-03	-	
15.	8(1)	21-Apr-04	20-Apr-04	-	
16.	8(2)	21-Apr-04	20-Apr-04	-	
17.	8(1)	21-Apr-05	18-Apr-05	-	
18.	8(2)	21-Apr-05	18-Apr-05	-	
19.	8(1)	21-Apr-06	17-Apr-06	-	
20.	8(2)	21-Apr-06	17-Apr-06	-	
21.	8(1)	21-Apr-07	20-Apr-07	-	
22.	8(2)	21-Apr-07	20-Apr-07	-	
23.	8(1)	21-Apr-08	11-Apr-08	-	
24.	8(2)	21-Apr-08	11-Apr-08	-	
25.	8(1)	21-Apr-09	16-Apr-09	-	
26.	8(2)	21-Apr-09	16-Apr-09	-	
27.	8(1)	21-Apr-10	9-Apr-10	-	
28.	8(2)	21-Apr-10	9-Apr-10	-	
29.	8(1)	21-Apr-11	5-Apr-11	-	
30.	8(2)	21-Apr-11	5-Apr-11	-	
31.	8A(1)	06-Feb-09	NA	-	Nil Shares of the promoters have been pledged