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 **Visisth Mercantile Limited.** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager / Registrar to the Offer. In case you have recently sold your equity shares in **Visisth Mercantile Limited**, please hand over this Letter of Offer, 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 effected.

MR. RAHUL SHAH

Address: 8918 Pottawattami Dr Skokie, Illinois 60076, USA.

(Tel. No.:+1-847-331 8575, Fax No.: +1-847-425 1856)

(HEREINAFTER REFERRED TO AS 'ACQUIRER')

ALONG WITH

DSR INFOTECH PRIVATE LIMITED

Registered Office: # 101, P-1, Pentagon, Magarpatta City, Hadapsar, Pune – 411 013, Maharashtra

(Tel. No. : +91-20-3052 5201, Fax No. : +91-20-6120 8003)

(HEREINAFTER REFERRED TO AS 'PERSON ACTING IN CONCERT ' OR 'PAC')

MAKES A CASH OFFER AT Rs. 172/- (RUPEES ONE HUNDRED AND SEVENTY TWO ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES 10/- (TEN) EACH

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the 'SEBI (SAST) Regulations, 1997' or the 'Takeover Regulations')

TO ACQUIRE 5,60,000 FULLY PAID-UP EQUITY SHARES

representing 20% of the paid-up equity share capital and voting capital of

VISISTH MERCANTILE LIMITED ('TARGET COMPANY' OR 'VISISTH')

Registered Office: 13/103, Indradarshan - II, Oshiwara, New Link Road, Andheri (W), Mumbai– 400 053, Maharashtra

(Tel. No.: +91-22-2632 2141, Fax No.: +91-22-2632 2142)

Please Note:

a) This Offer is being made pursuant to regulation 10, regulation 12 and other applicable provisions of the Takeover Regulations.

b) The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.

c) The Offer is subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for acquiring the shares tendered by Resident shareholder under the Offer. The Acquirer has made an application to Reserve Bank of India for an approval to acquire shares from Resident shareholders. The said application is pending for approval with RBI. Please refer to para 8 of this Letter of Offer for details.

d) If the aggregate of the valid response exceeds 5,60,000 equity shares, the Acquirer shall accept equal to 5,60,000 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with regulation 21(6) of SEBI (SAST) Regulations, 1997.

e) The Acquirer can revise the Offer Price upto 7 (seven) working days prior to the date of closure of the Offer.

f) If there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e. February 23, 2011 or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, 1997 the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement published on December 10, 2010. Such revised offer price would be payable by the Acquirer for all the equity shares of the Target Company, validly tendered anytime during the Offer and accepted under the Offer.

g) The procedure for acceptance is set out in para 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal are enclosed with this Letter of Offer.

h) This is not a competitive bid.

i) The Public Announcement, Corrigendum to Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India ('SEBI') http://www.sebi.gov.in.

j) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the Registrar to the Offer before the close of business hours on March 1, 2011.

k) There was no competitive bid for this Offer.

l) As the Offer Price cannot be revised during the period after February 23, 2011, 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.

All future correspondence, if any, should be addressed to the Manager to the Offer/Registrar to the Offer at the addresses mentioned below :

Collins Stewart Inga

MANAGER TO THE OFFER

COLLINS STEWART INGA PRIVATE LIMITED
A-404, Neelam Centre, 4th Floor,
Hind Cycle Road, Worli, Mumbai - 400 030
Tel. No.: +91-22-2498 2919 / 2498 2937
Fax No.: +91-22-2498 2956
Email: vmlopenoffer@csinga.com
Contact Person: Mr. Mihir Pandhi / Mr. Sanchit Agarwal

UCS

REGISTRAR TO THE OFFER

UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED
(Formerly, Mondkar Computers Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East), Mumbai - 400 093
Email: info@unisec.in
Tel No.: +91- 22-2820 7201 / 022 - 28207203.
Fax No.: +91 22- 2820 7207
Contact Person : Mr. Ravindra Utekar

OFFER OPENS: FEBRUARY 14, 2011 (MONDAY) | **OFFER CLOSES: MARCH 5, 2011 (SATURDAY)**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER	Original Schedule	Revised Schedule
Activity	**Date and Day**	**Date and Day**
Public Announcement	December 10, 2010, Friday	December 10, 2010, Friday
Specified Date *	December 24, 2010, Friday	December 24, 2010, Friday
Last date for a competitive bid	December 31, 2010, Friday	December 31, 2010, Friday
Corrigendum to Public Announcement	—	February 8, 2011, Tuesday
Date by which the Letter of Offer to be dispatched to shareholders	January 20, 2011, Thursday	February 11, 2011 Friday
Date of opening of the Offer	January 31, 2011, Monday	February 14. 2011, Monday
Last date for revising the Offer Price	February 10, 2011, Thursday	February 23. 2011, Wednesday
Last date for withdrawing acceptance from the Offer	February 16, 2011, Wednesday	March 01, 2011, Tuesday
Last date of closing of the Offer	February 19, 2011, Saturday	March 05, 2011, Saturday
Last date by which acceptance /rejection would be intimated and corresponding payment for the acquired shares and /or the share certificate / demat delivery instruction for rejected Shares will be dispatched / issued	March 05, 2011, Saturday	March 19, 2011, Saturday

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

RISK FACTORS

Given below are the risks related to the transaction, the proposed offer and the risks involved in getting associated with the Acquirer and PAC:

I. Risk related to the transaction.

Transfer of equity shares received from Resident shareholders, as mentioned in para 8, under the Offer is subject to receipt of RBI Approval for the same. Acquirer has made an application on December 31, 2010 for approval with RBI and its pending for approval.

Equity Shares tendered and accepted in the Open Offer are not subject to Securities Transaction Tax; therefore benefits of exemption of Long Term Capital Gains Tax under the Income Tax Act, 1961 will not be available.

II. Risk related to the proposed Offer.

(A) In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities as indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose equity shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the SEBI (SAST) Regulations, 1997 SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. March 1, 2011, shareholders who have lodged their acceptances would not be able to withdraw them 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, till such time as the process of acceptance of tenders and the payment of consideration is completed.

(B) The Acquirer 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 the shareholders on whether or not to participate in the Offer.

III. Risk involved in getting associated with the Acquirer

The Acquirer makes no assurance with respect to the financial performance of the Target Company. The Acquirer also makes no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in the Target Company and its financial position in the future.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative. The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of the Target Company or any 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, for further risks with respect to their participation in the Offer.

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1. DEFINITION

Acquirer	Mr. Rahul Shah
BSE	Bombay Stock Exchange Limited
Corrigendum to PA	Corrigendum to Public Announcement as published in newspapers on February 8, 2011
CDSL	Central Depository Services (India) Limited
DIN	Director Identification Number
DP	Depository Participant
FEMA	Foreign Exchange Management Act, 1999
EGM	Extra Ordinary General Meeting
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance/ FOA	Form of Acceptance-cum-Acknowledgement
FOW	Form of Withdrawal
FY	Financial Year
Manager/ Manager to the Offer	Collins Stewart Inga Private Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer/ Open Offer	Offer for the acquisition of 5,60,000 fully paid up equity shares of the face value of Rs. 10/- each of the Target Company at a price of Rs. 172/- per fully paid up equity share
Offer Price	Rs. 172/- (Rupees One Hundred and Seventy Two only) per fully paid up equity share of Rs. 10/- each
Offer Size	Rs.9,63,20,000/- (Rupees Nine Crores Sixty Three Lacs Twenty Thousand only)
Person Acting in Concert / PAC	DSR Infotech Private Limited
Persons Eligible to participate in the Offer / Eligible Shareholders	All owners (registered and unregistered) of equity shares of the Target Company except parties to the SPA
Public Announcement / PA	Public Announcement published on December 10, 2010
RBI	Reserve Bank of India
Registrar to the Offer	Mondkar Computers Private Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SPA	Share Purchase Agreement dated December 6, 2010
SEBI (SAST) Regulations, 1997 / Takeover Regulations or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
USD	United States Dollar

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT 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 DRAFT 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 VISISTH MERCANTILE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR OF THE TARGET COMPANY WHOSE 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND PAC DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY.

IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKERS, COLLINS STEWART INGA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 22, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This offer is being made by the Acquirer alongwith the PAC to the Eligible Shareholders of the Target Company in terms of regulation 10, regulation 12 and other applicable provisions of SEBI (SAST) Regulations, 1997, for the proposed substantial acquisition of equity shares and consequent change in control of the Target Company.

3.1.2 The Acquirer has entered into a Share Purchase Agreement dated December 6, 2010 ("**SPA**") with the promoters of the Target Company named in following table (referred to as "**Sellers**") for the acquisition of 15,41,280 fully paid-up equity shares ("**Sale Shares**") of face value of Rs. 10/- each representing 55.05% of the total paid-up equity share capital of the Target Company for a consideration Rs. 40/- per equity share aggregating to Rs.6,16,51,200/- (Rupees Six Crores Sixteen Lacs Fifty One Thousand Two Hundred only) payable in cash. The details of SPA are as under:

Sr. No.	Name of the shareholder / Address	Number of equity shares of Rs.10/- each	% of paid-up capital
1.	Phulchand Jay Kumar Sarawgi – HUF Address: Chhagan Mal Sarawgi Flats, SRCB Road, Guwahati, (Assam)	18,640	0.67
2.	Ajit Kumar Vinay Kumar Sarawgi – HUF Address: Bldg No. 17/1201-02, Indradarshan , New Link Road, Andheri (W), Mumbai, 400053, (Maharashtra)	1,66,000	5.93
3.	Niranjan Kumar Sarawgi Address:103 Bldg No. 13 Indradarshan, Oshiwara, Mumbai- 400 053 (Maharashtra)	65,500	2.34
4.	Saroj Kumar Sarawgi Address: 103 Bldg No. 13 Indradarshan, Oshiwara, Mumbai- 400 053 (Maharashtra)	65,000	2.32
5.	Abhishek Sarawgi Address:103 Bldg No. 13, Indradarshan , New Link Road, Andheri (W), Mumbai, 400 053, (Maharashtra)	9,900	0.35
6.	Niranjan Kumar Sarawgi – HUF Address:103 Bldg No. 13 Indradarshan, Oshiwara, Mumbai- 400 053, (Maharashtra)	100	0.00
7.	Jai Kumar Pankaj Sarawgi – HUF Address: B-903-904, Bldg. No. 16, Indradarshan, Oshiwara, Andheri (West), Mumbai- 400053 (Maharashtra)	11,000	0.39
8.	Nirmala Sarawgi Address: B-903-904, Bldg. No. 16, Indradarshan, Oshiwara, Andheri (West), Mumbai- 400 053, (Maharashtra)	65,000	2.32
9.	Jai Kumar Sarawgi Address: B-903-904, Bldg. No. 16, Indradarshan, Oshiwara, Andheri (West), Mumbai- 400 053 (Maharashtra)	66,000	2.36
10.	Pankaj Sarawgi Address: 903/904, Building No. 16, Indradarshan, Near Tarapore Garden, Oshiwara, Andheri (West), Mumbai- 400053, (Maharashtra)	26,950	0.96
11.	Ajit Kumar Sarawgi Address: Bldg No. 17/1201-02, Indradarshan , New Link Road, Andheri (W), Mumbai, 400053, (Maharashtra)	2,38,450	8.52
12.	Nishikant SarawgiAddress: Bldg. No. 17/1201-02, Indradarshan, Off New Link Road, Andheri (W), Mumbai, 400053, (Maharashtra)	2,01,000	7.18
13.	Vinay Sarawgi Address: Bldg No. 17, Flat 1201-02, Indradarshan, Oshiwara, Lokhandwala Complex, Andheri (W), Mumbai, 400053, (Maharashtra)	1,81,000	6.46
14.	Rekha Rani Sarawgi Address: Bldg. No. 17/1201-02, Indradarshan, New Link Road, Andheri (W), Mumbai, 400053, (Maharashtra)	2,34,500	8.38
15.	Nishivin Finance & Investment Pvt. Ltd. Address: Bldg. No. 13/103, Indradarshan, opp. Millat Nagar Lokhandwala Complex, Andheri (W), Mumbai, 400053, (Maharashtra)	1,92,240	6.87
	Total	**15,41,280**	**55.05**

Contact details of Sellers: Tel. No. : +91-22-2632 2141, Fax No. : +91-22-2632 2142.

3.1.3 The key terms of the SPA are as follows:

Conditions precedent to completion of the SPA:

(A) The purchase of the Sale Shares by the Acquirer is subject to the fulfillment by the Sellers the following conditions precedent:

i) All approvals of such of the corporate seller, as may be required (namely, an appropriate resolution by the Board and EGM of each corporate and suitable letters, if any,) are being obtained and certified copies thereof being submitted to the Acquirer;

ii) The approvals, if any, of the authorities being obtained by the Sellers at their own cost and such approvals being unconditional or if subject to conditions, the conditions are not unusual or onerous and certified copies thereof being submitted to the Acquirer.

(B) Compliance with Takeover Regulations

i) The Acquirer shall make a public announcement to acquire equity shares of the Target Company pursuant to the Takeover Regulations and shall acquire such shares in accordance with the Takeover Regulations;

ii) Acquirer and Sellers shall comply with their respective obligations under the provisions of the Takeover Regulations. The Acquirer and Sellers have agreed and confirmed that in case of non-compliance with any provisions of the Takeover Regulations, this Agreement shall not be acted upon by either the Sellers or the Acquirer.

For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer the SPA which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the office of the Manager to the Offer .

3.1.4 After completion of all formalities relating to the acquisition and after complying with formalities required by the Takeover Regulations, the Board of Directors might be reconstituted to include Acquirer and/ or representative of Acquirer and PAC.

3.1.5 The Acquirer, PAC, Sellers and Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation there under.

3.2 Details of the Offer

3.2.1 The Public Announcement ('PA') and Corrigendum to Public Announcement ('Corrigendum to PA') was published in the following newspapers on December 10, 2010 and February 8, 2011 respectively:

News Paper	Language	Edition
Business Standard	English	All Editions
Pratahkal	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

(The Public Announcement and Corrigendum to Public Announcement is available on the SEBI website: www.sebi.gov.in)

3.2.2 The Acquirer along with PAC hereby make this Offer to the Eligible Shareholders of the Target Company to acquire up to 5,60,000 equity shares of face value of Rs. 10/- each of the Target Company representing in aggregate 20% of the paid-up equity share capital and voting capital of the Target Company at a price of Rs. 172/- (Rupees One Hundred and Seventy Two only) per fully paid up equity share ("**Offer Price**") of Rs. 10/-each payable in cash subject to the terms and conditions mentioned hereinafter.

3.2.3 There are no partly paid-up shares of the Target Company.

3.2.4 This is not a competitive bid. There was no Competitive Bid.

3.2.5 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the shares that are validly tendered as per the terms of the Offer, subject to a maximum of 5,60,000 equity shares at the Offer Price. If the valid response exceeds 5,60,000 equity shares the Acquirer shall accept shares equal to 5,60,000 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with regulation 21(6) of the Takeover Regulations.

3.2.6 The Acquirer and PAC do not hold any equity shares in the Target Company as on the date of this Letter of Offer.

3.2.7 The Manager to the Offer does not hold any equity shares in the Target Company, on the date of the PA and has not acquired any equity shares of the Target Company since the date of the PA up to the date of this Letter of Offer.

3.3 Object and purpose of the Acquisition / Offer

3.3.1 The Offer is being made pursuant to the SPA entered into between the Acquirer and the Sellers as described in para 3.1.2 above, whereby the Acquirer intends to acquire 55.05% of the paid-up capital of the Target Company from the Sellers. This will result in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations, 1997. Hence, this Open Offer is being made in compliance with regulation 10 and regulation 12 read with other applicable provisions of the SEBI (SAST) Regulations, 1997.

3.3.2 Acquirer and PAC intend to invest, incubate corporate opportunities and also provide extensive insight and support on development of the existing business of the Target Company, review various options to use the existing structure and converge their long term plans of building multiple revenue streams under the Target Company. For this purpose, Acquirer and PAC would suitably strengthen the Target Company with the requisite financial and human resources and will also impart support systems in the financial /human resources aspects for the existing business. Acquirer and PAC reserves the right to modify the present structure in a manner which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

3.3.3 The Acquirer, PAC and the Target Company are not in the similar line of business.

4. BACKGROUND OF THE ACQUIRER AND THE PAC

4.1 Rahul Shah – Acquirer

4.1.1 Mr. Rahul Shah, son of Mr. Dilip Manilal Shah, aged 41 years, residing at 8918, Pottawattami Dr Skokie, Illinois 60076, USA, Tel. No.: +1-847-331 8575, Fax no.: +1-847- 425 1856. He is having Bachelors degree in Chemical Engineering from BYU, UT. He is founder and CEO of DSR Management, Inc. at USA. He has started the said company in the year 2000. The DSR Management, Inc. is having world class team of technology experts with a core focus on software quality assurance, testing, Business Intelligence, and Engineering Services. He does not belong to any Group.

4.1.2 The net worth of Mr. Rahul Shah as on November 3, 2010 is USD 3,236,860 equivalent to Rs.14,34,90,000/- (Rupees Fourteen Crores Thirty Four Lacs Ninety Thousand only) (at the exchange rate of USD 1 = Rs. 44.33) certified by Mr. Pramod B. Shah (Membership No. 036382), Chartered Accountant, having his office at “Priyadarshani”, 725/26, Budhwar Peth, 2nd Floor, Pune – 411 002; Tel. No.: +91-20- 2445 5200, Fax No.: +91-20-2445 6200, vide certificate dated December 4, 2010.

4.1.3 The Acquirer and PAC had not entered into any Agreement with regards to this Open Offer / acquisition of shares under the Offer.

4.1.4 Status of compliance of Chapter II of the SEBI (SAST) Regulations, 1997:

The provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to the Acquirer, as the Acquirer does not hold any shares of the Target Company.

4.1.5 The details of the Company promoted by the Acquirer :

(A) DSR Management, Inc.

a) Date of Incorporation: March 14, 1996

b) Registered Office address: 500 Davis St #801, Evanston, Illinois 60201, USA

c) Nature of Business: Information Technology Services.

d) The entire share capital of DSR Management Inc., is held by the Acquirer.

Brief financials based on consolidated accounts for the last three years are given below:

(USD and Rs. in Lacs except EPS and Book Value)

For the year ended	December 31, 2009 (Audited)		December 31, 2008 (Audited)		December 31, 2007 (Audited)	
Months	12		12		12	
Type	USD	Rs.	USD	Rs.	USD	Rs.
Paid-up Equity Share Capital	0.01	0.46	0.01	0.49	0.01	0.39
Reserves (excl. revaluation reserves)	14.83	690.03	6.86	335.00	5.70	224.64
Total Income	188.19	8,756.48	132.48	6,464.98	113.96	4,491.16
Profit after Tax (PAT)	5.57	259.72	2.40	116.99	4.55	179.31
Earning per share	557.00	25,917.21	240.00	11,712.00	455.00	17,931.55
NAV per share	1,484.00	69,003.99	687.00	33,525.60	571.00	22,503.11

(Source: Consolidated financial statement reviewed and certified by the Certified Public Accountant);

Exchange rate of USD 1 = Rs. 39.41 (December 31, 2007), USD 1 = Rs. 48.80 (December 31, 2008), USD 1 = Rs. 46.53 (December 31, 2009)

(Source: www.bloomberg.com)

The results converted into Indian Rupees are not audited and have been inserted for ease of reference only.

(B) DSR Infotech Private Limited (for details refer para 4.2 of this Letter of Offer)

4.2 DSR Infotech Private Limited - PAC

4.2.1 The PAC was incorporated as DSRM Embedded Technologies India Private Limited on August 31, 2005 under the Companies Act, 1956 as a private limited company. Subsequently, the name of the Company was changed to DSR Infotech Private Limited on July 26, 2010. The registered office of the Company is situated at Office # 101, P-1, Pentagon, Magarpatta City, Hadapsar, Pune – 411 013, Maharashtra, Tel. No.: +91-20-3052 5201, Fax No.: +91-20-6120 8003. The equity shares of the PAC are not listed on any stock exchange.

4.2.2 The PAC is engaged in the business of providing Information Technology services.

4.2.3 Mr. Rahul Shah is one of the promoters of DSR Infotech Private Limited. Mr. Rahul Shah and Ms. Hina Haren Parekh are on the Board of Director of PAC. The PAC does not belong to any Group.

4.2.4 Status of compliance of Chapter II of the SEBI (SAST) Regulations, 1997 by PAC:

The provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to PAC, as PAC does not hold any shares of the Target Company.

4.2.5 Shareholding pattern of the PAC as on the date of the PA is as follows:

Particulars	No. of Shares held	Percentage
Promoters		
• DSR Management, Inc.	5,989	59.89
• Mr. Rahul Shah	4,010	40.10
• Ms. Hina Haren Parekh	1	0.01
FII/Mutual Funds/Banks/FI	—-	—-
Public	—-	—-
Total Paid up Capital	**10,000**	**100**

4.2.6 Details of the Board of Directors of PAC as on the date of PA are as follows :

a) Mr. Rahul Shah, aged 41 years, residing at 8918, Pottawattami Dr Skokie, IL 60076, USA was appointed as director of the Company on August 31, 2005. His DIN is 01545609. He is having Bachelors degree in Chemical Engineering from BYU, UT. He is founder and CEO of DSR Management, Inc. at USA. He has started the said company in the year 2000. The Company is having world class team of technology experts with a core focus on software quality assurance, testing, Business Intelligence, and Engineering Services.

b) Ms. Hina Haren Parekh, aged 46 years residing at 12, Prem Milan, 87B Nepean Sea Road, Malabar Hill, Mumbai, 400 006, was appointed as director of the Company on August 31, 2005. Her DIN is 00004934. She is having Master diploma in Business Administration. She is doing Service.

None of the Directors of the PAC or their representatives are on the Board of Directors of the Target Company.

4.2.7 The total paid-up share capital of PAC is Rs. 10,00,000/- divided into 10,000 equity shares of Rs. 100/- each.

4.2.8 The financial details of the PAC are as under:

(Rs. in Lacs except EPS and Book Value)

Profit & Loss Statement	September 30, 2010 (Certified)	March 31, 2010 (Audited)	March 31, 2009 (Audited)	March 31, 2008 (Audited)
Months	**6**	**12**	**12**	**12**
Services Provided	91.01	130.98	116.03	79.21
Fees Earned	-	-	5.37	1.65
Foreign Exchange Gain/ (Loss)	0.47	(3.08)	0.47	(0.46)
Other Income	1.12	0.01	-	-
Total Income	**92.60**	**127.91**	**121.87**	**80.40**
Total Expenditure	176.29	116.90	108.72	63.19
Profit Before Depreciation, Interest & Tax	**(83.69)**	**11.01**	**13.15**	**17.21**
Depreciation	2.10	2.98	2.39	2.53
Interest	13.56	0.36	-	4.96
Profit / (Loss) Before Tax	**(99.35)**	**7.67**	**10.76**	**9.72**
Provision for Tax	-	1.70	4.34	4.05
Profit (Loss) After Tax	**(99.35)**	**5.97**	**6.42**	**5.67**
Balance Sheet as at	**September 30, 2010 (Certified)**	**March 31, 2010 (Audited)**	**March 31, 2009 (Audited)**	**March 31, 2008 (Audited)**
Months	**6**	**12**	**12**	**12**
Sources of Funds				
Paid up Equity share capital	10.00	10.00	10.00	10.00
Reserves & Surplus	(78.54)	20.81	14.84	8.42
Net Deferred Tax Liability	0.49	0.49	-	0.93
Secured Loans	6.33	6.98	-	-
Unsecured Loans	651.43	1.20	1.20	1.20
Total	**589.71**	**39.48**	**26.04**	**20.55**
Uses of Funds				
Net Fixed Assets	547.75	13.63	3.97	5.68
Net Current Assets	41.96	25.85	22.01	14.75
Miscellaneous Expenditure	-	-	0.06	0.12
Total	**589.71**	**39.48**	**26.04**	**20.55**

Other Financial Data	September 30, 2010 (Certified)	March 31, 2010 (Audited)	March 31, 2009 (Audited)	March 31, 2008 (Audited)
Months	**6**	**12**	**12**	**12**
Networth	(68.54)	30.81	24.78	18.30
Dividend %	-	-	-	-
Earnings Per Share(Rs.)	(993.50)	59.71	64.18	56.66
Return on Net Worth (%)	-	19.37	25.90	30.95
Book Value Per Share(Rs.)	(685.40)	308.11	247.81	183.05

(Source: Annual Accounts for the financial years 2007-2008, 2008-2009, 2009-2010 and financial statements for the half year ended September 30, 2010 certified by the Statutory Auditors of the PAC).

4.2.9 Reasons for rise / fall in total income and PAT for the Last Three years is given as under :

Financial year ended March 31, 2010

Total Income for the financial year ended March 31, 2010 is Rs. 127.91 Lacs as against Rs. 121.87 Lacs for the financial year ended March 31, 2009. Profit after Tax (PAT) for the financial year ended March 31, 2010 is Rs. 5.97 Lacs as against the PAT for previous financial year ended March 31, 2009 of Rs. 6.42 Lacs.

The Total Income in financial year 2010 has marginally increased because there was an increase in income received from Services Provided as compared to financial year 2009; however, there was fall in the PAT because of loss in Foreign Exchange as against profit in Foreign Exchange in financial year ended 2009.

Financial year ended March 31, 2009

Total Income for the financial year ended March 31, 2009 is Rs. 121.87 Lacs as against Rs. 80.40 Lacs for the financial year ended March 31, 2008. Profit after Tax (PAT) for the financial year ended March 31, 2009 is Rs. 6.42 Lacs as against the PAT for previous financial year ended March 31, 2008 of Rs. 5.67 Lacs.

The Total Income in financial year 2009 increased because of increase in income received from Services provided and because of gain in Foreign Exchange as against loss in Foreign Exchange in financial year 2008. The PAT in financial year 2009 rises because of increase in Total Income.

Financial year ended March 31, 2008

Total Income for the financial year ended March 31, 2008 is Rs. 80.40 Lacs as against Rs. 44.39 Lacs for the financial year March 31, 2007. Profit after Tax (PAT) for the financial year ended March 31, 2008 is Rs. 5.67 Lacs as against the PAT for previous financial year ended March 31, 2007 of Rs. 1.44 Lacs.

The Total Income in financial year 2008 increased because of increase in income received from Services Provided. The PAT in financial year 2008 rises because of increase in Total Income.

4.2.10 **Significant Accounting policies of PAC are as follows :**

1. **Accounting Convention**

   The Financial Statements have been prepared under the Historical Cost Convention on Accrual Basis. The mandatory applicable accounting standards in India and provisions of the Companies Act, 1956 have been followed in preparation of these financial statements.

2. **Fixed Assets**

   Fixed assets are recorded at cost of acquisition. They are stated at Historical cost.

3. **Depreciation**

   Depreciation on Fixed assets is provided on written down value basis in accordance with Section 205 (2) of the Companies Act, 1956 at the rates specified in Schedule XIV of the Companies Act, 1956 and has been provided on pro-rata basis according to the period each asset was put to use.

4. **Preliminary Expenses**

   Preliminary Expenses are written off in equal installments over a period of five years.

5. **Revenue Recognition**

   Income is billed for services on monthly estimated cost.

6. **Foreign Currency Transactions**

   Foreign currency transactions are accounted at realized value. All exchange differences are dealt with in the Profit & Loss Account.

7. **Retirement Benefits**

   The company does not have any defined retirement benefit scheme and leave encashment system. AS 15 issued by The Institute of Chartered Accountants of India, is therefore not considered applicable.

8. **Borrowing costs**

   Borrowing costs that are directly attributable to the acquisition / construction of qualifying assets are capitalized while the other borrowing costs are expensed.

9. **Intangible Assets**

   Presently, the reporting enterprise does not own any intangible asset.

10. **Contingent Liabilities**

    These are disclosed by way of notes on the balance sheet. Provision is made in the accounts in respect of those liabilities, which are likely to materialize after the year end till the finalization of accounts and have material impact on the position stated in the Balance Sheet. In the opinion of the management no provision is required against contingent liabilities.

11. Taxation

The provision for income tax is made at the rate of tax as applicable for the income of the previous year as defined in the Income Tax Act, 1961.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax/substantively enacted tax rates, as applicable, to the extent that the timing differences are expected to be crystalised. Deferred tax assets are not recognized unless there is virtual certainty with respect to the reversal of the same in future years.

12. Other Accounting Policies

Accounting Policies not specifically referred to are in accordance with Generally Accepted Accounting Principles.

4.2.11 The details of the company promoted by PAC are as under:

(A) DSR Infotech USA Inc.

a. Date of Incorporation: November 15, 2010

b. Registered Office address: 2711 Centerville Road Ste 400, Wilmington, DE 19808

c. Nature of Business: Information Technology Services

DSR Infotech USA Inc. is a newly incorporated company with capital of US$ 1000 divided into 100 shares of US$ 10 each. Being a newly incorporated company, financials of the company have not been prepared..

4.3 Disclosures in terms of regulation 16(ix) of the SEBI (SAST) Regulations, 1997 and Acquirer's future plans for the Target Company

4.3.1 Acquirer and PAC intend to invest, incubate corporate opportunities and also provide extensive insight and support on development of the existing business of the Target Company, review various options to use the existing structure and converge their long term plans of building multiple revenue streams under the Target Company. For this purpose, Acquirer and PAC would suitably strengthen the Target Company with the requisite financial and human resources and will also impart support systems in the financial / human resources aspects for the existing business. Acquirer and PAC reserves the right to modify the present structure in a manner which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

4.3.2 The Acquirer and PAC currently do not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and/ or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company.

4.3.3 The Acquirer and PAC undertakes not to 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 the applicable laws, permissions and consents, if any.

4.3.4 The Acquirer and PAC have no specific plan and will evolve specific plans in due course of time after assuming control of the Target Company and hence there is no specific implementation framework.

5 OPTION IN TERMS OF REGULATION 21(2), IF APPLICABLE

Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 21,01,280 shares constituting 75.05% of the paid-up share capital of the Target Company. As per Clause 40A of the Listing Agreement of the BSE, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirer undertakes to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the Listing Agreement, within the time period mentioned therein or in accordance with such other directions as may be provided by the BSE, in accordance with the provisions of regulation 21(2) of the SEBI (SAST) Regulations, 1997.

Further in terms of Securities Contract Regulations (Amendment) Rules, 2010, the Acquirer shall comply with the provisions of Rule 19A in relation to making the Target Company in compliance with continuous listing requirements by bring the public shareholding to 25% of the total paid up capital of the Target Company.

6 BACKGROUND OF THE TARGET COMPANY

6.1 The Target Company was incorporated on January 30, 1985 as Visisth Mercantile Limited, under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra, and issued a Certificate of Incorporation bearing number 35215 of 1984-85 and CIN Number U51900MH1985PLC035215. The Certificate for Commencement of Business dated March 06, 1985 was issued by Registrar of Companies, Mumbai, Maharashtra. The registered office of the Target Company is located at 13/ 103, Indradarshan - II, Oshiwara, New Link Road, Andheri (W), Mumbai - 400 053, Tel. No.: +91-22-2632 2141, Fax. No.: +91-22-2632 2142. The Target Company is presently engaged in the business of trading and investments.

6.2 The share capital structure of Target Company is as follows:

Paid up Equity shares of Target Company	No. of Equity shares / Voting Rights	% of Equity shares / Voting Rights
Fully paid up equity capital	28,00,000	100%
Partly paid up equity capital	NIL	NIL
Total paid up equity capital and Total voting rights in Target Company	**28,00,000**	**100%**

6.3 Built up of the Capital Structure of Target Company

Date of allotment	No of shares issued	% of shares issued**	Cumulative Number of shares	Cumulative Paid up Capital (Rs.)	Mode of allotment	Identity of allottees	Status of compliance with applicable Laws
January 30, 1985	70	0.00	70	700	Subscription to the memorandum of association	Subscribers to the memorandum of association	Complied under Companies Act, 1956
August 31, 1985	97,000	3.46	97,070	970,700	Directors quota under Initial Public Offering	Relatives ,friends and associate of Directors	Complied under Companies Act, 1956 and CCI Guidelines
October 8, 1985	150,000	5.35	247,070	2,470,700	Initial Public Offering	Public	Complied under Companies Act, 1956 and CCI Guidelines
May 23, 1995	494,140	17.65	741,210	7,412,100	Right Issue	Existing Shareholders	Complied under Companies Act, 1956 and CCI Guidelines
September 10, 2008	617,000	22.04	1,358,210	13,582,100	Preferential issue of Equity Shares	Promoters and others	Complied under Companies Act, 1956 and SEBI (DIP) Guidelines
May 15, 2009	1,441,790	51.49	2,800,000	28,000,000	Conversion of Warrants into Equity (for the warrants allotted on preferential basis)	Promoters and others	Complied under Companies Act, 1956 andSEBI (DIP) Guidelines
Total	**2,800,000**						

** Percentage of shares is calculated on the basis of capital as on the date issue.

6.4 All the equity shares of Target Company are currently listed on BSE.

6.5 There has been no suspension of trading of the equity shares of Target Company on BSE.

6.6 There are no partly paid-up equity shares of the Target Company. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. which are convertible into equity shares at any later date as on the date of this Letter of Offer.

6.7 Status of compliance of Chapter II of the SEBI (SAST) Regulations, 1997 by the Target Company:

a) The Target Company has complied with the provisions of regulation 6(2) and 6(4) of the SEBI (SAST) Regulations, 1997 with delay.

b) The Target Company has complied with the provisions of regulation 8(3) of the SEBI (SAST) Regulations, 1997 for the year 1998 to 2004, 2006 and 2010 with delay.

c) Apart from delayed compliances mentioned above, the Target Company has complied with the relevant provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

SEBI may initiate suitable action against Target Company for the delayed compliances made under the required provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

6.8 SEBI has sent Notice to the Company vide its Letter dated CFD/DCR/RC/TO/13060/04 dated September 10, 2004 for "violation of takeover regulations – settlement by Consent Order for non filing of disclosures under regulation 8(3) for the year 1998 to 2002" and imposing penalty on the Company for Rs. 1,25,000/-. However, the Company has submitted the disclosures under regulation to BSE for the year 1998 to 2004 with delay vide its letter dated September 3, 2004. The Company has also submitted reply to SEBI vide its letter dated October 7, 2004 to the aforesaid notice. Further, Target Company have neither made any application for Consent proceedings with Securities and Exchange Board of India ('SEBI') nor paid any penalty in connection with above referred matter.

6.9 The Sellers forms the Promoter Group of the Target Company. Status of compliance of Chapter II of the SEBI (SAST) Regulations, 1997 by the Promoter Group of the Target Company:

a. Sellers have complied with the provisions of regulation 7 of the SEBI (SAST) Regulations, 1997 in relation acquisition made on September 10, 2008 and May 15, 2009 with delay.

b. Apart from abovementioned delayed compliances, Sellers has complied with the provisions of the Chapter II of the SEBI (SAST) Regulations, 1997

SEBI may initiate suitable action against the Sellers for the delayed compliances made under the required provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

6.10 Apart from Sellers, which forms the Promoter Group of the Target Company, there are no other major shareholders who are holding more than 15% of the paid up of the Target Company.

6.11 Target Company is in compliance with the listing agreements entered into with the Stock Exchange. No penal action has been initiated by Stock Exchanges against the Target Company.

6.12 No investigations, proceedings, or inquiries are pending against Target Company by the Securities and Exchange Board of India except mentioned at para 6.8 and any recognized stock exchange, or any other regulatory authority, in relation to the securities of Target Company or trading therein or otherwise.

6.13 The Board of Directors of the Target Company as on the date is as under :

Name Designation/ Age	Date of appointment	Qualification	Experience	Residential Address	DIN
Rekha Rani Sarawgi Director Age: 59 years	October 15, 1999	B.A.	30 years in Finance and Investment field	17/1201-02, Indra Darshan, Off New Link Road, Lokhandwala Complex, Andheri (W), Mumbai, 400053, Maharashtra, India	00170590
Ajit Kumar Sarawgi, Director Age: 59 years	October 14, 1987	B. Com	30 years in Trading and Investment field	17/1201-02, Indra Darshan ,Off New Link Road, Lokhandwala Complex, Andheri (W), Mumbai, 400053, Maharashtra, India	00171760
Vinay Sarawgi, Director Age: 37 years	October 12, 2005	B.Sc. Chartered Accountant	15 years experience in the profession of Chartered Accountancy	Bldg No. 17, Flat 1201-02, Indra Darshan, Oshiwara, Lokhandwala Complex, Andheri (W), Mumbai, 400053, Maharashtra, India	00509855
Chandrashekhar Shantaram, Korde, Director Age: 46 years	June 20, 2008	B. Com	10 years in General Business Management	Laxmi Niwas Building, Vasantrao Road,, Babhai Road, Borivali (W), Mumbai, 400092, Maharashtra, India	00977123
Vasantlal Savla, Director Age: 54 years	August 17, 2007	H.S.C.	25 years in Holding and Investment field	B-505,Mangal Murti Building, Subhakar Chs, Teen Dongree, M.G. Road, Goregaon (West), Mumbai, 400062, Maharashtra, India	01783929

Neither the Acquirer nor the Directors of the PAC; or their representatives are on the Board of Directors of the Target Company.

6.14 There are no merger /de-merger, spin off during last 3 years involving the Target Company.

6.15 The financial details of the Target Company are as under: (Rs. in Lacs except EPS and Book Value)

Profit & Loss Statement	**September 30, 2010 (Certified)**	**March 31, 2010 (Audited)**	**March 31, 2009 (Audited)**	**March 31, 2008 (Audited)**
Months	**6**	**12**	**12**	**12**
Income from operations	30.58	18.53	-	36.90
Other Income	3.15	24.03	12.17	33.02
Total Income	**33.73**	**42.56**	**12.17**	**69.92**
Total Expenditure	7.58	22.45	5.77	5.86
Profit before Depreciation, Interest & Tax	**26.15**	**20.11**	**6.40**	**64.06**
Depreciation	2.60	5.27	0.05	0.64
Interest	0.77	1.47	-	15.85
Profit / (Loss) before Tax	**22.78**	**13.37**	**6.35**	**47.57**
Provision for Tax	-	6.08	0.59	5.49
Profit / (Loss) after Tax	**22.78**	**7.29**	**5.76**	**42.08**
Balance Sheet as at	**September 30, 2010 (Certified)**	**March 31, 2010 (Audited)**	**March 31, 2009 (Audited)**	**March 31, 2008 (Audited)**
Months	**6**	**12**	**12**	**12**
Sources of Funds				
Paid up Equity share capital	280.00	280.00	135.82	74.12
Reserves & Surplus	417.35	394.56	170.62	72.29
Convertible Warrant	-	-	36.05	-
Net Deferred Tax Liability	2.20	2.20	(0.02)	(0.01)
Secured Loans	11.08	14.00	-	-
Unsecured Loans	2.50	2.50	2.50	12.24
Total	**713.13**	**693.26**	**344.97**	**158.64**
Uses of Funds				
Net Fixed Assets	17.41	20.00	0.31	0.36
Investments	374.83	294.83	289.74	4.74
Net Current Assets	320.89	378.43	54.92	153.54
Total	**713.13**	**693.26**	**344.97**	**158.64**
Other Financial Data	**September 30, 2010 (Certified)**	**March 31, 2010 (Audited)**	**March 31, 2009 (Audited)**	**March 31, 2008 (Audited)**
Months	**6**	**12**	**12**	**12**
Networth	697.35	674.56	306.44	146.41
Dividend %	-	-	-	-
Earning Per Share (Rs.)	0.81*	0.27	0.42	5.68
Return on Net Worth (%)	3.27*	1.08	1.88	28.75
Book Value Per Share (Rs.)	24.90	24.09	22.56	19.75

*Not Annualized

(Source: Annual Accounts for the financial years 2007-2008, 2008-2009, 2009-2010 and financial statements for the half year ended September 30, 2010 certified by the Statutory Auditors of the Target Company.)

6.16 Reasons for rise/ fall of income and Profit after Tax (PAT) for last three Financial Years 2007-2008, 2008-2009, 2009-2010.

Financial year ended March 31, 2010

Total Income for the financial year ended March 31, 2010 is Rs. 42.56 Lacs as against Rs. 12.17 Lacs for the financial year ended March 31, 2009. Profit after Tax (PAT) for the financial year ended March 31, 2010 is Rs. 7.29 Lacs as against the PAT for previous financial year ended March 31, 2009 of Rs. 5.76 Lacs.

During the year company has issued equity shares on conversion of warrant allotted on Preferential Allotment basis to Promoters and other Investors and received Rs. 144.18 Lacs as fresh capital. This money have been utilized and invested in the business activity of the company and accordingly there is a rise in Total Income and accordingly the PAT in financial year 2010 rised because of increase in Total Income.

Financial year ended March 31, 2009

Total Income for the financial year ended March 31, 2009 is Rs. 12.17 Lacs as against Rs. 69.92 Lacs for the financial year March 31, 2008. Profit after Tax (PAT) for the financial year ended March 31, 2009 is Rs. 5.76 Lacs as against the PAT for previous financial year ended March 31, 2008 of Rs. 42.08.

The Total Income in financial year 2009 fall because in financial year 2008 there was income from sale of investment and income from sale of office premises and no such sale was made in financial year 2009. The PAT of financial year 2008 was more for the same reason of profit on sale of investments and profit on sale of office premises which was not in financial year 2009.

Financial year ended March 31, 2008

Total Income for the financial year ended March 31, 2008 is Rs. 69.92 Lacs as against Rs. 28.41 Lacs for the financial year March 31, 2007. Profit after Tax (PAT) for the financial year ended March 31, 2008 is Rs. 42.08 Lacs as against the PAT for previous financial year ended March 31, 2007 of Rs. 4.28.

Reason for rise in income of financial year 2008 was due to profit on sale of office premises during the financial year 2007-08, consequently the PAT also increased due to this as comparing to financial year 2007.

6.17 Pre and Post offer shareholding pattern of Target Company is as follows :

Sr. No.	Shareholder Category	Shareholding/ voting rights prior to SPA/ acquisition & Offer		Share / voting rights acquired which triggered of the Regulations		Share / voting rights to be acquired in the Open offer (Assuming full acceptance)		Shareholding/ voting rights after acquisition and Open Offer	
		A	%	B	%	C	%	D =A+B+C	%
1)	**Promoter Group**								
a.	Promoters	15,41,280	55.05	-	-	-	-	-	-
b.	Promoters other than (a) Above	-	-	-	-	-	-	-	-
	Total (1)	**15,41,280**	**55.05**	**-**	**-**	**-**	**-**	**-**	**-**
2)	**Acquirer**								
	Rahul Shah	-	-	15,41,280	55.05	5,60,000	20.00	21,01,280	75.05
	PAC								
	DSR Infotech Private Limited	-	-	-	-	-	-	-	-
	Total (2)	-	-	**15,41,280**	**55.05**	**5,60,000**	20.00	**21,01,280**	**75.05**
3)	**Parties to the Agreement other than (1)&(2) (SPA) (3)**	**-**	**-**	**-**	**-**	-	-	-	-
4)	**Public (other than parties to agreement)**					(5,60,000)	(20.00)	6,98,720	24.95
a.	Fis/MFs/FIIs/Banks,SFIs	-	-	-	-				
b.	Others	12,58,720	44.95	-	-				
	Total (4)	**12,58,720**	**44.95**	-	-	**(5,60,000)**	**(20.00)**	**6,98,720**	**24.95**
	Grand Total (1+2+3+4)	**28,00,000**	**100.00**	-	-	-	-	**28,00,000**	**100.00**

Notes:

1. Acquirer has not acquired any equity shares of the Target Company after the Public Announcement.
2. Shareholding pattern as on December 03, 2010.
3. Post completion of Open Offer formalities under the Takeover Regulations, Acquirer and PAC shall be categorized as Promoter of the Target Company.
4. As on the Specified Date December 24, 2010 the total number of public shareholders of Target Company is 222.

6.18 A date wise detail of acquisition / sale of the equity shares of Target Company by the Promoters is as follows along with status of compliance under Takeover Regulations:

Date (transaction wise)	Opening Balance of Promoter group	Opening Capital	Opening % holding -promoter group	Name of the Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum/IPO/ FPO/Market Purchases/ Preferential Allotment/ Rights Issue/Bonus Shares/Inter-se-transfer etc.,)	No. of Shares sold	Closing Capital	Closing holding promoter group	Closing % holding promoter group*	Increase / Decease in percentage holding Promoter group (+/- %)	Compliance Status under Takeover Regulations
Holding as on the date of notification of Takeover Regulations	666,640	741,210	89.94%		0	Opening	0	741,210	666,640	89.94%	0.00%	Complied
28-Jul-97	666,640	741,210	89.94%	Vinay Sarawgi	-	Off Market Sale	15,000					N.A.
28-Jul-97				Nishikant Sarawgi	-	Off Market Sale	15,000	741,210	636,640	85.89%	-4.05%	N.A.
#11-Apr-98	636,640	741,210	85.89%	Nishivin Finance & Investment Pvt. Ltd.	30,000	Open Market - Purchase	-	741,210	666,640	89.94%	4.05%	Not complied u/r. regulation 11(2)
11-Apr-98	666,640	741,210	89.94%	Abhishek Sarawgi	-	Open Market - Sale	50	741,210	666,590	89.93%	-0.01%	N.A.
7-Sep-06	666,590	741,210	89.93%	Abhishek Sarawgi	-	Open Market - Sale	4,000	741,210	662,590	89.39%	-0.54%	Mr. Abhishek have given disclosure u/r 7(1A) of the Regulations for the acquisition submitted to the Target Company but not submitted to BSE. Though, the disclosure was not given to BSE, the compliance of regulation 7(1A) of the Regulations was not applicable.
28-Sep-06	662,590	741,210	89.39%	Abhishek Sarawgi	-	Open Market - Sale	1,900	741,210	660,690	89.14%	-0.26%	
11-Oct-06	660,690	741,210	89.14%	Abhishek Sarawgi	-	Open Market - Sale	3,000	741,210	657,690	88.73%	-0.40%	
3-Jan-07	657,690	741,210	88.73%	Abhishek Sarawgi	-	Open Market - Sale	5,000	741,210	652,690	88.06%	-0.67%	Complied u/r. 7
4-Jan-07	652,690	741,210	88.06%	Abhishek Sarawgi	-	Open Market - Sale	5,000	741,210	647,690	87.38%	-0.67%	Complied u/r. 7
5-Jan-07	647,690	741,210	87.38%	Abhishek Sarawgi	-	Open Market - Sale	5,000	741,210	642,690	86.71%	-0.67%	Complied u/r. 7
23-Jan-07	642,690	741,210	86.71%	Abhishek Sarawgi	-	Open Market - Sale	7,700	741,210				Complied u/r. 7
23-Jan-07				Niranjan Kumar Sarawgi &sons -HUF	-	Open Market - Sale	10,900	741,210	624,090	84.20%	-2.51%	Complied u/r. 7
20-Mar-07	624,090	741,210	84.20%	Abhishek Sarawgi	-	Open Market -Sale	10,000					Complied u/r. 7
20-Mar-07				Pankaj Sarawgi	-	Open Market -Sale	20,000					Complied u/r. 7
20-Mar-07				Jai Kumar Pankaj Sarawgi & sons - HUF	-	Open Market -Sale	10,000					Complied u/r. 7
20-Mar-07				Niranjan Kumar Sarawgi &sons -HUF	-	Open Market -Sale	10,000	741,210	574,090	77.45%	-6.75%	Complied u/r. 7
7-Jun-07	574,090	741,210	77.45%	Nishivin Finance & Investment Pvt. Ltd.	-	Open Market -Sale	15,500					Complied u/r. 7
7-Jun-07				Pankaj Sarawgi	-	Open Market -Sale	50	741,210	558,540	75.36%	2.10%	Complied u/r. 7
12-Jun-07	558,540	741,210	75.36%	Nishivin Finance & Investment Pvt. Ltd.	-	Open Market -Sale	4,050	741,210	554,490	74.81%	-0.55%	Complied u/r. 7
$10-Sep-08	554,490	741,210	74.81%	Vinay Kumar Sarawgi	150,000	Preferential issue	-	1,358,210				Complied u/r. 7 with 3 days delay
$10-Sep-08	-			Ajit Kumar Vinay Kumar Sarawgi - HUF	145,000	Preferential issue	-	1,358,210	849,490	62.54%	-12.26%	Complied u/r. 7 with 3 days delay
$$15-May-09	849,490	1,358,210	62.54%	Ajit Kumar Sarawgi	170,000	Conversion of Warrants	-	2,800,000				Complied u/r. 7 with 4 days delay
$$15-May-09				Rekha Rani Sarawgi	170,000	Conversion of Warrants	-	2,800,000				Complied u/r. 7 with 4 days delay
$$15-May-09				Nishikant Sarawgi	170,000	Conversion of Warrants	-	2,800,000				Complied u/r. 7 with 4 days delay
$$15-May-09				Nishivin Finance & Investment Pvt. Ltd.	181,790	Conversion of Warrants	-	2,800,000	1,541,280	55.05%	-7.50%	Complied u/r. 7 with 4 days delay
	1,541,280											

* Percentages have been computed based on the issued and paid-up capital as on the date of acquisition.

\# During the financial year 1998-1999, Nishivin Finance & investments Pvt. Ltd. forming part of Promoter group and Sellers had purchased 30,000 equity shares from the open market, which has resulted into increase of promoter group shareholding from 85.89% to 89.94% of paid up capital, which has triggered an open offer under regulation 11(2) of the then Takeover Regulations.

SEBI may initiate appropriate action against the Sellers for non compliance with the required provisions of Chapter III of the Takeover Regulation in the year 1998.

$ On September 10, 2008, Vinay Kumar Sarawgi and Ajit Kumar Vinay Kumar Sarawgi - HUF forming part of Promoter group and Sellers had acquired in aggregated 2,95,000 equity shares out of 6,17,000 equity shares allotted by the Target Company on preferential allotment basis. Due to said acquisition of 2,95,000 equity shares and increase in paid up capital of the Target Company, the shareholding of the promoter group decreased from 74.81% to 62.54% of the then expanded paid up capital of the Target Company.

$$ On May 15, 2009, Ajit Kumar Sarawgi, Rekha Rani Sarawgi, Nishikant Sarawgi, Nishivin Finance & Investment Private Limited forming part of promoter group and Sellers had acquired 6,91,790 equity shares out of 1,441,790 equity shares allotted by the Target Company on conversion of warrants. Due to said acquisition of 6,91,790 equity shares and increase in paid up capital of the Target Company, the shareholding of the promoter group decreased from 62.54% to 55.05% of the expanded paid up capital of the Target Company.

6.19 The provisions of Clause 49 relating to Corporate Governance of the Listing Agreement are not applicable to the Target Company.

6.20 There are no pending litigation / enquires from any government authority, tribunals / stock exchanges / SEBI against the Target Company, except as mentioned at para 6.8.

6.21 Details of the Compliance Officer of the Target Company:

Name : Vinay Kumar Sarawgi

Address : 13/103, Indradarshan, Oshiwara, New Link Road, Andheri (W), Mumbai – 400 053

Tel. No. : +91-22-2632 2141

Fax No. : +91-22-2632 2142

E-mail : visisthmercantile@gmail.com

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of Target Company are currently listed on Bombay Stock Exchange Limited (‘BSE’).

7.1.2 The equity shares of the Target Company are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the SEBI (SAST) Regulations, 1997.

The annualized trading turnover in the equity shares of the Target Company on BSE based on trading volume during June 2010 to November 2010 (six calendar months proceeding the month in which the PA is made) is given below:

Stock Exchange	Total no. of shares traded during 6 calendar months prior to the month in which the PA is made	Total no. of listed shares	Annualized Trading Turnover (as % of total shares listed)
BSE	18,98,250	28,00,000	135.59%

(Source: www.bseindia.com)

7.1.3 The Offer Price of Rs. 172/- (Rupees One Hundred and Seventy Two only) per fully paid up equity share is justified in terms of regulation 20(4) of the SEBI (SAST) Regulations, 1997, being the more than the highest of the following:

(a)	The negotiated price payable under the SPA	Rs. 40/- per share
(b)	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of the Public Announcement	Not Applicable
(c)	The average of the weekly high and low of closing prices of the shares on BSE of the Target Company for the 26 weeks preceding the date of the Public Announcement (published on December 10, 2010)	Rs. 169.65 per share
(d)	The average of the daily high and low prices of the shares on BSE of the Target Company for the two weeks preceding the date of the Public Announcement (published on December 10, 2010)	Rs. 171.91 per share

7.1.4 The computation of average price in terms of regulation 20(4)(c) of the Takeover Regulations is as below:

Table 1: The average of the weekly high and low of closing prices of the shares on BSE of the Target Company for the 26 weeks preceding the date of publication of the Public Announcement i.e. December 10, 2010 is shown in table given below:

Week	From	To	Weekly closing price		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
1	11-Jun-10	17-Jun-10	85.55	81.50	83.53	11,050
2	18-Jun-10	24-Jun-10	90.00	88.00	89.00	16,050
3	25-Jun-10	1-Jul-10	99.75	94.50	97.13	5,000
4	2-Jul-10	8-Jul-10	105.00	100.00	102.50	16,300
5	9-Jul-10	15-Jul-10	No Trading	No Trading	N.A.	No Trading
6	16-Jul-10	22-Jul-10	127.50	110.25	118.88	19,800
7	23-Jul-10	29-Jul-10	147.50	133.85	140.68	1,000
8	30-Jul-10	5-Aug-10	173.15	154.85	164.00	19,900
9	6-Aug-10	12-Aug-10	183.65	174.50	179.08	103,400
10	13-Aug-10	19-Aug-10	194.25	183.00	188.63	110,450
11	20-Aug-10	26-Aug-10	189.25	181.00	185.13	80,400
12	27-Aug-10	2-Sep-10	196.00	189.00	192.50	85,300
13	3-Sep-10	9-Sep-10	203.10	196.00	199.55	49,600
14	10-Sep-10	16-Sep-10	206.00	203.20	204.60	63,850
15	17-Sep-10	23-Sep-10	209.55	205.95	207.75	159,300
16	24-Sep-10	30-Sep-10	207.00	190.25	198.63	2,700

17	1-Oct-10	7-Oct-10	204.75	195.65	200.20	67,550
18	8-Oct-10	14-Oct-10	192.80	183.00	187.90	13,850
19	15-Oct-10	21-Oct-10	174.05	160.00	167.03	381,100
20	22-Oct-10	28-Oct-10	187.80	154.85	171.33	307,350
21	29-Oct-10	4-Nov-10	215.90	197.15	206.53	9,300
22	5-Nov-10	11-Nov-10	217.60	206.75	212.18	29,800
23	12-Nov-10	18-Nov-10	212.60	210.50	211.55	69,450
24	19-Nov-10	25-Nov-10	204.95	186.30	195.63	267,950
25	26-Nov-10	2-Dec-10	178.00	162.30	170.15	22,500
26	3-Dec-10	9-Dec-10	178.00	156.35	167.18	163,400
	Average				**169.65**	

Table 2: The average of the daily high and low prices of the shares on BSE of the Target Company for the 2 weeks preceding the date of publication of the Public Announcement i.e. December 10, 2010 is shown in table given below:

Day	Date	Daily Price		Average Price (Rs.)	Volume Shares
		High (Rs.)	Low (Rs.)		
1	26-Nov-10	194.70	177.00	185.85	1,300
2	29-Nov-10	186.35	169.15	177.75	3,050
3	30-Nov-10	179.55	163.00	171.28	3,350
4	1-Dec-10	172.00	164.10	168.05	2,500
5	2-Dec-10	173.00	161.55	167.28	12,300
6	3-Dec-10	170.40	154.75	162.58	52,900
7	6-Dec-10	No Trading	No Trading	N.A.	No Trading
8	7-Dec-10	164.15	161.00	162.58	42,550
9	8-Dec-10	172.35	172.35	172.35	51,200
10	9-Dec-10	180.95	178.00	179.48	16,750
	Average			**171.91**	

(Source : www.bseindia.com)

7.1.5 There is no non-compete agreement between the Acquirer, PAC, Sellers, the Target Company and any other entity as envisaged under regulation 20(8) of the Takeover Regulations. No additional payments are being made by the Acquirer as non-compete fees.

7.1.6 No compensation either directly or indirectly is being paid to the Sellers by the Acquirer or PAC, apart from the consideration as mentioned at para 3.1.2 of this Letter of Offer.

7.1.7 The Offer Price of Rs. 172/- per share offered by the Acquirer to the equity shareholders of the Target Company under the proposed Open Offer is justified in the opinion of the Manager to the Offer.

7.1.8 The Acquirer is permitted to revise this Offer upward upto 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 and accepted anytime during the Offer.

7.1.9 To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer. The equity shares will be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

7.1.10 If the Acquirer acquire equity shares of Target Company after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 The total fund requirement for implementation of the Offer at Rs. 172/- (Rupees One Hundred and Seventy Two only) per fully paid up equity share is Rs. 9,63,20,000/- (Rupees Nine Crores Sixty Three Lacs Twenty Thousand only) assuming that full acceptance for the Offer is received ("**Offer Consideration**").

7.2.2 In accordance with regulation 28 of the SEBI (SAST) Regulations, 1997 the Acquirer and PAC have deposited Rs.2,50,00,000/- (Rupees Two Crores Fifty Lacs Only) ("**Escrow Amount**") in the escrow account opened with Indusind Bank, Ground Floor, Sonbar Building,10th Road, Juhu, Mumbai – 400 049, in the name of "Visisth Mercantile Limited Open Offer Escrow Account", in favour of CSINGA, the Manager to the Offer. The Escrow Amount represents the required escrow amount that needs to be deposited in accordance with regulation 28 of the SEBI (SAST) Regulations, 1997. In accordance with regulation 28 of the SEBI (SAST) Regulations, 1997, CSINGA, the Manager to the Offer has been duly authorized to realize the value of the aforesaid Escrow Amount.

7.2.3 Mr. Pramod B. Shah (Membership No.036382), Chartered Accountant, having his office at "Priyadarshani", 725/26, Budhwar Peth, 2nd Floor, Pune – 411 002, Tel. No.: +91-20-2445 5200, Fax No.: +91-20-2445 6200, vide his certificate dated December 4, 2010 certified that Mr. Rahul Shah has made firm arrangements to meet the financial obligations under the Open Offer made to the shareholders of the Target Company.

7.2.4 Mr. Pramod B. Shah (Membership No.036382), Chartered Accountant, his office at "Priyadarshani", 725/26, Budhwar Peth, 2nd Floor, Pune - 411 002, Tel. No. : +91-20-2445 5200, Fax No.: +91-20-244 56200 vide his certificate dated December 4, 2010 certified that DSR Infotech Private Limited, the PAC has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.

7.2.5 The Acquirer from his personal resources and the PAC from its internal accruals have made firm financial arrangement for financing the acquisition of Shares under the Offer, in terms of regulation 16(xiv) of the SEBI (SAST) Regulations, 1997.

7.2.6 The Manager to the Offer is satisfied about the ability of the Acquirer and PAC to implement the Offer in accordance with the SEBI (SAST) Regulations, 1997 as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations, 1997.

8. TERMS AND CONDITIONS OF OFFER

8.1 The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999, as amended from time to time (FEMA) for the acquisition of Shares by the Acquirer from resident shareholder(s) under the Offer.

8.2 The Acquirer has filed an application with RBI on December 31,2010 for an approval to acquire 5,60,000 (Five Lacs Sixty Thousand) equity shares of the Target Company from existing shareholders of the Target Company at a price of Rs.172/- (Rupees One Hundred and Seventy Two Only) per equity share through an Offer in accordance with the provisions of the Regulations. The said application is pending with RBI for approval.

8.3 The locked-in shares, acquired pursuant to the agreement or the offer, the same can be transferred to the Acquirer subject to the continuation of the residual lock-in period in the hands of the Acquirer. The Manger to the offer ensures that there shall be no discrimination in the acceptance of locked-in and non locked-in shares.

8.4 Other than the approvals as set out in para 8.2 above, there are no other statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such approvals. The Acquirer, in terms of regulation 27 of SEBI (SAST) Regulations, 1997 will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.

8.5 In case of delay in receipt of the above approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of regulation 22(12) of the SEBI (SAST) Regulations, 1997. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.

8.6 Other terms

8.6.1 A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance cum Acknowledgement ("**FOA**") and Form of Withdrawal will be mailed on or before February 11, 2011 to the shareholders of the Target Company (other than parties to the SPA), whose names appear on the Register of Members of the Target Company and to the owner of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on December 24, 2010 (the "**Specified Date**"). Accidental omission to dispatch the 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 equity shareholders (other than parties to the SPA) of the Target as on the Specified Date.

8.6.2 A copy of the Letter of Offer (including Form of Acceptance) is available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

8.6.3 All owners of equity shares demat/physical, registered/unregistered (other than parties to the SPA) are eligible to participate in the Offer anytime before 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 Registrars to the Offer, at the collection centre mentioned in para 9.1, before the closure of the Offer i.e. not later than March 5, 2011. Eligible Shareholders can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders.

8.6.4 The Offer is not subject to any minimum level of acceptance.

8.6.5 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.

8.6.6 Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.6.7 The acceptance of the Offer made by the Acquirer along with PAC 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.

8.6.8 Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.

8.6.9 The instructions and provisions contained in the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal constitute an integral part of the terms of this Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Eligible Shareholders of the Target Company, who wish to avail of and accept the Offer, can deliver the FOA along with all the relevant documents at the collection centre mentioned below in accordance with the procedure as set out in the Letter of Offer on or before the closure of the Offer, March 5, 2011. (Monday to Friday 10 am to 3 pm and Saturday 10 am to 1 pm.)

In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

Collection Centre	Address of Collection Centre	Contact Person	Tel. No.	Fax No.	Mode of delivery
Mumbai	21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093	Mr. Ravindra Utekar	+91-22-2820 7201/ 2820 7203	+91-22-2820 7207	Post / Hand Delivery

The centre will be closed on Sundays and Public Holidays.

9.2 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 the transfer deed(s) duly signed to the Registrar to the Offer, Mondkar Computers Private Limited, either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., not later than March 5, 2011 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. In case of registered shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed share transfer form(s) have been received, the Offer shall be deemed to have been accepted.

9.3 Beneficial owners (holders of Shares in dematerialized form) who wish to tender their shares will be required to send the Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., not later than March 5, 2011, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before closure of the Offer, i.e., not later than March 5, 2011. In case of non-receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to have been accepted.

9.4 All owners (registered or unregistered) of equity shares of the Target Company, except the parties to SPA, are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating their 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 through whom they had acquired the equity shares. No indemnity is required from the unregistered owners.

9.5 In case of non-receipt of the Letter of Offer, the eligible shareholders may send their consent to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, distinctive numbers, folio number, 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, i.e., not later than March 5, 2011 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating their 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 closure of the Offer, i.e., not later than March 5, 2011.

9.6 For the shareholders holding shares in demeterialised form, the Registrar to the Offer, Universal Capital Securities Private Limited (Formerly, Mondkar Computers Private Limited), has opened a special depository account with Central Depository Services (India) Limited ("CDSL") called, "MCPL ESCROW ACCOUNT VML OPEN OFFER". 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	Sushil Financial Services Private Limited
DP ID - Client ID	**12028900 01004289**
ISIN No.	INE043F01011
Depository	Central Depository Services (India) Limited

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

Form of Acceptance of dematerialised Equity Shares not credited to the above special depository account on or before the closure of Offer is 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.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum- Acknowledgement.

9.7 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to)

§ Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.

§ Duly attested power of attorney, if any, person apart from the shareholder has signed acceptance form or transfer deed(s).

§ No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

§ In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.8 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 Acquirer or PAC.

9.9 If the Shares tendered in this Offer by the equity shareholders of the Target Company are more than the Shares to be acquired under this Offer, the acquisition of Shares from each equity shareholder will be on a proportionate basis as per the provisions of regulation 21(6) of the Takeover Regulations such that the acquisition from each equity 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 50 (Fifty) share.

9.10 In terms of regulation 22(5A) of the SEBI (SAST) Regulations, 1997 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 given below, so as to reach the Registrar to the Offer at the collection centre mentioned above as per the mode of delivery indicated herein on or before March 1, 2011.

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

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

- In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and
- In case of dematerialized 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.

c. In case of partial Withdrawal of Shares :

- Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining Equity Shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.
- The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ credited to the special depository account.
- The intimation of returned shares to the shareholders will be at the address as per the records of Target Company or the Depositories as the case may be.
- In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Target Company.
- Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum-Acknowledgement will stand revised to that effect.
- Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.11 The Registrar to the Offer will hold in trust the shares/ share certificates, 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 equity shareholders of the Target Company who have accepted the Offer, till the cheques/ drafts for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.

9.12 The payment consideration for equity shares accepted under the Offer may be made through a crossed Demand Draft / Pay Order or through any other electronic mode including but not limited to Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services (NECS), at specified centers where clearing houses are managed by the Reserve Bank of India within 15 days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgment and enclose a photocopy of cheque along with the Form of Acceptance cum Acknowledgment and also provide IFSC Code.

§ Direct Credit – Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.

§ RTGS – Applicants having a bank account at any of the RBI managed centres and whose payment consideration exceeds Rs. 1 Lakh, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided, payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts payable.

§ NEFT (National Electronic Fund Transfer) – 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 has 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 applicants through this method. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.

§ For all other applicants, including those applicants whose payment consideration is not credited by NECS/Direct credit/RTGS/NEFT due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post/Registered Post.

Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.

§ In case of payment consideration is rejected through the NECS/Direct credit/ NEFT, the registrar would endeavor to dispatch the payment consideration within 3 working days of such rejection.

§ The bank account details for NECS/DC will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the FOA.

9.13 It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment so that same can be incorporated in the demand draft/pay order.

9.14 The consideration to those shareholders whose shares or share certificates and /or other documents are found complete, valid and in order, will be paid by demand drafts / pay orders or through DC/NEFT/RTGS/NECS. Such considerations in excess of Rs. 1,500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity Shares held in dematerialized 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 or otherwise. The Acquirer is required to deduct tax on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

9.15 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 dematerialized 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.

9.16 Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized 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 March 5, 2011, else their application would be rejected.

9.17 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, Acquirer reserves the right to reject such Shares tendered.

9.18 Compliance with tax and other regulatory requirements:

- § 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.
- § While tendering their equity shares under the Offer, NRIs, 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 Acquirer before remitting the consideration, failing which Acquirer 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.

9.19 Securities transaction tax will not be applicable to the Shares accepted in the Offer.

9.20 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, 1997.

9.21 If there is any upward revision in the Offer Price by the Acquirer till the last date of revision viz. February 23, 2011 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 Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Target Company at the office of the Manager to the Offer, Collins Stewart Inga Private Limited, A – 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai – 400 030 from 10.30 a.m. to 1.00 p.m. on any day except Saturdays, Sundays and public holidays from the date of opening of the Offer until the Offer closes.

a) Copy of SPA dated December 6, 2010.

b) Copy of Public Announcement published on December 10, 2010 as published in the newspapers.

c) Copy of Corrigendum to Public Announcement published on February 8, 2011 as published in the News Papers.

d) The net worth certificate of the Acquirer issued by Mr. Pramod B. Shah, Chartered Accountant dated December 4, 2010.

e) Certificate dated December 4, 2010 issued by Mr. Pramod B. Shah, Chartered Accountant certifying that Acquirer has adequate resources to meet the financial requirements of the Open Offer.

f) Certificate of Incorporation and Memorandum and Articles of Association of PAC.

g) Annual Accounts for PAC for the financial years 2007-2008, 2008-2009, 2009-2010 and certified financial statement for the period ended September 30, 2010.

h) Certificate dated December 4, 2010 issued by Mr. Pramod B. Shah, Chartered Accountant certifying that PAC have adequate resources to meet the financial requirements of the Open Offer.

i) Certificate of Incorporation and Memorandum and Articles of Association of Target Company.

j) Annual Reports of Target Company for the financial years 2007-2008, 2008-2009, 2009-2010 and certified unaudited accounts for six months ended September 30, 2010 by the statutory auditors of Target Company.

k) Copy of the letter issued by Indusind Bank, confirming deposit of Rs.2,50,00,000/- (Rupees Two Crore Fifty Lacs only) in Escrow Account.

l) Copy of confirmation regarding opening of Special Depository Account in the name of "MCPL ESCROW ACCOUNT VML OPEN OFFER".

m) Letter No. CFD/DCR/TO/SS/4078/2011 dated February 3, 2011; received from Securities and Exchange Board of India in terms of provisions of regulation 18(2) of the Regulations.

11 DECLARATION BY THE ACQUIRER AND THE PAC

Acquirer and PAC and its Directors severally and jointly accept the responsibility for the information contained in this Letter of Offer. Acquirer and PAC are responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations, 1997.

For and on behalf of

Sd/-
Rahul Shah

For and behalf DSR Infotech Private Limited

Sd/-
Director

Place: Illinois, USA
Date: February 8, 2011

Encl.:

1. **Form of Acceptance-cum-Acknowledgement**
2. **Form of Withdrawal**
3. **Transfer Deeds (for the Physical shareholders only)**

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance cum Acknowledgement with enclosures to Universal Capital Securities Private Limited (Formerly, Mondkar Computers Private Limited) at any of the collection centers as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OFFER OPENS ON	FEBRUARY 14, 2011 (MONDAY)
OFFER CLOSES ON	MARCH 5, 2011 (SATURDAY)

From :

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

Name :

Address :

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

To,
Mr. Rahul Shah
C/o Universal Capital Securities Private Limited (Formerly, Mondkar Computers Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Contact Person: Mr. Ravindra Utekar
Email: info@unisec.in
Tel. No.: +91-22-2820 7201/22-28207203; Fax No.: +91-22-2820 7207

Dear Sir,

Sub. : Open Offer to acquire up to 5,60,000 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the paid-up equity share capital and voting capital of Visisth Mercantile Limited ('Target Company' or 'Visisth'), at a price of Rs. 172/- (Rupees One Hundred and Seventy Two Only') per fully Paid up Equity Share ('Offer Price') payable in cash by Rahul Shah.

I/We refer to the Letter of Offer dated February 8, 2011 for acquiring the Equity Shares held by me/us in Visisth Mercantile Limited I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

☐ **SHARES IN DEMATERIALIZED FORM**

I/We, holding shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP') in respect of my/ our shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No. of shares

I/We have executed an off-market transaction for crediting the shares to the special depository account viz. 'MCPL ESCROW ACCOUNT VML OPEN OFFER' via

☐ A delivery instruction from my account with Central Depository Services (India) Limited ('CDSL')

☐ An inter-depository delivery instruction from my account with National Securities Depository Limited ('NSDL')

DP Name	Sushil Financial Services Private Limited
DP ID – Client ID	12028900 01004289
ISIN No.	INE043F01011
Depository	CDSL

In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance for which corresponding Shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

☐ **SHARES IN PHYSICAL FORM**

I/We accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below.

Sr. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No. of shares
			From	To	
1.					
2.					
3.					
4.					
5.					
				Total number of shares	

(In case the space provided is inadequate, please attach a separate sheet with details.)

In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

- - - - - - - - - - - - Tear along this line - - - - - - - - - - - -

ACKNOWLEDGEMENT SLIP

Received fro m Mr./Ms./M/s. ________________________________

residing at ________________________________

________________________ Acceptance cum Acknowledgement for ________________shares along with:

☐ **Demat Shares :** Copy of depository instruction slip from DP ID ________________ Client ID ________________

☐ **Physical Shares :** Share Certificate(s) under folio number(s) ________________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre		Signature of Official		Date of Receipt	

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

I/We have enclosed the following documents:

- ☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.
- ☐ RBI approvals for acquiring shares of Visisth Mercantile Limited hereby tendered in the Offer.
- ☐ Copy of Permanent Account Number / PAN Card.

I/We, confirm that the tax deduction on account of equity shares of Visisth Mercantile Limited held by me/us is to be deducted on (tick whichever is applicable):

- ☐ Long-term capital Gains
- ☐ Short-term capital gains
- ☐ Trade Account

In order to avail the benefit of lower rate of tax deduction under the applicable Double Taxation Avoidance Agreement ('DTAA'), if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of resident.

For FII Shareholders:

I/We, Confirm that the equity shares of Visisth Mercantile Limited are held by me/us on (select whichever is applicable):

- ☐ Investment / Capital Account
- ☐ Trade Account

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of resident/ incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence. Where the tax is to be deducted on account of long-term capital gains, the shareholders should submit a certificate from a Chartered Accountant (along with proof such as demat account statement) certifying that the Shares have been held for more than one year. In order to claim the benefit of computation of tax liability on the net capital gains (i.e. after reducing the cost of acquisition of shares), the shareholder should obtain a tax clearance certificate from the appropriate income tax authorities certifying the net income chargeable to capital gains tax. In the absence of the above tax would be deducted at the maximum marginal rate on the entire consideration paid to the shareholders.

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

I/We note and understand that the shares would lie in the special depository account until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I/We confirm that the equity shares of Visisth Mercantile Limited which are being tendered herewith by me/us under this Offer are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirer:

1. To acquire the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer.
2. To return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UPC as may be applicable at my/our risk, the draft/ cheque, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in demat form, the Bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the draft/cheque will be issued with the said Bank particulars, and not any details provided herein

Shareholders have an option to receive the consideration through NECS/DC/NEFT/ RTGS.

I / we [Put tick (✓) mark]

- ☐ Opt for NECS/DC/NEFT/RTGS
- ☐ Not opt for NECS/DC/ NEFT/RTGS

Shareholders those who opt to receive the consideration through DC/ECS/RTGS/NEFT of Reserve Bank of India are requested to provide Photo Copy of cheque along with following Bank Account Details:

Name of the Bank		Branch	
Account Number		Savings/Current/(Others: please specify)	
9 digit MICR code		IFSC Code**	

**only incase of RTGC and NEFT

Yours faithfully,

Signed and Delivered

– Tear along this line –

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Universal Capital Securities Private Limited
(Formerly, Mondkar Computers Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Tel. No.: +91-22-2820 7201/22-28207203, **Fax No.:** +91-22-2820 7207
Email: info@unisec.in, **Contact Person :** Mr. Ravindra Utekar

	Full Name(s) of the shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

____

Place : ____________________

Date : _____________________

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

GENERAL INSTRUCTIONS

(1) **In case of shares held in joint names,** names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in **Visisth Mercantile Limited** and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(2) **In case where the signature is subscribed by thumb impression,** the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(3) **Shareholders of Target Company having their beneficiary account in NSDL has to use inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL.**

(4) **Non-resident shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in **Visisth Mercantile Limited.**

(5) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed

(6) Shareholders have an option to receive the consideration through National Electric Clearing System (NECS). Payment of consideration shall be made through NECS, where NECS clearing are managed by Reserve Bank of India.

(7) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

   (a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

   (b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).

   (c) No Objection Certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 09 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 16 OF THIS LETTER OF OFFER

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FORM OF WITHDRAWAL

(Please send this Form of Withdrawal with enclosures to Universal Capital Securities Private Limited (Formerly, Mondkar Computers Private Limited) at any of the collection centers as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OFFER OPENS ON	FEBRUARY 14, 2011 (MONDAY)
LAST DATE OF WITHDRAWAL	MARCH 1, 2011 (TUESDAY)
OFFER CLOSES ON	MARCH 5, 2011 (SATURDAY)

From :

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

Name :

Address :

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

To,
Mr. Rahul Shah
C/o Universal Capital Securities Private Limited (Formerly, Mondkar Computers Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Contact Person: Mr. Ravindra Utekar
Email: info@unisec.in
Tel. No.: +91-22-2820 7201/22-28207203; Fax No.: +91-22-2820 7207

Dear Sir,

Sub. : Open Offer to acquire up to 5,60,000 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the paid-up equity share capital and voting capital of Visisth Mercantile Limited ('Target Company' or 'Visisth'), at a price of Rs. 172/- (Rupees One Hundred and Seventy Two Only') per fully Paid up Equity Share ('Offer Price') payable in cash by Rahul Shah.

I/We refer to the Letter of Offer dated February 8, 2011 for acquiring the Equity Shares held by me/us in **Visisth Mercantile Limited**. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein

I / We hereby consent unconditionally and irrevocably to withdraw my / our shares from the Offer and I / we further authorize the Acquirer to return to me / us, the tendered Share Certificate(s) / Share(s) at my / our sole risk.

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

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. March 1, 2011.

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

I / We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) / shares in dematerialized form only on completion of verification of the documents, signatures and beneficiary position as available with the depositories from time to time.

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

☐ **Shares in Physical Form**

Sr. No.	Ledger Folio No(s).	Certificate No(s).	Distinctive No(s).		No. of Shares
Shares Tendered			From	To	
1.					
2.					
3.					
				Total (A)	
Shares Withdrawn					
1.					
2.					
3.					
				Total (B)	
				Total number of shares (A-B)	

(In case the space provided is inadequate, please attach a separate sheet with details.)

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ACKNOWLEDGEMENT SLIP

Received from Mr./Ms./Mrs. ____

residing at ____

____________________________________ A Form of Withdrawal for ____________shares along with a copy of:

☐ **Demat Shares :** Copy of Delivery instruction slip from DP ID ____________ Client ID ____________
Acknowledgement slip issued when depositing dematerialized shares

☐ **Physical Shares** : Folio No. ____________
Acknowledgement slip issued when depositing physical shares *(Tick whichever is applicable)*

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

☐ **SHARES IN DEMAT FORM**

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the "MCPL ESCROW ACCOUNT VML OPEN OFFER". Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

DP Name	DP ID	Client ID	Beneficiary Name	No. of shares

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

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

In case of dematerialized shares, I / we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,

Signed and Delivered

	Full Name(s) of the shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

____

Place : ____________________

Date : _____________________

PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

GENERAL INSTRUCTIONS

(1) **In case of shares held in joint names,** names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in the **Visisth Mercantile Limited,** and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Counter Offer.

(2) **In case where the signature is subscribed by thumb impression,** the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(3) **In case of bodies corporate,** certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(4) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the withdrawal is being sent. Such documents may include (but not be limited to):

   (a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

   (b) Duly attested power of attorney if any person apart from the shareholder has signed withdrawal form or transfer deed(s).

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 09 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 16 OF THIS LETTER OF OFFER.

– Tear along this line –

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Universal Capital Securities Private Limited
(Formerly, Mondkar Computers Private Limited)
21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Tel. No.: +91-22-2820 7201/22-28207203, **Fax No.:** +91-22-2820 7207
Email: info@unisec.in, **Contact Person :** Mr. Ravindra Utekar

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