

# Public Announcement to the Shareholders of

# NAHAR POLY FILMS LIMITED

## (Formerly known as NAHAR INVESTMENTS AND HOLDING LIMITED)

(Registered Office: 376, Industrial Area - 'A', Ludhiana- 141003)

### CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement ("PA") is being issued by Sobhagya Capital Options Limited (hereinafter referred to as "SCOL" or the "Manager to the Offer") for and on behalf of Nahar Spinning Mills Limited (hereinafter referred to as the "Acquirer" or "NSML") (Registered office: 373, Industrial Area - 'A', Ludhiana - 141003) to the shareholders of Nahar Poly Films Limited, formerly known as Nahar Investments and Holding Limited (hereinafter referred to as the "Target" or "NPFL") (Registered office: 376, Industrial Area - 'A', Ludhiana - 141003) pursuant to and in compliance with, amongst others, Regulation 11(2A) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto [hereinafter referred to as "SEBI (SAST) Regulations" or the "Regulations"].

- The Offer**
- The Acquirer, as a part of the Promoter of the Target, is desirous of consolidating its holding in the Target, while ensuring that the public shareholding in the Target does not fall below 25%, the minimum level of public shareholding required to be maintained under the Listing Agreements entered into by the Target with the Bombay Stock Exchange Limited ("BSE"), and National Stock Exchange of India Limited ("NSE"). Therefore, pursuant to Regulation 11(2A) and the other applicable provisions of the Regulations, the Acquirer is making an Open Offer (hereinafter referred to as the "Offer" or the "Open Offer") to the shareholders of the Target to acquire up to 24,37,251 fully paid up equity shares of Rs. 5/- each of the Target ("Shares"), representing 9.91% of the total paid-up equity share capital of the Target as on the date of this PA. Upon completion of the Offer, assuming full acceptances to the Offer, the Promoter Group along with the Acquirer will hold 1,84,40,993 shares in the Target representing 75.00% of the fully paid-up equity share capital of the Target.
- The present promoters of the Target are Mr. Jawahar Lal Oswal, Mr. Kamal Oswal, Mr. Dinesh Oswal, M/s. Oswal Woollen Mills Limited, Nahar Industrial Enterprises Limited, Nahar Capital and Financial Services Limited, J.L. Growth Fund Limited, Abhilash Growth Fund Private Limited, Nahar Growth Fund Private Limited, Monica Growth Fund Private Limited, Ruchika Growth Fund Private Limited, Neha Credit and Investment Private Limited, Vanaik Investors Limited, Vardhman Investments Limited, Atam Vallabh Financiers Limited, Nagdevi Trading and Investment Company Limited, Ludhiana Holdings Limited, Kovalam Investment and Trading Company Limited, Sankheshwar Holding Company Limited and Vanaik Spinning Mills Limited. Other natural persons and corporate entities forming part of the promoter group consist of Mrs. Abhilash Oswal, Mrs. Monica Oswal, Mrs. Ruchika Oswal, Mrs. Manisha Oswal, Mrs. Ritu Oswal, Ms. Neha Oswal, Mr. Abhinav Oswal, Mr. Rishabh Oswal, Mr. Sambhav Oswal and Ms. Tanvi Oswal, M/s. Nahar Spinning Mills Limited, Nahar Industrial Infrastructure Corporation Limited, Cotton County Retail Limited, Oswal Leasing Limited, Nahar Financial and Investment Limited, Gimar Investment Limited, Shri Atam Fabrics Limited, Palam Motels Limited, White Tigers Breweries and Distilleries Limited, Cabot Trading and Investment Company Private Limited, Vigil Investment Private Limited, Bermuda Insurance Brokers Private Limited and Monte Carlo Fashions Limited (hereinafter collectively referred to as "Promoter Group" or "PG"). The Acquirer is a part of the Promoter Group of the Target. The Promoter Group's shareholding in the Target is 1,60,03,742 shares equivalent to 65.09% of the fully paid up equity share capital of the Target as on the date of this PA.
- There is no person acting in concert (hereinafter referred to as "PAC" or "PACs") with the Acquirer in relation to this Open Offer. All purchases in this Open Offer will be made by the Acquirer only.
- The Offer is being made at a price of Rs. 40/- (Rupees Forty Only) for each Share (the "Offer Price"), to be paid in cash, in accordance with the provisions of the Regulations and subject to the terms and conditions mentioned in this PA and the terms and conditions that will be set out in the Letter of Offer in relation to the Offer (the "Letter of Offer") to be subsequently mailed to all shareholders as on the Specified Date (specified herein below). The Target does not have any partly paid up equity shares or other instruments convertible into shares of the Target at a future date.
- As on the date of this PA, the Acquirer does not hold any equity shares of the Target. The Acquirer has not acquired any shares in the Target during the twelve months period prior to the date of this PA.
- As on the date of this PA, the Promoter Group of the Target holds 1,60,03,742 fully paid up equity shares of Rs. 5/- each, representing 65.09% of the fully paid up equity share capital of the Target. The PG has acquired 12,25,362 equity shares constituting 4.98% of the fully paid up equity share capital of the Target, under the creeping acquisition provisions under proviso to sub-regulation (2) of regulation 11 of the SEBI (SAST) Regulations, at the maximum acquisition price per share of Rs. 32.38 and at an average acquisition price per share of Rs. 14.45. The PG has not sold any equity shares in the Target during the twelve months period prior to the date of this PA.
- The Manager to the Offer does not hold any share of the Target as on the date of this PA.
- The Shares of the Target are listed on BSE and NSE. The annualised trading turnover in the shares of the Target on BSE and NSE, based on trading volume during the period March 01, 2010 to August 31, 2010 (six calendar months preceding the month in which the PA is made), is as given below:-

Stock Exchange	Shares Traded (March 01, 2010 to August 31, 2010)	Total Listed Shares	Annualised Trading Turnover (in % of the total Shares listed)
NSE	20,05,227	2,45,87,991	16.31
BSE	10,31,751	2,45,87,991	8.39

(Source: www.nseindia.com, www.bseindia.com)

Based on the above information, the annualised trading turnover of the Equity Shares is more than 5% of the total number of the listed shares, therefore, Equity Shares of the Target are deemed to be frequently traded within the meaning of explanation (i) to Regulation 20(5) of the Regulations.

The Offer Price of Rs. 40/- (Rupees Forty Only) per fully paid equity Share is justified in terms of Regulation 20(4) of the Regulations being the highest of the following:

S. No.	Particulars	Price per share (in Rupees only)
1.	The Negotiated Price	Not Applicable
2.	Highest Price paid by the Acquirer, if any for acquisition including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement	Not Applicable
3.	The Average of the weekly high and low of the closing prices of the Shares on NSE during the 26 weeks preceding the date of Public Announcement	26.60
4.	The Average of the daily high and low prices of the Shares on NSE during the 2 weeks preceding the date of Public Announcement	35.34

(Source: www.nseindia.com)

- This Offer is pursuant to the Acquirer's desire to consolidate its holding in the Target under Regulation 11(2A) of the Regulations. The Offer is not pursuant to any agreement entered into by the Acquirer with any person to acquire any Share in the Target, which would have triggered the requirement to make a PA of an Open Offer under the Regulations.
- The Offer is not conditional upon any minimum level of acceptance by the shareholders.
- In case the number of Shares tendered for sale by the shareholders are more than the Shares agreed to be acquired by the Acquirer 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 unworkable lots.
- In compliance with Regulation 20(7) of the Regulations, the Acquirer and/or PG shall not, during the Offer Period, acquire any additional Shares in the Open Market or through negotiation or in any other manner otherwise than under this Offer.

#### 2 Information about the Acquirer and the Promoter Group (PG) of the Target

- Information about the Acquirer: Nahar Spinning Mills Limited ("NSML")**  
NSML was incorporated on December 16, 1980 as a Private Limited Company under the Indian Companies Act, 1956 and the word Private was deleted from the name of the Company on December 09, 1983, by the office of Registrar of Companies, Punjab, H. P. & Chandigarh at Jalandhar. The Registered office of NSML is located at 373, Industrial Area - 'A', Ludhiana - 141003, Tel. No.: +91 161 2600701-05, 2606977-980. Fax. No.: +91 161 2222942.
- Pursuant to the Composite Scheme of Demerger and Arrangement between the Acquirer, Nahar Poly Films Limited (pre scheme known as Nahar Exports Limited) and Nahar Capital and Financial Services Limited as sanctioned by the Hon'ble High Court of Punjab and Haryana vide its Order dated December 21, 2006, the "Textile Business" of the Nahar Poly Films Limited was demerged and transferred to the Acquirer and the "Investment Business" of Acquirer was demerged and transferred to Nahar Capital and Financial Services Limited with effect from April 01, 2006.

The main business activity of NSML is to carry on the business of manufacturing and export of cotton synthetic and blended yarn and Hosiery knitwear of cotton and woolen textiles. The shares of NSML are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE).

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

NSML was promoted by Mr. Jawahar Lal Oswal and his family. The present Promoters of NSML are Mr. Jawahar Lal Oswal, Mr. Kamal Oswal, Mr. Dinesh Oswal, Mrs. Abhilash Oswal, Mrs. Monica Oswal, Mrs. Ruchika Oswal, M/s. Oswal Woollen Mills Limited, Nahar Capital and Financial Services Limited, Atam Vallabh Financiers Limited, Ludhiana Holdings Limited, Vanaik Investors Limited, Vardhman Investments Limited, Nagdevi Trading & Investment Company Limited, Abhilash Growth Fund Private Limited, Neha Credit and Investment Private Limited, Sankheshwar Holding Company Limited, Ruchika Growth Fund Private Limited, Nahar Industrial Enterprises Limited, Nahar Growth Fund Private Limited, Monica Growth Fund Private Limited, Nahar Poly Films Limited, Kovalam Investment and Trading Company Limited, Vanaik Spinning Mills Limited, J.L. Growth Fund Limited and Bermuda Insurance Brokers Private Limited.

The Shareholding pattern of NSML as on August 31, 2010 was as follows:

Name of the Shareholder	No. of equity shares held	Percentage (in %)
Promoter and Promoter Group (A)	2,30,17,578	63.822
Public & Others (B)	1,30,47,725	36.178
<b>Total (A+B)</b>	<b>3,60,65,303</b>	<b>100.00</b>

NSML is a part of the Promoter Group of the Target and it belongs to Nahar Group of Companies.

The brief details of the Board of Directors of NSML are as follows:

S. No.	Name	Designation	Qualification
1.	Mr. Jawahar Lal Oswal	Chairman	Bachelor of Commerce
2.	Mr. Kamal Oswal	Director	Bachelor of Commerce
3.	Mr. Dinesh Oswal	Managing Director	Bachelor of Commerce
4.	Mr. Dinesh Gogna	Director	Bachelor of Arts, Bachelor of Law
5.	Mr. Satish Kumar Sharma	Director	Master of Business Administration
6.	Mr. Amarjeet Singh	Director	Bachelor of Arts, Bachelor of Law
7.	Dr. (Mrs.) H. K. Bal	Director	Master of Arts, Doctor of Philosophy
8.	Mr. K. S. Maini	Director	Master of Commerce
9.	Dr. O. P. Sahni	Director	Master of Science, Master of Business Administration, Doctor of Philosophy
10.	Dr. Suresh Kumar Singla	Director	Master of Arts, Doctor of Philosophy

The financial highlights duly certified by the statutory auditors of NSML are as follows:

(Figures in Rupees Lacs.)

Particulars	3 Months period ending (Un-audited)		Year Ended	
	June 30, 2010	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	29866.93	112082.34	100709.90	92661.57
Net Profit	1523.84	5349.22	(1663.07)	1202.09
Issued, Subscribed and Paid up Share Capital (includes forfeited amount of Rs. 2.04 Lac)	1805.31	1805.31	1805.31	1805.31
Reserves (excluding revaluation reserves)	54122.34	52584.07	48014.95	50732.61
Total Shareholders' Equity (Net Worth)	55927.65	54389.38	49820.26	52537.92
Earnings Per Share (Net Profit After Tax divided by the number of issued shares) in Rs.	4.23	14.83	(4.61)	3.33
Return on Net Worth (in %)	2.72	9.84	(3.34)	2.29
Book Value (Rupees per Share)	155.07	153.78	140.70	145.67

#### 2.2 Information about the Promoter Group of the Target

Promoter Group of the Target comprises of corporate entities and non-corporate entities. A few of the corporate entities are NBFCs registered with the RBI and there are corporate entities listed on stock exchanges.

Details of the corporate entities forming part of the Promoter as well as Promoter Group are shown below in a tabular form:

S. No.	Name of the Corporate Entity	Business Activities	RBI Registration Status (Registered/Not Applicable)	Listing Status
<b>Promoter Entities</b>				
1.	Oswal Woollen Mills Limited	Manufacturing and Trading of woolen and cotton yarns and textiles.	Not Applicable	Unlisted
2.	Nahar Industrial Enterprises Limited	Operations of Spinning, Weaving and Processing and Manufacture of Sugar and Steel	Not Applicable	BSE NSE
3.	Nahar Capital and Financial Services Limited	Investing and Financing	Registered (N-06.00588)	BSE NSE
4.	Kovalam Investment & Trading Company Limited	Investing and Financing	Registered (N-06.00576)	BSE
5.	Sankheshwar Holding Limited	Investing and Financing	Registered (14.00513)	DSE
6.	J.L. Growth Fund Limited	Investing and Financing	Registered (N-14.03075)	Unlisted

7.	Abhilash Growth Fund Private Limited	Investing and Financing	Registered (14.01080)	Unlisted
8.	Monica Growth Fund Private Limited	Investing and Financing	Registered (N-14.03144)	Unlisted
9.	Ruchika Growth Fund Private Limited	Investing and Financing	Registered (N-14.02948)	Unlisted
10.	Nahar Growth Fund Private Limited	Investing and Financing	Registered (14.00663)	Unlisted
11.	Neha Credit and Investment Private Limited	Investing and Financing	Registered (14.00662)	Unlisted
12.	Nagdevi Trading & Investment Company Limited	Investing and Financing	Registered (N-14.03122)	Unlisted
13.	Vanaik Investors Limited	Investing and Financing	Registered (14.00525)	Unlisted
14.	Vardhman Investments Limited	Investing and Financing	Registered (14.00524)	Unlisted
15.	Ludhiana Holdings Limited	Investing and Financing	Registered (N-14.03012)	Unlisted
16.	Atam Vallabh Financiers Limited	Investing and Financing	Registered (B-14.01631)	Unlisted
17.	Vanaik Spinning Mills Limited	Manufacturing and Trading	Not Applicable	Unlisted

Promoter Group Entities				
1.	Nahar Spinning Mills Limited	Manufacture of Cotton, Synthetic and blended yarns and garments	Not Applicable	BSE NSE
2.	Oswal Leasing Limited	Investing and Financing	Registered (14.00489)	BSE DSE
3.	Cotton County Retail Limited	Retailing business of garment	Not Applicable	Unlisted
4.	Nahar Industrial and Infrastructure Corporation Limited	Development of Industrial Parks	Not Applicable	Unlisted
5.	Gimar Investment Limited	Investing and Financing	Registered (14.00529)	Unlisted
6.	Palam Motels Limited	Investing and Financing	Registered (N-14.02893)	Unlisted
7.	Shri Atam Fabrics Limited	Manufacture of Textile	Not Applicable	Unlisted
8.	Cabot Trading and Investment Company Private Limited	Trading and Investment	Not Applicable	Unlisted
9.	Vigil Investment Private Limited	Investing and Financing	Not Applicable	Unlisted
10.	White Tigers Breweries and Distilleries Limited	Investment	Not Applicable	Unlisted
11.	Monte Carlo Fashions Limited	Trading in all kinds of yarns and textiles including readymade goods	Not Applicable	Unlisted
12.	Nahar Financial and Investment Limited	Investment	Not Applicable	Unlisted
13.	Bermuda Insurance Brokers Private Limited	Investment	Not Applicable	Unlisted

Individuals forming part of the Promoter and Promoter Group are Mr. Jawahar Lal Oswal, Mr. Kamal Oswal, Mr. Dinesh Oswal, Mrs. Abhilash Oswal, Mrs. Monica Oswal, Mrs. Ruchika Oswal, Mrs. Manisha Oswal, Mrs. Ritu Oswal, Ms. Neha Oswal, Mr. Abhinav Oswal, Mr. Rishabh Oswal, Mr. Sambhav Oswal and Ms. Tanvi Oswal.

#### 3 Information about the Target: Nahar Poly Films Limited ("NPFL") formerly known as Nahar Investments and Holding Limited

NPFL is a public listed Company with its Registered Office at 376, Industrial Area - 'A', Ludhiana - 141003, Tel. No.: +91 161 2600701-05, Fax. No.: +91 161 2222942. NPFL does not have any subsidiary as on the date of this PA.

NPFL was incorporated as a public limited Company under the name of Nahar Exports Limited on November 11, 1988 with the Registrar of Companies, Punjab, H.P. & Chandigarh and obtained Certificate of Commencement of Business on November 18, 1988. The name of the Company was changed to Nahar Investments and Holding Limited vide Fresh Certificate of Incorporation dated September 18, 2007 issued by the Registrar of Companies, Punjab, H.P. & Chandigarh. The name of the Company was subsequently changed to 'Nahar Poly Films Limited' vide fresh Certificate of Incorporation dated June 23, 2008. The target vide their Letter dated August 11, 2010 had applied to the BSE and NSE for change in the name of the target on their records.

Pursuant to the Composite Scheme of Demerger and Arrangement between the Target, Nahar Spinning Mills Limited and Nahar Capital and Financial Services Limited as sanctioned by the Hon'ble High Court of Punjab and Haryana vide its Order dated December 21, 2006, the "Textile Business" of the Target was demerged and transferred to Nahar Spinning Mills Limited with effect from April 01, 2006. Pursuant to the said demerger, the Target was left with Residual Business in the form of some long term investments. Thereafter in the year 2008, the Target decided to put up a BI-AXIALLY ORIENTED POLY PROPYLENE FILMS (BOPP) Project with a capacity of 30,000 TPA at Village Sarakian/Bayakalan, Distt. Raisen in the State of Madhya Pradesh. Accordingly, the Object Clause of the Memorandum of Association was amended to incorporate the manufacturing of BOPP Films in the Main Object Clause of the Memorandum of Association of the Target.

The main business activity of the Target is manufacturing of BOPP Films.

The issued and subscribed capital of the Target as on March 31, 2010 is Rs. 12,57,76,643 which includes forfeited amount of Rs. 28,36,688 in respect of share forfeited and which have not been re-issued. The paid up share capital of the Target as on March 31, 2010 is Rs. 12,29,39,955 divided into 2,45,87,991 fully paid up equity shares of nominal value of Rs. 5/- each. There are no partly paid up equity shares in the Target.

Equity Shares of the Target are listed on BSE and NSE.

Based on the un-audited results for the 3 months period ended June 30, 2010 and audited results for the years ended March 31, 2010, March 31, 2009 and March 31, 2008, the financial highlights duly certified by the Statutory Auditors of the Target are as follows:

(Figures in Rupees Lacs.)

Particulars	3 Months period ending (Un-audited)		Year Ended	
	June 30, 2010	March 31, 2010	March 31, 2009	March 31, 2008
Total Income	1074.66	434.04	504.51	710.82
Net Profit	(109.99)	344.96	437.24	633.41
Issued, Subscribed and Paid up Share Capital (includes forfeited amount of Rs. 28.37 Lacs)	1257.77	1257.77	1257.77	1257.77
Reserves (excluding revaluation reserves)	12879.67	12989.66	12745.05	12408.50
Total Shareholders' Equity (Net Worth)	14137.44	14247.43	14002.82	13666.27
Earnings Per Share (Net Profit After Tax divided by the number of issued shares) in Rs.	(0.45)	1.40	1.78	2.58
Return on Net Worth (in %)	(0.78)	2.42	3.12	4.63
Book Value (Rupees per Share)	57.50	57.94	56.95	55.58

#### 4 Reasons for the Offer and Future Plans about the Target

The Offer to the shareholders of the Target is made in accordance with Regulation 11(2A) of the Regulations for consolidating the Promoter Group holding in the Target while ensuring that the public shareholding in the Target does not fall below 25%, the minimum level of public shareholding required to be maintained under the Listing Agreements entered into by the Target with BSE and NSE.

The main business activity of the Target is manufacturing of BOPP Films and in order to justify greater commitment and support, the Acquirer (part of the Promoter Group of the Target) wishes to consolidate and enhance its stake in the Target to the extent that the holding of the Promoter Group does not exceed 75.00%.

The Acquirer and the PG presently do not have any plans to dispose off or otherwise encumber any assets of the Target in the following two years from the date of closure of the Offer, except in the ordinary course of business. Further, in the following two years, the Acquirer and the PG undertake not to dispose off or otherwise encumber any assets of the Target (except in the ordinary course of business), without the prior approval of the shareholders. The Target's future policy for disposal of its existing business or assets after the aforesaid period of two years, if any, will be decided by its Board of Directors in accordance with the applicable laws and regulations.

#### 5 Statutory and Other Approvals Required

The Offer is subject to the receipt of the following statutory and regulatory approval(s) and clearances required by the Acquirer to acquire Shares tendered pursuant to the Offer:

The Offer is subject to receiving the necessary approvals, if any, from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the subsequent amendments thereto, for acquiring equity Shares, if tendered by non-resident shareholders.

As on the date of this PA, to the best of the knowledge of the Acquirer, no other statutory or regulatory approval(s) are required to implement this Offer or acquire the Shares tendered pursuant to this Offer, other than those contemplated above. However, the Offer will be subject to all statutory approval(s) that may be applicable, if any. The Acquirer will have a right not to proceed with the Offer in terms of Regulation 27 of the SEBI (SAST) Regulations in the event that any of the statutory approval(s) contemplated above are refused.

Subject to the receipt of statutory and other approval(s), the Acquirer shall complete all procedures relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date to those shareholders whose Share certificates and/or other documents are found valid and in order and are approved for acquisition by the Acquirer.

In case of delay to the non-receipt of statutory approval(s), SEBI may, as per Regulation 22(1) of the Regulations, if satisfied that the non-receipt of approval(s) was not due to the willful default or negligence of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approval(s), grant an extension for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay to the shareholders interest as may be specified by SEBI for any delay beyond 15 days.

However, if the delay occurs on account of the willful default or negligence of the Acquirer in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the Regulations.

#### 6 Financial Arrangements for the Offer

The Acquirer has adequate liquid funds available to meet the financial requirements of the Offer in terms of the Regulations and to meet its obligations in full under the Offer and for the purpose no borrowing from any banks and/or financial institutions is envisaged.

The total funds requirement for the Offer is Rs. 9,74,90,040/- (Rupees Nine Crore Seventy Four Lacs Ninety Thousand and Forty Only), assuming full acceptances of the Offer.

M/s. Gupta Vigg & Co. (Mr. Vinod Khanna, Partner, Membership No. 081585), having its office at K-101, Kismat Complex, G. T. Road, Miller Ganj, Ludhiana - 141003, Punjab; Tel. No.: +91 161 2532297, its statutory auditors for the Acquirer, have, vide their certificate dated September 17, 2010, certified that the Acquirer has sufficient ready liquid funds available to fulfill its obligations arising out of the Offer.

The Acquirer has vide a certificate dated September 17, 2010, given an undertaking to the Manager to the Offer to meet its financial obligations under the Offer.

By way of security for performance of the Acquirer's obligations under the Regulations, the Acquirer has created an Escrow Account (NSML- NPFL- Open Offer Escrow Account) with the Punjab National Bank (Capital Market Service Branch, 5, Sansar Marg, New Delhi - 110001), and has deposited a sum of Rs. 4,90,00,000/- (Rupees Four Crore Ninety Lacs only) in the said Escrow Account- Cash, being in excess of 50% of the Offer Size as per Regulation 28(2) of the Regulations.

SCOL as Manager to the Offer, has been duly authorized by the Acquirer to realize the value of the Escrow Account in terms of the provisions of the Regulations.

The Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations as firm financial arrangements are in place to fulfill the obligations under the Regulations.

#### 7 Disclosure in terms of Regulations 21(2)

Pursuant to this offer, the provisions of Regulation 21(2) of the Regulations are not attracted.

#### 8 Further Terms of the Offer

The Letter of Offer together with a Form of Acceptance-cum-Acknowledgement and Form of Withdrawal will be mailed on or before Monday, November 01, 2010 to all shareholders of the Target whose names appear in the Register of Members of the Target and the beneficial owners of the Shares of the Target, whose names appear on the beneficial records of the respective depositories, in each case at the close of business hours on October 08, 2010, (the "Specified Date").

8.2 The Offer shall open on Monday, November 08, 2010 (the "Offer Opening Date") and will remain open until Saturday, November 27, 2010 (the "Offer Closing Date").

8.3 **Shareholders holding Shares in physical form:** Shareholders holding shares in physical form and who wish to accept this Offer and tender their Shares will be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and duly signed transfer deed(s) to the Registrar to the Offer, M/s. Alankit Assignments Limited, (Address: Alankit House, 2E/ 21, Jhandewalan Extension, New Delhi - 110055; Tel. No.: +91 11 42541234, 23541234; Fax No.: +91 11 42541967; E-mail id: npfl.openoffer@alankit.com; Contact Person: Mr. Y. K. Singhal) (hereinafter referred to as the "Registrar to the Offer") either by hand delivery on weekdays or by registered post, on or before the Offer Closing Date, i.e. no later than Saturday, November 27, 2010 so as to reach the Registrar to the Offer on or before the close of business hours, i.e. no later than 5.30 p.m. in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.

8.4 **Shareholders holding shares in dematerialised form:</**