PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF HOWARD HOTELS LIMITED

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CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF HOWARD HOTELS LIMITED

This Public Announcement (the "PA") is being issued by **'SPA Merchant Bankers Limited'** ("Manager to the Offer") on behalf of Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mrs. Brij Lata Mittal, residents of House No. 4/63C, 4/63B, 4/63 respectively, all situated at Lajpat Kunj, Khandari, Agra-282002, Uttar Pradesh (U.P.), Mittal Fragrances Private Limited ("MFPL") having its registered office at 20, Maurya Complex, B-28, Subhash Chowk, Laxmi Nagar, Delhi-110092 and Rishi Real Estates India Private Limited ("RREIPL") having its registered office at 33/75, Lata Kunj, Ajmer Road, Agra-282007,U.P. (hereinafter referred to as "Acquirers") and Mr. Shri Kant Mittal, Mr. Saurabh Kant Mittal, Mrs Neena Mittal and Mrs Sarita Mittal (hereinafter referred to as "Person Acting in Concert / PACs") to the equity shareholders / Beneficial Owners of Howard Hotels Limited (hereinafter referred to as "Target Company" / "HHL" / "Company") pursuant to and in compliance with Regulations 10 & 11 and other applicable Regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and subsequent amendments thereto ("SEBI (SAST) Regulations").

I. Background to the Offer:

1. The Acquirers and PACs belong to the Promoter Group of the Target Company and currently hold 10,62,500 equity shares constituting 14.53% of the paid up equity capital and voting rights of the Target Company.
2. Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mrs Brij Lata Mittal, forming part of Promoter Group of the Target Company, have agreed to the offer to subscribe 30,000 equity shares of Shree Nath Exports (India) Private Limited ("SNEIPL"), a body corporate holding 9,80,574 equity shares constituting 13.41% of present paid up equity share capital & voting rights of the Target Company. The Board of Directors of SNEIPL in its Board Meeting held on April 2, 2010 consented to issue and allot 30,000 equity shares (representing 33.90% of the enhanced paid up equity share capital) of SNEIPL to the aforesaid three members of Promoter Group of Target Company. Presently SNEIPL is a public shareholder of HHL. As a result of allotment of 30,000 shares in SNEIPL to Promoter Group of Target Company, SNEIPL will become a part of the Acquirers & PACs (Promoter Group) and the holding of Acquirers & PACs (Promoter Group) in the Target Company would stand increased by 9,80,574 equity shares. The Acquirers have not entered into any share subscription agreement with SNEIPL.
3. Further, The Board of Directors of the Target Company at its meeting held on March 06, 2009 had allotted, on a preferential basis, 8,00,000 warrants to Mittal Fragrances Private Limited and 10,00,000 warrants to Rishi Real Estates India Private Limited, both forming part of the Acquirers (Promoter Group) at a price of Rs. 12.25 per warrant carrying the right to subscribe to equal number of equity shares (face value of Rs. 10 each at premium of Rs. 2.25) in the Target Company on conversion within a period of 18 months from the date of allotment.

   The preferential issue of warrants was duly authorized by the Board of Directors of the Target Company at its meeting held on January 30, 2009 and by the shareholders through special resolution passed under Sec 81(1A) of the Companies Act 1956 at the Extra Ordinary General Meeting ("EGM") held on March 2, 2009. The Target Company received the "In-Principle" approval for issue of warrants on a preferential basis to its promoter group from Bombay Stock Exchange ("BSE") vide its letter no. DCS/PREF/SR/PRE/2081/08-09 dated March 03, 2009.

   The last date for exercise of conversion of warrant is September 05, 2010. MFPL and RREIPL, both the aforesaid warrant holders, have sent a notice to the Target Company on April 03, 2010 for exercising their options to convert the warrants into Equity shares alongwith the cheques for balance amount. As a result of the proposed conversion of aforesaid warrants, the shareholding of Acquirers & PACs in the Target Company will further increase by 18,00,000 equity shares.
4. Pursuant to the proposed increase in shareholding of the Acquirers & PACs from 14.53% of the present paid up equity capital to 42.17% of the expanded paid up equity capital of the Target Company consequent to 'Inclusion of SNEIPL' in the Promoter Group & 'Conversion of Warrants into Equity shares of the Target Company', this mandatory offer ("the offer" or "Open Offer") is being made by the Acquirers in compliance with Regulation 10 & 11 and other applicable provisions of SEBI (SAST) Regulations 1997.

   The holding and voting rights of the Acquirers & PACs in the Target Company before and after the allotment of equity shares in SNEIPL and allotment of equity shares on conversion of warrants (on a fully diluted basis) is given below:

Category	Current Shareholding and Voting Rights		Shareholding and Voting Rights after inclusion of SNEIPL in Promoter Group and conversion of warrants (Entire subscription by the promoter group)*	
	No. of shares	%	No. of shares	%
Acquirers/PACs (Promoter Group)	10,62,500	14.53	38,43,074	42.17
Others	62,50,700	85.47	52,70,126	57.83
Total Paid up Shares	**73,13,200**	**100.00**	**91,13,200**	**100.00**

* Does not includes the shares proposed to be acquired through this open offer.

5. The Acquirers and PACs have not been prohibited by SEBI from dealing in securities u/s 11B of the Securities Exchange Board of India Act, 1992 as amended (the "SEBI Act") or under any other Rules or Regulations made under the SEBI Act.
6. The Acquirers & PACs have neither acquired nor have been allotted any shares in the Target Company in the last twelve months period preceding the date of this PA except that two of the members of the Promoter Group viz. Shri Kant Mittal and MFPL have acquired 700 and 400 shares respectively on July 31, 2009 at a price of Rs. 11.75/- per share each.

II. The Offer

7. The Acquirers are hereby making open offer to the shareholders of the Target Company (other than the Promoter Group) to acquire 18,22,640 equity shares of the target company of face value of Rs. 10/- each, representing in aggregate 20% of the fully paid up expanded equity share capital and voting rights of the Target Company at a price of Rs. 13.20/- (Rupees Thirteen and Paise Twenty only) per fully paid up equity share ("offer price") payable in cash subject to the terms and conditions mentioned in this PA and the Letter of Offer that will be sent to the shareholders of the Target Company in accordance with the SEBI (SAST) Regulations.
8. This Offer is not a Conditional Offer and is not subject to any minimum level of acceptance. The Acquirers will acquire all the fully paid up equity Shares of the Target Company that are tendered as per terms of the Offer up to a maximum of 18,22,640 equity shares.
9. This is not a competitive bid.
10. This Offer is subject to the receipt of the statutory and other approvals mentioned under section VIII appearing later in this PA. In terms of Regulation 27 of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
11. All purchases in the offer will be made by Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mrs. Brij Lata Mittal. The shares of the Target Company will be acquired as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto. To the extent of the offer size, all the shares of the target company that are validly tendered pursuant to this offer are proposed to be acquired by the Acquirers.
12. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
13. As on date of PA, there are no partly paid up equity shares of the Target Company.
14. The Manager to the Offer does not hold any shares in the Target Company, as on the date of this PA.
15. This PA is being published in Business Standard Hindi (All Editions) and English (All Editions) and in Punya Nagri (Marathi) - Mumbai Edition in terms of Regulation 15(1) of SEBI (SAST) Regulations.
16. The Acquirers are permitted to revise this Offer upward up to seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.

III. The Offer Price

17. The equity shares of the Target Company are listed on Bombay Stock Exchange Limited ("BSE") (Scrip Code 526761), Uttar Pradesh Stock Exchange Association Limited ("UPSE") and Delhi Stock Exchange Limited ("DSE"). Based on the information available on the website of BSE (www.bseindia.com), the equity shares of the Target Company are frequently traded on BSE, within the meaning of Regulation 20 of SEBI (SAST) Regulations. However, there is no trading of shares at UPSE & DSE. The details of the trading at BSE are as under:

Name of Stock Exchange	Total no. of shares traded during, October, 2009 - March, 2010	Total no. of listed shares (Equity)	Annualised trading turnover (in terms of % to total listed shares)
BSE	2,88,156	73,13,200	7.88

18. The Offer Price of Rs. 13.20 (Rupees Thirteen and Paise Twenty only) per equity share is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations as it is higher of the following:

(a)	Negotiated Price under the Agreement	NA
(b)	Highest Price paid by the Acquirers and PACs for acquisition, including by way of allotment in a public or rights or preferential issue during the 26 weeks period prior to the date of Public Announcement	Rs. 12.25
(c)	Average of the weekly high and low of the closing prices of the equity shares of the Target Company on BSE during the 26 weeks preceding the date of this Public Announcement	Rs. 12.45
(d)	Average of the daily high and low prices of the equity shares of the Target Company on BSE during the two weeks preceding the date of this Public Announcement	Rs.13.14

(Source: www.bseindia.com)

Based on the above parameters, offer price of Rs. 13.20 (Rupees Thirteen and Paisa Twenty Only) per equity share of face value of Rs.10/- each is justified in terms of Regulation 20 of SEBI (SAST) Regulations..

19. If the Acquirers or the PACs acquire shares of the Target Company after the date of this Public Announcement and upto 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 valid applications received under the Offer.

IV. Information about the Acquirers and PACs

20. **Information about the Acquirers**

i. **Mr. Nirankar Nath Mittal**, son of Late Mr. Joti Prasad Mittal, aged 58 years, resident of 4/63C, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91 562-4048600.He has done M.Sc. in Botany and has more than 25 years of business experience including 8 years in the field of Hotel & Tourism Industry. He is Chairman cum Managing Director and one of the Promoters of HHL. He is also a Director and one of the Promoters of MFPL and RREIPL. The Net Worth of Mr. Nirankar Nath Mittal is Rs. 336.30 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

ii. **Mr. Nirvikar Nath Mittal**, son of Late Mr. Joti Prasad Mittal, aged 56 years, resident of 4/63B, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91 562-4048600.He has done B.A., LL.B. and has more than 20 years of experience including 8 years in the field of Hotel & Tourism Industry. He is an Executive Director and one of the Promoters of HHL. He is also a Director and one of the Promoters of MFPL and RREIPL. The Net Worth of Mr. Nirvikar Nath Mittal is Rs. 279.89 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

iii. **Mrs. Brij Lata Mittal**, wife of Late Mr. Omkar Nath Mittal, aged 58 years, resident of 4/63, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91 562-4048600. She is one of the Promoters of HHL. She is an Under Graduate and a Housewife. The net worth of Mrs Brij Lata Mittal is Rs. 213.38 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010..

iv. **Mittal Fragrances Private Limited ("MFPL")**

MFPL having Corporate Identification Number ("CIN") U24240DL1992PTC047445 was incorporated on February 03, 1992. The registered office of the Company is situated at 20, Maurya Complex, B-28, Subhash Chowk, Laxmi Nagar, New Delhi-110092. The main object of the company is to carry on the business of manufacturing, trading of perfumery products; manufacture, trade of panmasala, natural essential oils etc. The Promoters of the Company are Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal and they are also Directors on Board of the company. The brief financial information of audited accounts of MFPL is as follows

(in lacs)

Particulars	March 31, 2009	March 31, 2008	March 31, 2007
Total Income	4.71	6.45	3.69
Profit After Tax	2.40	4.36	2.02
Paid up Share Capital	98.78	98.78	58.08
Networth (excluding share application money)	110.76	108.83	63.67
Earnings Per Share (in Rs.)	9.71	17.66	13.91
Book Value (Face Value of Rs.400 each)	448.54	440.71	438.50
Return on Net worth (%)	2.16	4.01	3.17

v. **Rishi Real Estates India Private Limited ("RREIPL")**

RREIPL having Corporate Identification Number ("CIN") U45201UP2006PTC032242 was incorporated on August 01, 2006. The registered office of the Company is situated at 33/75, Lata Kunj, Ajmer Road, Agra-282007, U.P. The main object of the company is to carry on the business of construction; acquire, lease of land or building; to act as architects, engineers etc. The Promoters of the Company are Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal and they are also Directors on Board of the Company. The brief financial information of audited accounts of RREIPL are as follows

(in lacs)

Particulars	March 31, 2009	March 31, 2008	March 31, 2007
Total Income	2.04	-	-
Profit After Tax	1.27	-	-
Paid up Share Capital	94.84	31.00	1.00
Networth	94.31	28.75	0.69
Earnings Per Share (in Rs.)	0.13	-	-
Book Value (in Rs.)	9.94	9.27	6.90
Return on Net worth (%)	1.35	-	-

21. Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal are brothers and Mrs. Brij Lata Mittal is sister in law of both. Mr. Nirankar Nath Mittal and Mr. Nirvikar Nath Mittal are the promoters and Directors of MFPL and RREIPL and the entire shareholding in MFPL and RREIPL is held by Mr. Nirankar Nath Mittal and Mr. Nirvikar Nath Mittal and / or their relatives / friends.

22. **Information about Persons Acting in Concert**

i. **Mr. Shri Kant Mittal**, son of Late Mr. Omkar Nath Mittal, aged 34 years, resident of 4/63, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91-562-4048600 He is M.Com and has 9 years of experience in the field of Hotel and Tourism Industry. He is Executive Director of HHL. He is also Director and one of the Promoters of MFPL and RREIPL. The Net worth of Mr. Shri Kant Mittal is Rs. 127.50 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

ii. **Mr Saurabh Kant Mittal**, son of Late Mr. Omkar Nath Mittal, aged 32 years, resident of 4/63, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91-562-4048600. He has 10 years of Business experience. The net worth of Mr. Saurabh Kant Mittal is Rs. 91.00 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

iii. **Mrs. Neena Mittal**, wife of Mr. Nirvikar Nath Mittal, aged 54 years, resident of 4/63B, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91-562-4048600. She is a under graduate and Housewife. The net worth of Mrs Neena Mittal is Rs. 99.42 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

iv. **Mrs. Sarita Mittal**, wife of Mr. Nirankar Nath Mittal, aged 56 years, resident of 4/63A, Lajpat Kunj, Khandari, Agra-282002, U.P., Tel. +91-562-4048600. She is a under graduate and is a Housewife. The net worth of Mrs Sarita Mittal is 89.97 lacs as certified by Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 vide their certificate dated April 03, 2010.

"Mr. Nirankar Nath Mittal, on behalf of Acquirers and PACs, have filed consent application dated March 10, 2010 with SEBI for condonation of the delay in filing the disclosures to the Stock Exchanges under Regulation 7(1) & (2) of SEBI (SAST) Regulations."

V. Information about Shree Nath Exports (India) Private Limited ("SNEIPL")

Shree Nath Exports (India) Private Limited was incorporated on November 17, 1994 having CIN No U27205UP1994PTC017177. Its registered office is situated at EWS 1157, Sector 7, Awas Vikas Colony, Agra - 282 007, U.P. The main object of the company is to carry on the business of buying/selling or export/import of artificial jewellery, gems, precious and semi precious stones and handicrafts items. The Promoters and Directors of SNEIPL are Mr. Anand Bansal and Mr. Neeraj Kumar Mittal. The brief financial information of audited accounts of SNEIPL is as follows

(in lacs)

Particulars	March 31, 2009	March 31, 2008	March 31, 2007
Total Income	-	-	-
Profit After Tax	(0.08)	(0.17)	(0.01)
Paid up Share Capital	5.85	5.85	1.00
Net worth	24.36	24.45	0.36
Earnings Per Share (in Rs.)	(0.14)	(0.29)	(0.11)
Book Value (in Rs.)	41.65	41.79	3.64
Return on Net Worth (%)	(0.33)	(0.69)	(3.02)

SNEIPL have filed consent application dated March 10, 2010 with SEBI for condonation of delay in filing the disclosures to the Stock Exchanges under Regulation 7(1) & (2) of SEBI (SAST) Regulations and Regulation 13(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992

VI. Information about the Target Company - Howard Hotels Limited

23. Howard Hotels Limited was originally incorporated on December 11, 1989 as Howard Hotels Private Limited. The Company was converted into Public Limited Company on January 21, 1994 and came out with a Public issue on January, 1995. The CIN is L74899DL1989PLC038622 & its Registered office is situated at 805, New Delhi House, 27, Barakhamba Road, New Delhi - 110 001. The Corporate Office of the company is situated at Howard Park Plaza, Fatehabad Road, Agra - 282 001.
24. "The present promoters (Acquires & PACs) acquired 10,62,100 equity shares constituting 14.52% of the paid up share capital on November 18, 2003 and took over the control of management of the company from the erstwhile promoters Mr. S.R. Narula, Mr. Sandeep Narula and their associates on November 29, 2003 pursuant to the resolution passed through Postal Ballot u/s 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001."
25. The main objects of the Company is to carry on hospitality business, professional caterers including all types of purveyors and licensed victuallers, to lease, hire, erect of otherwise acquire, establish and equip and to act as technicians of any other hotels, buying or selling agents of any hotel company and all tourist activities. Presently the company owns a hotel named Howard Park Plaza located at Fatehabad Road, Agra - 282 001, U.P. The Hotel offers 86 rooms and provides various other allied amenities to its customers.
26. The equity shares of the Target Company are listed on BSE, UPSE and DSE. The shares of the target company are frequently traded at BSE and there is no trading at UPSE and DSE. The ISIN No. allotted to the equity shares of the Target Company is INE931B01016.The present paid up share capital of the Target Company consist of 73,13,200 fully paid up equity share of Rs. 10/- each aggregating to Rs. 7,31,32,000/-.
27. The audited financial highlights of the Target Company are as given below for last 3 years:

(in lacs)

Particulars	Unaudited results for 9 months ended December 31, 2009*	March 31, 2009	March 31, 2008	March 31, 2007
Total Income	577.87	822.99	748.02	587.21
Profit After Tax	61.71	55.68	81.37	24.74
Paid up Share Capital	731.32	731.32	731.32	731.32
Share Warrants / Application Money	114.50	114.50	-	-
P&L Account (Debit Balance)	-	(22.13)	(138.48)	(219.85)
Networth (including amount received on outstanding warrants)	-	823.69	592.84	511.47
Earnings Per Share (in Rs.) Basic	0.84	0.76	1.11	0.31
Earnings Per Share (in Rs.) Diluted	0.84	0.75	1.11	0.31
Book Value (in Rs.)	-	9.70	8.11	6.99
Return on Net worth (%)	-	7.85	13.73	4.84

*Source: As per unaudited financials for the period ended December 31, 2009 provided by the Company and Limited Review report dated January 29, 2010 given by M/s P.C. Bindal and Company, Chartered Accountants (Statutory Auditors of the company).

28. There has been delay by the Target Company in filing the disclosures under various Regulations under Chapter II of SEBI (SAST) Regulations. The company has filed the consent application with SEBI vide application dated March 10, 2010 for condonation of the above delay. The shares of company were suspended at BSE for trading w.e.f. February 17, 2003 due to certain non compliances under Listing Agreement and the suspension was revoked by BSE vide its letter no. CRD/GEN/2004/536 dated August 23, 2004.
29. There has not been any merger or demerger or spin off activity in the preceding 3 years

VII. Reasons for Acquisition and Offer

30. The Acquirers have agreed to invest in the equity of SNEIPL which is a public shareholder in the Target Company and is holding 9,80,574 equity shares as on the date of PA. Pursuant to subscription of 30,000 equity shares and allotment of shares in SNEIPL, it will become a part of the Promoter Group of the Target Company. Further, the Promoter Group has also decided to convert the warrants allotted to them on March 6, 2009 into equity shares. The above two acquisitions by the Acquirers & PACs (Promoter Group) will raise their holding beyond 15% in the Target Company thus triggering this Open Offer under the provisions of SEBI (SAST) Regulations.
31. The Acquirers, barring unforeseen circumstances, are confident of ensuring sustained growth. Also the proposed allotment of shares on conversions of warrants will strengthen the capital base and Net worth of HHL and enable it to seek higher working capital facilities and term loans from Banks.
32. As on the date of PA, the Acquirers & PACs do not have any plan to dispose off or otherwise encumber any asset of Target Company in the succeeding two years except in the ordinary course of business of Target Company. To the extent required and to optimize the value of all shareholders, the Acquirers may, subject to applicable shareholders' consent and other regulatory approvals, propose any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and / or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of Target Company.
33. The Acquirers undertake that they shall 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 and in accordance with and subject to applicable laws, permissions, consent, if any.
34. Subject to the provisions of SEBI (SAST) Regulations and other applicable laws, the Acquirers & PACs do not intend to change the Board of Directors of the Target Company after successful completion of the Open Offer.

VIII. Statutory and other approvals

35. The Offer is subject to the receipt of approval from the Reserve Bank of India ("RBI"), if any, for acquiring Equity Shares from non-resident Indians who validly tender their Equity Shares under this Offer. The Acquirers will make the necessary application to and filings with the various authorities to obtain the statutory approval described above.
36. To the best of the Acquirers knowledge as of the date of this Public Announcement, there are no other statutory approvals required to implement the Offer other than the one specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirers will not proceed with the Offer in terms of Regulation 27 of the SEBI (SAST) Regulations in the event any of the statutory approvals that are required are refused.
37. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirers for payment of consideration to shareholders of the Target Company, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.
38. To the best of their knowledge, the Acquirers do not require any approvals from financial institutions or banks for the Offer.

IX. Disclosure under Regulation 21(2) of the SEBI (SAST) Regulations

39. Upon completion of the Offer assuming full acceptances in the Offer and inclusion of SNEIPL in the Promoter Group and acquisition of shares on conversion of warrants, the acquirers along with PACs would hold 56,65,714 equity shares constituting 62.17% of the fully paid up expanded equity share capital of the Target Company. The public shareholding will not be less than 25% of the expanded paid up and voting capital of the Target Company and will be in compliance with Clause 40A of the listing agreement entered with the stock exchanges for the purpose of listing of Target Company on a continuous basis.

X. Financial Arrangement for the Offer

40. The Acquirers have made firm financial arrangement for financing the acquisition of equity shares under the public Offer, in terms of Regulation 16 (xiv) of the Regulations. The funds requirement is proposed to be met from internal sources. No borrowing is envisaged from Banks, FIs, or Foreign sources.
41. The total fund requirement for implementation of the offer at Rs. 13.20 (Rupees Thirteen and Paisa Twenty only) per fully paid up equity share is Rs. 2,40,58,848 (Two crore forty lacs fifty eight thousand eight hundred forty eight only) assuming the full acceptance for the Offer is received ("Offer Consideration").
42. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have opened an escrow account with Punjab National Bank, Shahjadi Mandi, Agra (Account No. 0514002100015429) in the form of deposit with Bank and Bank guarantee. The acquirers have made an escrow deposit account for Rs 90,000,00/- (Rupees Ninety Lacs only), with lien and authority marked in favour of manager to the offer, which is 37.41% of the maximum consideration payable under the offer. Further the acquirer has also arranged a Bank guarantee from PNB Shahjadi Mandi, Agra, for Rs 1,60,00,000/- (Rs. One Crore Sixty Lacs only) in favour of the Manager to the Offer. The Manager to the Offer has been authorized by the Acquirers to operate and realize the value of Escrow Account in terms of the Regulations.
43. Mr. Sunil Kumar Agarwal (Membership No.:76231), Partner, Kumar Dinesh & Company, Chartered Accountants, 30/118, Azad Gali, Johri Bazar, Agra 282003, U.P., Telephone: +91 562 3273819 have vide their Certificate dated April 3, 2010 certified that the Acquirers alongwith PACs have made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.
44. Based on the above, the Manager to the Offer is satisfied about the ability of Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.
45. In case of a revision in the offer price, The Acquirers would raise the amount in the Escrow account to ensure compliance with Regulation 28 of the Regulations.

XI. Other terms of the Offer

46. A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum-Acknowledgement ("FOA") will be sent on or before May 19, 2010 to the shareholders of the Target Company (other than Acquirers and PACs), whose names appear on the Register of members of the Target Company and to the owners of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on April 15, 2010 (the "Specified Date). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of the Target Company as on the Specified date.
47. Shareholders who wish to tender their Shares, held in physical form, will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer either by hand delivery on working days between 10am to 3pm on Monday to Friday and 10am to 1pm on Saturday or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. not later than 3 pm on June 14, 2010 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.
48. "The Registrar to the Offer, M/s. Link Intime India Private Limited, has opened a special depository account with National Securities Depository Limited ("NSDL") called " LIIPL -Howard Hotels Limited Escrow Demat Account". Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their equity shares in the special depository account:

Depository Participant ("DP") Name	Ventura Securities Limited
DPID	IN303116
Client ID	10545610
Account Name	LIIPL - Howard Hotels Limited - Escrow Demat Account
Depository	NSDL

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instruction slips for crediting their shares in favor of the special depository account with NSDL."

49. All owners of equity shares demat / physical, registered / unregistered (other than Acquirers and PACs) are eligible to the extent mentioned in clause 8 above, to participate in the Offer anytime before the closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the Letter of Offer and FOA, to the Registrar to the Offer, Link Intime India Private Limited, at the collection centres mentioned in clause 52 on or before the closure of the Offer i.e. June 14, 2010. No indemnity shall be required from the unregistered shareholders.
50. Unregistered owners holding shares of Target Company who do not receive the copy of the Letter of Offer can send their application in writing to the Registrar to the Offer, on a plain paper duly signed stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker of a recognized stock exchange, through whom they acquired their shares.
51. Beneficial owners (holders of Shares in dematerialised form) who wish to tender their shares will be required to send their FOA along with the photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account to the registrar to the Offer, either by hand delivery on a working day(between or by Registered Post, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., not later than June 14, 2010, in accordance with the instructions to be specified in the Letter of Offer and in the FOA. The credit for the delivered shares should be received in the special deposit account on or before close of the Offer, i.e., not later than June 14, 2010.
52. The Shareholders of the Target Company, who wish to avail of and accept the Offer, can deliver the acceptance Form along with all the relevant documents at the collection centers of the registrar to the offer, as given below in accordance with the procedure as set out in the Letter of Offer. (Monday to Friday 10 am to 3 pm & Saturdays 10 am to 1 pm) by hand delivery:

    - M/s. Link Intime India Private Limited, C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078; Tel No. +91 22 2596 0320 Fax No. +91 22 2596 0329; Contact Person: Mr. Nilesh Chalke; Email Id: hhl.offer@linkintime.co.in Website: www.linkintime.co.in
53. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e. no later than June 14, 2010 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating 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 "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closer of the offer, i.e., no later than June 14, 2010.
54. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the shares during the pendency of the said litigation are liable to be rejected if the directions/orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
55. If the Shares tendered in this Offer by the shareholders of the Target Company are more than the Shares to be acquired under this Offer, the Acquisition of Shares from each shareholder will be on proportionate basis as per the provisions of Regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target company is 1 (one) share.
56. **Duly executed Form(s) of Acceptance along with share Certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirers.**
57. In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so upto 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before June 09, 2010.

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

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

    - In case of Physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and
    - In case of dematerialised shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account.
58. The Registrar to the Offer will hold in trust the shares/share certificate, shares lying in credit of the special depository account, form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of Target Company who have accepted the Offer, till the cheques /drafts for the consideration and/or the unaccepted shares/share certificates are dispatched / returned.
59. The payment of consideration for accepted applications will be made by the Acquirers in cash through electronic transfer or by account payee cheques, drafts, warrants, etc. sent by registered post for amounts exceeding Rs. 1,500/- and otherwise under certificates of posting in accordance with the Regulations within 15 days of closure of the issue.
60. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
61. Unaccepted share certificates transfer forms and other documents if any will be returned by Registered post at the shareholders' / Unregistered owners sole risk to the sole/first shareholder. Unaccepted Shares held in dematerialised form will be credited back to the beneficial owners depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.
62. Shareholders, who have sent their shares for dematerialisation, need to ensure that the process of getting their shares dematerialised is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer, i.e., no later than June 14, 2010, else their application would be rejected.
63. 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. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such Shares tendered.
64. Compliance with tax and other regulatory requirements:

    a. As per the provisions of section 196D(2) of the Income-tax Act, 1961 no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor as defined in section 115AD of the Income-tax act, 1961

    b. While tendering their equity shares under the Offer, NRI's, OCBs, and other non-resident shareholders will be required to submit a No Objection Certificate or Tax clearance Certificate or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income Tax Act, 1961 indicating the amount of tax to be deducted by Acquirers before remitting the consideration, falling which Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs on the entire consideration amount payable to such shareholder.
65. Securities transaction tax will not be applicable to the Shares accepted in the Offer.
66. The schedule of some of the major activities pertaining to the Offer is given below:

Activity	Date	Day
Public Announcement	April 8, 2010	Thursday
Specified Date	April 15, 2010	Thursday
Last date for a competitive bid	April 27, 2010	Tuesday
Date by which Letter of Offer to be dispatched to shareholders	May 19, 2010	Wednesday
Date of opening of the Offer	May 26, 2010	Wednesday
Last date for revising the Offer Price	June 03, 2010	Thursday
Last date for withdrawing acceptance from the Offer	June 09, 2010	Wednesday
Last date of closing of the Offer	June 14, 2010	Monday
Last date of communicating rejection / acceptance and payment of consideration for accepted tenders	June 29, 2010	Tuesday

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

XII. General

67. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw acceptance tendered by them upto 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22(5A) of the SEBI (SAST) Regulations.**

68. If there is any upward revision in the Offer Price by Acquirers till the last date of revision i.e. June 03, 2010 or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers in which the original PA had appeared. The Acquirers would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

69. **If there is a competitive bid:**

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 the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

70. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirers have appointed SPA Merchant Bankers Limited as Manager to the Offer.

71. The Acquirers have appointed Link Intime India Private Limited as Registrar to the offer.

72. None of the Acquirers, PACs and the Target Company has 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.

73. The Acquirers and Persons Acting in Concert severally and jointly accept the responsibility for the information contained in this PA. The Acquirers are responsible for the fulfillment of their obligations under the SEBI (SAST) Regulations.

74. For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement.

75. Registrar to the Offer -

LINK INTIME
INDIA PVT LTD
(Formerly INTIME SPECTRUM REGISTRY LTD)

M/s. Link Intime India Private Limited (SEBI REG No. INR000004058), C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078; Telephone Nos. +91 22 2596 0320; Fax No. +91 22 2596 0329; Contact Person: Mr. Nilesh Chalke; Email Id: hhl.offer@linkintime.co.in; Website: www.linkintime.co.in

This Public Announcement would also be available on the SEBI's website (www.sebi.gov.in). For applying in this Offer, eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement which will be available on SEBI's website at (www.sebi.gov.in) from the Offer Opening Date, i.e. May 26, 2010.

Issued on behalf of the Acquirers viz Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal, Mrs. Brij Lata Mittal, Mittal Fragrances Private Limited, Rishi Real Estates India Private Limited and PACs by:

Manager to the Offer:

SPA
THE FINANCIAL ADVISORS

SPA Merchant Bankers Limited
25, C - Block, Community Centre, Janak Puri, New Delhi - 110 058
Tel: +91 11 2551 7371, 4567 5500, Fax: +91 11 2553 2644
E-mail: hhlopenoffer@spagroupindia.com
Contact Person: Nitin Somani / Yogesh Malpani
SEBI Reg. No.: INM000010825

Place: New Delhi

Date : April 07, 2010