

**LETTER OF OFFER**  
**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer is being sent to you as a shareholder(s) of Shirpur Gold Refinery Limited (hereinafter referred to as "SGRL" or "the Company" or the "Target Company"). If you require any clarification about the action to be taken, you may consult your Stockbroker or Investment Consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in "SGRL", please hand over this Letter of Offer and the accompanying Form of Acceptance -cum - Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

**Jayneer Capital Private Limited ( "JCPL" or "Acquirer" )**

**Registered Office :** Continental Building,135, Dr. A. B. Road, Worli,Mumbai-400018  
 Tel. No. (022-66971234), Fax No. (022-24922102) e-mail [groupcorpa@zeenetwork.com](mailto:groupcorpa@zeenetwork.com)

**CASH OFFER AT Rs. 54.75 PER FULLY PAID -UP EQUITY SHARE ("OFFER PRICE")**

(The price calculated as per the provisions of Regulation 20 (4) and (5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, (the "Regulations") and subsequent amendments thereof.)

**TO ACQUIRE 76,25,625 EQUITY SHARES**

Representing 49.00% of the total issued and subscribed equity share capital and 49.00% of the voting rights of

**Shirpur Gold Refinery Limited ("TARGET COMPANY" or "SGRL")**

**Registered Office:** Refinery Site, Shirpur, Dhulia - 425405.



Tel. No (02563-258001), Fax No (02563-258003),e-mail [admin@shirpurgold.net](mailto:admin@shirpurgold.net)

**Corporate Office :** 4A, Vikas Centre, 104, S. V. Road, Santacruz (W), Mumbai - 400 054.

Tel. No. (022-26600148/26600149), Fax No. (022-26614196)

**Please Note:**

1. This Offer is made pursuant to provisions of Regulations 10 and 12 and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto.
2. The offer is subject to the "Acquirer" obtaining the approval of RBI under FEMA to acquire shares tendered pursuant to this Offer, if any, from all the non-resident Indian/OCB shareholders. As on the date of this Letter of Offer there are no other approvals, statutory or otherwise, required under the Companies Act, 1956, Monopolies and Restrictive Trade Practices Act, 1969 and / or any other applicable laws and from any bank and /or financial institutions for the said acquisition.
3. If the aggregate of the valid response exceeds 76,25,625 shares, then, the Acquirer shall accept the shares equal to the offer size i.e. 76, 25,625 shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the Regulations.
4. Upward revision / withdrawal of offer, if any, would be informed by way of Public Announcement on or before 20<sup>th</sup> October,2008 in respect of such changes in all the newspapers in which the original Public Announcement was made. The Acquirer shall pay the revised price for all the shares tendered any time during the offer and which are accepted by the Acquirer under the Offer.
5. The procedure of acceptance of this Offer is set out in Section 8 of this Letter of Offer. A Form of Acceptance cum Acknowledgement and an Instrument of Transfer are enclosed with this Letter of Offer.
6. **Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement/Letter of Offer, can withdraw the same up to three working days prior to the date of the "Closure of the Offer". The request for such withdrawal should reach the designated centers before 4 p.m. on 24<sup>th</sup> October 2008, by filling the withdrawal form attached herewith.**
7. The offer is not a competitive bid.
8. **"If there is competitive bid:**
  - The public offer under all the subsisting bids shall close on the same date.**
  - As the Offer Price in such circumstance can not be revised during 7 working days prior to the closing date of the offer / bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**
9. The Acquirer shall make payment consideration to the shareholders latest by 14<sup>th</sup> November 2008. The Acquirer reserves the right to / may withdraw the Offer in terms of Regulation 27 of the Takeover Regulations. In the event of such withdrawal, the same would be notified in the form of a Public Announcement in the same newspapers where the original Public Announcement appeared.
10. No Litigations are pending against the Acquirer.
11. The offer is not conditional.
12. A copy of the Public Announcement dated 27<sup>th</sup> June 2007 and a copy this Letter of Offer (including Form of Acceptance cum Acknowledgement) is expected to be available on SEBI website at <http://www.sebi.gov.in> from the Offer opening date viz. 10<sup>th</sup> October 2008. Form of Acceptance cum Acknowledgement may be downloaded from the said website and used as an application. All further correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned below:

<b>MANAGER TO THE OFFER</b>	<b>REGISTRAR TO THE OFFER</b>
 <p><b>Vivro Financial Services Pvt. Ltd.</b>                      Manu Mansion, 16/18, Shahid Bhagat Singh Road, Opp. Old Custom House, Fort, Mumbai-400 023                      Tel: +91-22-22657364                      Fax: +91-22-22658406                      E-Mail: <a href="mailto:mumbai@vivro.net">mumbai@vivro.net</a>                      Contact Person : Mr. Tushar Ashar</p>	 <p><b>Sharepro Services (India) Pvt Ltd</b>                      3rd Floor Satam Industrial Estate, Cardinal Gracious Road, Chakala, Andheri ( East), Mumbai - 400 099                      TEL : +91-22-67720300/ 67720422/ 67720400                      FAX : +91-22-28508927                      EMAIL : <a href="mailto:offer@shareproservices.com">offer@shareproservices.com</a>                      Contact person: Mr. Ganesh Rane</p>
<b>OFFER OPENS ON: 10<sup>th</sup> October 2008</b>	<b>OFFER CLOSES ON : 31<sup>st</sup> October 2008</b>

**SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER**

<b>Activity</b>	<b>Original Day &amp; Date</b>	<b>Revised Day &amp; Date</b>
<b>Public Announcement ("PA") Date</b>	<b>Wednesday 27<sup>th</sup> June 2007</b>	<b>Wednesday 27<sup>th</sup> June 2007</b>
Specified Date (for the purpose of determining the names of shareholders to whom the LOO would be sent)	Wednesday ,11 <sup>th</sup> July 2007	Wednesday, 11 <sup>th</sup> July 2007
Last date for Competitive Bid	Tuesday, 17 <sup>th</sup> July 2007	Tuesday, 17 <sup>th</sup> July 2007
Date by which Letter of Offer to be posted to the shareholders.	Monday, 06 <sup>th</sup> August 2007	Monday, 29 <sup>th</sup> September 2008
Date of Opening of the Offer	Friday, 17 <sup>th</sup> August 2007	Friday, 10 <sup>th</sup> October 2008
Last date for revising the offer price / Number of shares	Monday, 27 <sup>th</sup> August 2007	Monday, 20 <sup>th</sup> October 2008
Last date up to which shareholders may withdraw	Friday, 31 <sup>st</sup> August 2007	Friday, 24 <sup>th</sup> October 2008
Date of Closure of the Offer	Wednesday, 5 <sup>th</sup> September 2007	Friday, 31 <sup>st</sup> October 2008
Date by which acceptance/ rejection would be communicated and the corresponding payment for the acquired shares and/ or the unaccepted shares/ share certificates will be dispatched/ credited.	Wednesday, 19 <sup>th</sup> September 2007	Friday, 14 <sup>th</sup> November 2008

**Risk Factors:**

**Risks related to the Offer:**

1. In the event that either (a) a regulatory approval is not received in a timely manner or (b) there is a litigation leading to stay of the Offer, (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of "SGRL", whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer, may be delayed.
2. The Offer involves an offer to acquire 49% of equity share capital of Shirpur Gold Refinery Limited from its shareholders. In the case of oversubscription in the Offer, as per the Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

**Risks related to the Transaction**

1. The shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities. Accordingly, 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 of "SGRL" on whether to participate or not to participate in the Offer.

**Risks related to association with the Acquirer**

1. The Acquirer makes no assurances with respect to the financial performance of the Target Company.

**TABLE OF CONTENTS**

<b>S. No.</b>	<b>Subject</b>	<b>Page No.</b>
1.	DEFINITIONS	4
2.	DISCLAIMER CLAUSE	5
3.	DETAILS OF THE OFFER	6
4.	BACKGROUND OF THE ACQUIRER	8
5.	DELISTING OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21 (2)	16
6.	BACKGROUND OF THE TARGET COMPANY – SHIRPUR GOLD REFINERY LIMITED	16
7.	OFFER PRICE AND FINANCIAL ARRANGEMENTS	23
8.	TERMS AND CONDITIONS OF THE OFFER	26
9.	PAYMENT OF CONSIDERATION	30
10.	DOCUMENTS FOR INSPECTION	31
11.	DECLARATION BY THE ACQUIRER	32

**1. DEFINITIONS / ABBREVIATIONS**

Acquirer	Jayneer Capital Private Limited
Bank	Oriental Bank Of Commerce
BSE	Bombay Stock Exchange Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Company / Target Company	Shirpur Gold Refinery Limited
Date of Closure of Offer	Friday, 31 <sup>st</sup> October 2008
DP	Depository Participant
Eligible Person(s) for the Offer	All owners (registered or unregistered) of the shares (other than Acquirers and parties to the Agreement) anytime before the date of closure of the Offer
Escrow Bank	HDFC Bank Limited at its branch office at Maneckji Wadia Building, Naneck Motwani Marg, Fort, Mumbai – 400 001
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
FOW	Form of Withdrawal – cum – Acknowledgement
Letter of Offer (LOF)	This Letter of Offer
Manager / Manager to the Offer / Merchant Banker /Vivro	Vivro Financial Services Private Limited
NSE	National Stock Exchange Limited
NSDL	National Securities Depository Limited
Non-Resident Shareholders	Non-Resident Indians, OCBs holding equity shares of “SGRL”
Offer	Open Offer for acquisition of 76,25,625 equity shares, representing 49.00% of the total issued & subscribed equity share capital and 49.00% of voting capital of “SGRL” at the Offer Price being made by the Acquirer to the shareholders of “SGRL”.
Offer Price	Rs.54.75 per fully paid up equity share determined as per Regulations 20(4) and 20(5) of the Takeover Regulations.
PA	Public Announcement dated 27 <sup>th</sup> June 2007.
Registrar / Registrar to the Offer	Sharepro Services (India) Pvt Ltd
RBI	Reserve Bank of India
Sale Shares	Equity shares held by “Bank” comprising 25.70 % of the existing total paid-up capital of Shirpur Gold Refinery Limited
SEBI	Securities and Exchange Board of India
SGRL	Shirpur Gold Refinery Limited
SPA	Share Purchase Agreement entered into between the Acquirer & Bank dated 22 <sup>nd</sup> June 2007.
Specified Date	Date for the purpose of determining the names of the shareholders, as appearing in the Register of Members of “SGRL” to whom the letter of offer will be sent i.e. Wednesday, 11 <sup>th</sup> July 2007.
Takeover Regulations / Regulations / Takeover Code/ SEBI (SAST) Regulations 1997	Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

**2. DISCLAIMER CLAUSE**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE LETTER OF OFFER WITH SEBI SHOULD, NOT IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR THE 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 SHIRPUR GOLD REFINERY LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR OF THE 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 DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER – VIVRO FINANCIAL SERVICES PVT. LTD. HAS SUBMITTED DUE DILIGENCE CERTIFICATE DATED 11<sup>TH</sup> JULY, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT HOWEVER ABSOLVE, THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

### 3. DETAILS OF THE OFFER

#### 3.1. Background of the Offer

3.1.1 **Jayneer Capital Private Limited**, a Private Limited company incorporated under the Companies Act, 1956 is the Acquirer in the present offer (hereinafter referred to as “**The Acquirer**” or “**JCPL**”). “JCPL” is registered as a Non-Banking Finance Company with the Reserve Bank of India and has its Registered Office located at Continental Building, 135, Dr. A. B. Road, Worli, Mumbai - 400018. No other entity /person is acting / deemed to be acting in concert with the Acquirer for the purpose of this Offer. The Offer is being made by the Acquirer in compliance with the Regulations 10 and 12 of the Regulations. The prime objective of the Offer by the Acquirer is for substantial acquisitions of shares and voting rights accompanied with change in Control / Management of “SGRL”.

3.1.2 **Oriental Bank Of Commerce**, constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 and licensed as Bank under Banking Regulation Act, 1949 and having its registered office at Harsha Bhawan, E-Block, Connaught Place, New Delhi – 110 001 (hereinafter referred to as the “**Bank**”) had under certain financing documents entered into between itself and “SGRL”, from time to time in the past, extended certain financial assistance to “SGRL”. Owing to breach and default by “SGRL” in meeting its payment obligations and in the performance of other terms and conditions of the Loan Facility/ Arrangements, the “Bank” declared the assets maintained by “SGRL” as non- performing assets in terms of RBI guidelines. As a recourse to recovering dues due to the “Bank” including principal, interest and other charges the “Bank” has entered into a Share Purchase Agreement (hereinafter referred to as “**SPA**”) dated 22<sup>nd</sup> June 2007 with the “Acquirer” to sell its entire share holding in “SGRL” comprising of 40,00,000 (Forty Lakhs) fully paid-up equity shares of Rs.10/- each (hereinafter referred to as “**Sale Shares**”) for a total purchase consideration of Rs.16,00,00,000/- (Rupees Sixteen Crores only ) at a price of Rs.40/- (Rupees Forty only ) per equity share (the “**Negotiated Price**”). The proposed acquisition constitutes 25.70% of the paid-up share capital of “SGRL”. The “Sale Shares” are beneficially and legally held by the “Bank” and the Acquirer shall acquire the same free from all encumbrances.

3.1.3 Until the 14<sup>th</sup> November 2008, the date of completion of the Offer , the “Sale Shares” so acquired by the Acquirers shall be held in escrow and shall not be made available to the “Acquirer”. Accordingly, the “Acquirer” and HDFC Bank Ltd, having its Registered Office at Sandoz House, Dr. Annie Besant Road, Worli, Mumbai – 400 018 (hereinafter referred to as “**Escrow Depository Participant**”) and M/s ANS Law Associates , having their office at 41-A, Filmcenter, 68, Tardeo Road, Mumbai-400 034 (hereinafter referred to as the “**Escrow Agent**” ) have entered into an Escrow Agreement on 22<sup>nd</sup> June 2007, simultaneous to the execution of the “SPA” in relation to the mechanism for completing the transfer of the shares agreed to be acquired from the “Bank” by the “Acquirer” under the “SPA” upon completion of the Acquirer’s obligations under the “SEBI (SAST) Regulations, 1997”.

3.1.4 The main provisions of the SPA are as follows :

- The Purchase Price for purchase of the 40, 00,000 (Forty Lakhs only ) fully paid Equity Shares shall be at price of Rs. 40.00 (Rupees Forty only ) per equity share, aggregating to Rs.16,00,00,000/- (Rupees Sixteen Crores only) (the “Purchase Price”) , for the entire “Sale Shares”.
- The “Acquirer” shall acquire the title and interest of the “Bank” in and unto the said “Sale Shares” together with all benefits and rights and obligations attaching thereto only upon the completion of the Offer. Until the completion date, the “Sale Shares” so acquired by the Acquirers shall be held in Escrow and shall not be made available to the “Acquirer”.
- The parties to the “SPA” has agreed that the acquisition of the “Sale Shares” by the “Acquirer” shall be subject to fulfillment or accomplishment of the Condition Precedent as set out in the “SPA” which inter-alia require the due compliance with the provisions of “SEBI (SAST) Regulations, 1997”.
- In pursuance of the Regulation 22(16) of the regulations the sale and purchase of the said shares shall be subject to strict compliance with the provisions of the SEBI (SAST) Regulations, 1997”. In case of non-compliance with any of the provisions of the “SEBI (SAST)Regulations 1997” by the

'Acquirer' or the seller, the agreement for sale of the said shares shall not be acted upon by either parties

- 3.1.5. Being party to SPA, the "Bank" will not participate in this Offer being made by the Acquirer.
- 3.1.6 Pursuant to Regulations 10 and 12 of "SEBI (SAST) Regulations, 1997", on account of the proposed substantial acquisition of equity shares as a consequence of execution of SPA referred to in paragraph 3.1.2 above, the Acquirer intends to make an Open Offer in terms of the above stated Regulations to the shareholders of the "Target Company" to acquire 76,25,625 fully paid-up Equity Shares of Rs. 10/- each representing 49% equity share capital and voting rights of "SGRL", at a price of Rs. 54.75 (Rupees Fifty Four and Seventy Five paisa only) per fully paid-up Equity Share ("Offer Price")
- 3.1.7 As on the date of this PA, the Acquirer did not hold any equity shares of "SGRL". Subsequently The Acquirer entered into a share purchase agreement with the members and shareholders of SGRL (hereinafter collectively referred to as "Sellers") on 27<sup>th</sup> March 2008 to acquire 30,89,070 Equity shares representing 19.85 % of total paid up capital/ Voting Rights of the Target Company (SGRL) at a price of Rs. 54.75 per equity share aggregating to Rs. 16,91,26,583/-, the shares are lying in the escrow account as mentioned in para no. 3.1.3 above.
- In pursuance of the Regulation 22(16) of the regulations the sale and purchase of the said shares shall be subject to strict compliance with the provisions of the SEBI (SAST) Regulations, 1997". In case of non-compliance with any of the provisions of the "SEBI (SAST) Regulations 1997" by the 'Acquirer' or the seller, the agreement for sale of the said shares shall not be acted upon by either parties
- 3.1.8 The Manager to the Offer, Vivro Financial Services Pvt. Ltd., does not hold any share in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of offer.
- 3.1.9 Acquirer, the "Bank", Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act, 1992

### **3.2. Details of the Proposed Offer:**

- 3.2.1 The Acquirer is making an Offer to the shareholders of "SGRL"(other than the parties to the SPA) to acquire up to 76,25,625 fully paid-up Equity Shares of Rs. 10/- each of "SGRL" representing 49% of the outstanding voting equity share capital of "SGRL", at a price of Rs. 54.75 per fully paid-up Equity Share (the "Offer Price"), payable in cash in terms of regulations 20 & 21 of the Regulations to those shareholders whose names appear on the Register of Members on Specified Date i.e. 11<sup>th</sup> July 2007.
- 3.2.2 The Offer is being made in accordance with regulations 10 and 12 of the Regulations, pursuant to substantial acquisition of equity shares with change in management control in the Target Company as a consequence of execution of the SPA referred to in paragraph 3.1.2 above. There are no partly paid-up shares and outstanding convertible instruments in "SGRL".
- 3.2.3 The Offer is not conditional on any minimum level of acceptance.
- 3.2.4 The offer is not as a result of global acquisition leading to indirect acquisition of the Target Company.
- 3.2.5 The offer is not a Competitive Bid.
- 3.2.6 The Offer is subject to the terms and condition set out herein and in the LOF.
- 3.2.7 This Offer is subject to receipt of the statutory approvals mentioned in paragraph (8) of the LOF. In terms of regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn. The offer cannot be withdrawn for non- receipt of approval from RBI

3.2.8 The Public Announcement dated 27<sup>th</sup> June 2007 was made in the following newspapers, in accordance with Regulation 15 of the Takeover Regulations.

<b>Newspapers</b>	<b>Language</b>	<b>Edition</b>
Free Press Journal	English	All Editions
DNA Money	English	All Editions
Pratah Kal	Hindi	All Editions
Navshakti	Marathi	Regional Editions

The Public Announcement dated 27<sup>th</sup> June 2007 is also available on SEBI's website at <http://www.sebi.gov.in/>

3.2.9 The Equity Shares of "SGRL" to be acquired, pursuant to the offer shall be, free from all lien, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends or other distributions hereinafter declared, made or paid.

### **3.3 Rationale for the Acquisition / Offer**

3.3.1 Substantial acquisition of shares and voting rights accompanied with change in control and management in order to facilitate rehabilitation of the Target Company are the reasons and rationale for the acquisition of the above mentioned equity stake in the paid up equity share capital of SGRL. This Offer is being made in accordance with Regulation 10 and 12 of the Takeover Regulations. "SGRL" has set up a gold and silver refinery in Maharashtra with a plant capacity to refine 217 MT per annum of the precious metals each up to 99.99 %.

3.3.2 The Indian bullion market is metamorphosing into a structured and organized market place with hallmarking being made mandatory by the year 2008 and strong support systems evolving through bullion exchanges and Exchange Traded Funds. The Acquirer is keen to exploit this emerging business potential in the organized refinery of Gold and Silver metals and also in actively pursuing forward integration of value added products thereby actively contribute to the efficient development of this market

3.3.3 To the extent required to optimize shareholder value, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger/de-merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments and businesses or otherwise of "SGRL". The Board of Directors of "SGRL" will take appropriate decisions in these matters. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of "SGRL" in the next two years except in the ordinary course of business of "SGRL" and except as stated above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of "SGRL" except with the prior approval of the shareholders of "SGRL".

## **4 BACKGROUND OF THE ACQUIRER**

### **4.1 Information on Jayneer Capital Private Limited. (The "Acquirer")**

4.1.1 JAYNEER CAPITAL PRIVATE LIMITED ("JCPL") is a Non-Banking Finance Company incorporated as a Private Limited company under the Companies Act, 1956 under Certificate of Incorporation No: U61190MH1986PTC039204 issued by the Registrar of Companies, Maharashtra. The Registered Office of the company is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400018. Tel. No. (022-66971234), Fax No. (022-24922102) e-mail : groupcorpa@zeenetwork.com .

4.1.2 "JCPL" is one of the Promoter Companies of Zee Entertainment Enterprises Limited, Zee News Limited, Wire & Wireless India Limited, Dish TV Ltd and Essel Sports Pvt. Ltd. belonging to Essel Group promoted by Mr. Subhash Chandra and his Family.

The Acquirer had entered into SPA with the Oriental Bank of Commerce to acquire 40,00,000 Equity Shares. The shares are lying with the Escrow Agent. The shares shall be transferred to the acquirer on completion of the Acquirers obligation under the SEBI (SAST) Regulations, 1997. In

view of the same the acquirer has complied with the Disclosure Requirements U/r 7(1) of the SEBI (SAST) Regulations, 1997 "JCPL" has complied with the applicable disclosure requirements as provided under Chapter II of the Takeover Regulations within the time limit prescribed under the said Regulations.

4.1.3 The Authorized Capital of "JCPL" is Rs.1.50 Crores comprising of 14, 55,000 Equity Shares of Rs.10/- each & 4500 Preference Shares of Rs.100/- each. It's paid up capital as on the date of PA is Rs.60, 10,000/- comprising of 6,01,000 fully paid up equity shares of Rs.10/- each.

4.1.4 "JCPL" is the sole Acquirer in the present offer and there is no person acting in concert with the Acquirer.

4.1.5 "JCPL" has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act.

4.1.6 None of the Directors of "SGRL" represent the Acquirer.

4.1.7 The Shareholding Pattern of "JCPL" as on the date of PA is as under:

S.No:	Name of the share holder	No: of Equity Shares	% of Equity Shares
1.	Mrs. Sushila Goenka	160200	26.66
2.	Mr. Punit Goenka	40000	6.66
3.	Mr.Amit Goenka	40200	6.69
4.	Mr. Lakshminarayan Goel	24000	3.99
5.	Mrs. Sulochana Devi Goel	23910	3.98
6.	Mr. Arpit Goel	24000	3.99
7.	Mr. Atul Goel	25000	4.16
8.	Mr. Ankit Goel	23290	3.88
9.	Mr. Jawahar Goel	30000	4.99
10.	Mr. Gagan Goel	30000	4.99
11.	Mrs. Sushila Goel	30000	4.99
12.	Mr. Gaurav Goel	30200	5.02
13.	Mr. Ashok Goel	90000	14.98
14.	Mrs. Kavita Goel	30200	5.02
<b>Total</b>		<b>6,01,000</b>	<b>100.00</b>

4.1.8 The Composition of Board of Directors of "JCPL" is as follows:

Name	Residential Address	Qualification & Experience	Date of Appointment
Mr. Ashok Kumar Goel	702, Subh Apts, B.G. Kher Marg, Worli, Mumbai - 25	B.Com He was instrumental in establishing Essel Propack Limited as a global player in laminated tubes and making it one of the top companies in laminated tubes business in the world. He is currently the Vice Chairman & managing director of Essel Propack Limited. Mr. Goel is also president of Orgainsation of Plastics Processors of India and also a member of the Managing Committee of Paper, Film & Foil Converters' Association of India. In July 2005, The Smart manager, rated Mr. Ashok Kumar Goel as "one of the 25 truly world class managers of India".	3 <sup>rd</sup> December 2001

**Shirpur Gold Refinery Limited**

<p>Mr. Jai Kumar Jain (J. K. Jain)</p>	<p>EU-39B Pitampura, Delhi- 110088</p>	<p>Bachelor of Commerce</p> <p>Mr J. K. Jain has been associated with the company as a Director since 2000-2001 he hold the Bachelor Degree in Commerce and experienced as a professional man, he is in the boards of various Joint Venture Cable Co. associated with the Siti Cable Network Pvt. Ltd, presently known as Wire &amp; Wireless India Ltd through out India. He is also on the Board of Non Banking Finance Co. M/s Jayneer Capital Pvt. Ltd and M/s Premier finance &amp; Trading Co. Ltd.</p>	<p>1<sup>st</sup> August 2005</p>
--------------------------------------------	------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

**4.1.9 Brief Audited Financials of “JCPL”**

The summarized consolidated financial statements of “JCPL” are as follows:

**(a) Profit and Loss Statement**

**(Rs. in Lacs)**

Profit & Loss Statement	31/03/2005 Audited	31/03/2006 Audited	31/03/2007 Audited
Income from operations	183.67	475.18	1154.26
Others Income (Dividend received and miscellaneous income)	548.53	554.42	564.53
<b>Total Income</b>	<b>732.20</b>	<b>1029.60</b>	<b>1718.79</b>
Total Expenditure.	0.72	5.71	16
<b>Profit Before Depreciation Interest and Tax (PBIDT)</b>	<b>731.48</b>	<b>1023.89</b>	<b>1702.79</b>
Depreciation	-	-	-
Interest	233.57	474.49	1212.15
<b>Profit Before Tax (PBT)</b>	<b>497.91</b>	<b>549.40</b>	<b>490.64</b>
Provision for Tax	-	9.00	-
Deferred Tax	-	-	-
Prior Period Adjustment	(5.56)	(0.47)	-
<b>Profit After Tax (PAT)</b>	<b>492.35</b>	<b>540.87</b>	<b>490.64</b>
<b>Balance brought from Previous Year</b>	<b>309.68</b>	<b>802.03</b>	<b>1342.91</b>
<b>Net profit transferred to Balance sheet</b>	<b>802.03</b>	<b>1342.90</b>	<b>1833.54</b>

**(b) Balance Sheet Statement****(Rs. in Lacs)**

Balance Sheet Statement	31/03/2005 Audited	31/03/2006 Audited	31/03/2007 Audited
<b>Sources of Funds:</b>			
Paid up share Capital	60.10	60.10	60.10
Reserves & Surplus (excluding revaluation reserve)	832.03	1372.90	1863.55
<b>Total Own Funds</b>	<b>892.13</b>	<b>1433.00</b>	<b>1923.65</b>
Less: Misc. Exps. Not W/off	-	-	-
<b>Net Worth</b>	<b>892.13</b>	<b>1433.00</b>	<b>1923.65</b>
Deferred Tax Liability	-	-	-
Secured Loans (Term Loans from FIs)	1018.53	9090.15	13400
Unsecured Loans	21.28	-	-
Share Application Money	-	-	-
<b>Total</b>	<b>1931.94</b>	<b>10523.15</b>	<b>15323.65</b>
<b>Use of Funds:</b>			
Net Fixed Assets	-	-	-
Investment	799.88	1551.30	1556.77
Net Current Assets	1132.06	8971.85	13766.88
Deferred Tax Asset	-	-	-
<b>Total</b>	<b>1931.94</b>	<b>10523.15</b>	<b>15323.65</b>

**(c) Other Financial Data**

Other Financial Data	31/03/2005	31/03/2006	31/03/2007
Dividend (%)	Nil	Nil	Nil
Earning Per Share (Rs.)	81.92	90.00	81.64
Return on Net worth (%)	55.19%	37.74%	25.50%
Book Value Per Share (Rs.)	148.44	238.44	320.07

(Source: Audited Financial Statements of "JCPL" for the Financial Years ended 31<sup>st</sup> March 2005, 31<sup>st</sup> March 2006 & 31<sup>st</sup> March 2007)

The formulas are

- Dividend (%) = (Dividend Paid/Face Value of Equity shares issued)\*100
- Earning Per Share = Profit After Tax / No. of Equity Shares issued
- Return on Net worth (%) = (Profit After Tax / Net worth)\*100
- Book Value Per Share = Net worth / No. of Equity shares issued

Note:1. There is no change in the accounting policy in last 3 financial years.

**Significant Accounting Policy :****a) Accounting Convention**

- 1) The accounts have been prepared on historical Cost Convention on the basis of going concern basis and in accordance with the accounting standards referred to in Section 211(3C) of the companies Act, 1956.

- 2) The company generally follows the mercantile systems of accounting and recognizes income and expenditures on accrual basis except those with significant uncertainties.

**b) Investments**

Long-Term investments are stated at Cost Provisions for diminution in the value of investments is made, if the diminution is other than temporary.

**c) NBFC Compliance**

The Company follows the direction of RBI on prudential Norms for income recognition, Provisioning for bad & doubtful debts, Accounting for investments, etc.

**d) Revenue Recognition**

- 1) Dividend is recognized when the right to receive dividend is unconditional.
- 2) Interest Income is accounted on accrual basis.

**e) Taxes on Income**

- 1) Current tax is determined as the amount of tax available in respect of taxable income for the year.
- 2) Deferred tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

**2. Contingent Liability not provided for-**

- 1) 19,165,805 Equity Shares out of investments are pledged with Financial Institution/ Companies for credit facilities granted to other companies.
- 2) Disputed Income Tax demand Rs 7,478,172/- (Rs 7,478,172/-).

**3. Reasons for Nil Fixed Assets:**

The company is a Non Banking Finance Company and deals in investment and financial services business. The nature of the business does not warrant any investment in fixed asset, hence Nil fixed Assets.

**4.1.10. Reasons for fall/rise in total income and Profit After Tax**

**Financial Year 2005-06 vis-à-vis Financial Year 2004-2005**

The total income has been increased 40.61% to Rs. 1029.59 Lacs in 2005-2006 compared to Rs. 732.21 Lacs in the year 2004-2005. The Company has earned Profit After Tax of Rs. 540.87 Lacs in the year 2005-2006 compared to profit after tax of Rs. 492.35 Lacs with an increase of 9.85%. The reason for increase in total income is increase in interest income, an income from operation.

**Financial Year 2006-07 vis-à-vis Financial Year 2005-2006**

The total income has been increased 66.93% to Rs. 1718.78 Lacs in 2006-2007 compared to Rs. 1029.59 Lacs in the year 2005-2006. The Company has earned Profit After Tax of Rs. 490.64 Lacs in the year 2005-2006 compared to profit after tax of Rs. 540.87 Lacs with a marginal decrease of 9.28%. The reason for decrease in profit after tax is increase in financial expenses by 155.46% to Rs. 1212.15 Lacs in the year 2006-2007 compared to Rs. 474.49 Lacs in the year 2005-2006.

#### 4.1.11 The following companies are promoted by the Acquirer (JCPL)

##### 1. Dish TV Limited

Company was originally incorporated as Navpad Textiles Ltd. on August 10, 1988 under the Companies Act, 1956, as amended. The name of the company was changed to ASC Enterprises Pvt. Ltd. and a fresh certificate of incorporation was issued on September 29, 1995 by the Registrar of Companies, Maharashtra, Bombay. The company was converted to a public company and a fresh certificate of incorporation was issued on December 13, 1995 by the Registrar of Companies, Maharashtra, Bombay. The name of the company was then changed to Dish TV India Ltd. and a fresh certificate of incorporation was issued on March 7, 2007 by the Registrar of Companies, National Capital Territory of Delhi and Haryana, New Delhi and the registered office was also changed from 135, Dr. Annie Besant Road, Worli, Mumbai-400018, India to B-10, Essel House, Lawrence Road, Industrial Area, Delhi, 100035, India on October 4, 1999.

The Company is engaged in the business of distribution of multiple television channels and allied video/ audio services to subscribers on a monthly subscription basis. The transmission is enabled through satellite equipment installed at the end consumer premises wherein a subscriber can directly receive the programming from company's satellite, through a mini dish which is then decoded by a digital receiver called set-top-box without involving an intermediary or cable operator.

##### Financials of Dish TV

(Rs. in lacs)

	Standalone financials on 31 <sup>st</sup> March 2008	Consolidated Financials on 31 <sup>st</sup> March Year 2008	Standalone financials on 31 <sup>st</sup> March 2007	Consolidated Financials on 31 <sup>st</sup> March Year 2007	Standalone Financials of 31 <sup>st</sup> March 2006
Paid up Equity Share Capital	4282.22	4282.22	4282.22	4282.22	7156.88
Reserves	NIL	NIL	NIL	NIL	3,7282.45
Total income(including other)	41,571.69	41,617.60	19,431.26	19,624.43	3,146.26
Profit After Tax(PAT)	(41,320.46)	(41,412.76)	(25,188.15)	(24,007.08)	(20,786.18)
Earning Per Share(EPS)	(9.65)	(9.67)	5.88	(5.61)	(2.90)
Net Asset Value (NAV)	(10.57)	(11.00)	(0.93)	(1.33)	1.64

Note : The denomination of the equity shares is changed to Re.1/- each from Rs. 10/- each in the year 2007.

The Company is not a Sick Industrial Company.

##### 2. Wire and Wireless (India) Ltd.

Wire and wireless (India) Ltd. was incorporated on March 24, 2006. under the Companies Act, 1956 in the state of Maharashtra, Mumbai and the registered office of the company is Continental Building, 135 Dr. Annie Besant Road, Worli, Mumbai-400018.

Company is involved in the distribution of TV channels/content received from broadcaster to Local Cable Operators (LOCs) through cable network.

**Financials of Wire and Wireless (India) Ltd.****(Rs. in lacs)**

	<b>Standalone financials March 2008</b>	<b>31<sup>st</sup> March 2008</b>	<b>Consolidated Financials March 2008</b>	<b>31<sup>st</sup> March 2008</b>	<b>Standalone Financials March 2007</b>	<b>31<sup>st</sup> March 2007</b>	<b>Consolidated Financials March 2007</b>	<b>31<sup>st</sup> March 2007</b>
Paid up Equity Share Capital	2,172.4		2,172.4		2,172.4		2,172.4	
Reserves	NIL		975.1*		2841.9		3095.8	
Total income(including other)	23,394.8		28,550.4		19,270.2		22,882.2	
Profit After Tax(PAT)	(15,795.8)		(15,373.4)		(11,111.5)		(10,862.5)	
Earning Per Share(EPS)	Rs (7.27)		Rs (7.08)		(5.21)		Rs (5.10)	
Net Asset Value (NAV)	(4.96)		Rs 2.26		2.31		2.62	

Note:

1. The Reserve above is not a Free Reserve as it represents Securities Premium a/c.
2. Share is of Re. 1/- each.

The Company is not a Sick Industrial Company.

**3. Zee Entertainment Enterprises Ltd.**

Zee Entertainment Enterprises Limited was incorporated under name and style of Empire Holding Limited on November 25, 1982, in the state of Maharashtra, Mumbai, under the Companies Act, 1956, . The name of the Company was changed to Zee Telefilms Limited on September 8, 1992 and the name of the Company was further changed to Zee Entertainment Enterprises Limited on January 10, 2007. The registered office of Zee Entertainment Enterprises Limited is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018. The company is in the business of media and entertainment, majorly into content, production and broadcasting through television as a medium.

**Financials of Zee Entertainment Enterprises Ltd.****(Rs. in lacs)**

	<b>Standalone financials 31<sup>st</sup> March 2008</b>	<b>Consolidated Financials 31<sup>st</sup> March 2008</b>	<b>Standalone financials 31<sup>st</sup> March 2007</b>	<b>Consolidated Financials 31<sup>st</sup> March 2007</b>	<b>Standalone Financials of 31<sup>st</sup> March 2006</b>	<b>Consolidated Financials of 31<sup>st</sup> March 2006</b>
Paid up Equity Share Capital	4,335.67	4,335.67	4,335.67	4,335.67	4,125.49	4,125.49
Reserves	2,08,488.79	2,81,772.52	1,89,180.91	2,57,474.53	1,50,369.17	2,08,736.24
Total income(including other)	1,14,392.16	1,94,917.73	92,913.39	1,59,060.77	88,241.98	1,71,830.80
Profit After Tax(PAT)	29,512.10	38,326.68	16,620.86	23,752.91	6,908.12	21,427.86
Earning Per Share(EPS) Diluted after Exceptional Item	(Rs) 6.78	(Rs) 8.81	(Rs) 3.92	(Rs) 5.47	Rs. 1.63	Rs. 4.94
Net Asset Value (NAV)	Rs. 49.09	Rs. 68.57	Rs. 44.63	Rs. 62.27	Rs. 35.63	Rs. 52.69

Note: Share is of Re. 1/- each.

The Company is not a Sick Industrial Company.

**4. Zee News Ltd.**

Zee News Limited was originally incorporated as Zee Sports Limited on August 27, 1999, under the Companies Act, 1956, in the state of Maharashtra, Mumbai. The name of the company was changed to Zee News Limited on May 27, 2004. Its registered office is situated at Continental Building, 135

Dr Annie Besant Road, Worli, Mumbai 400 018.

Zee News Ltd. is one of India's leading media and entertainment companies with strong presence in news and regional entertainment.

**Financials of Zee News Ltd.**

(Rs. in lacs)

	Standalone financials 31 <sup>st</sup> March 2008	Consolidated Financials 31 <sup>st</sup> March 2008	Standalone financials 31 <sup>st</sup> March 2007	Consolidated Financials 31 <sup>st</sup> March 2007	Standalone Financials of 31 <sup>st</sup> March 2006	Consolidated Financials of 31 <sup>st</sup> March 2006
Paid up Equity Share Capital	2,397.63	2,397.63	2,397.63	2,397.63	4,180.00	4,180.00
Reserves	18,634.86	18,316.41	16,026.55	15,730.73	14,211.25	14,211.25
Total income (including other)	35,957.16	36,890.72	24,878.75	25,357.10	3,622.00	3,622.00
Profit After Tax (PAT) including minority interest	3,730.35	3,692.66	994.22	747.05	181.63	132.96
Earning Per Share(EPS)	1.56	1.55	0.41	0.31	0.18(at Rs.1/ 1.77 (at Rs. 10/)	0.13(at Rs. 1/ 1.30 (at Rs. 10/-)
Net Asset Value (NAV)	8.77	8.85	7.68	7.71	131.22	130.84

Note : The denomination of the equity shares is changed to Re.1/- each from Rs. 10/- each in the year 2007.

The Company is not a Sick Industrial Company.

**5. Essel Sports Private Limited:**

Essel Sports Private Limited was incorporated on May 22<sup>nd</sup> 2007 under the Companies Act, 1956, in the state of Maharashtra, Mumbai. Its registered office is situated at Continental Building, 135 Dr Annie Besant Road, Worli, Mumbai 400 018.

The main object of Essel Sports Private Limited is to promote in India and worldwide various disciplines of sports, create sports infrastructure like sports academics/playground/training centres, organize/ sponsor tournaments etc.

**Financials of Essel Sports Private Limited**

	Financials 31 <sup>st</sup> December 2007 (Rs. in lacs)
Paid up Equity Share Capital	12,000.0
Reserves	11,000.5
Total income(including other)	9,288.5
Profit After Tax(PAT)	(85,887.4)
Earning Per Share(EPS)	Rs (139.14)
Net Asset Value (NAV)	Rs.(18.31)

The Company is not a Sick Industrial Company.

**4.1.12 There are no legal cases pending in any forum by or against the Acquirer.**

**4.2 DISCLOSURE IN TERMS OF REGULATION 16(ix)**

4.2.1 Substantial acquisition of shares and voting rights accompanied with change in control and management in order to facilitate rehabilitation of the Target Company are the reasons and rationale for the acquisition of the above mentioned equity stake in the paid up equity share capital of "SGRL". This Offer is being made in accordance with Regulation 10 and 12 of the Takeover

Regulations. "SGRL" has set up a gold and silver refinery in Maharashtra with a plant capacity to refine 217 MT per annum of the precious metals each up to 99.99 %.

4.2.2 The Indian bullion market is metamorphosing into a structured and organized market place with hallmarking being made mandatory by the year 2008 and strong support systems evolving through bullion exchanges and Exchange Traded Funds. The Acquirer is keen to exploit this emerging business potential in the organized refinery of Gold and Silver metals and also in actively pursuing forward integration of value added products thereby actively contribute to the efficient development of this market

4.2.3 To the extent required to optimize shareholders value, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger/de-merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments and businesses or otherwise of "SGRL". The Board of Directors of "SGRL" will take appropriate decisions in these matters. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of "SGRL" in the next two years except in the ordinary course of business of "SGRL" and except as stated above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of "SGRL" except with the prior approval of the shareholders of "SGRL".

#### **5. DELISTING OPTION TO THE ACQUIRERS IN TERMS OF REGULATION 21(2)**

If pursuant to this Offer, the Public Shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the target company to raise the level of Public Shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with SEBI (SAST) Regulations, 1997

#### **6. BACKGROUND OF SHIRPUR GOLD REFINERY LIMITED ("Target Company")**

[Note: The Information under this section is sourced from the Target Company and also from the Public Sources.]

##### **6.1 Brief History and Main Areas of Operation**

6.1.1 "SGRL" was incorporated as a Public Limited Company under the Companies Act 1956, with Registrar of Companies, Maharashtra, under certificate of incorporation number CIN U51900MH1984PLC034501 on 9<sup>th</sup> November 1984 under the name of Skipper Mercantile Limited. The name of the company was changed to Autoriders Mercantile & Finance Limited on 1<sup>st</sup> July 1991. Subsequently the name of the company was changed to Autoriders Industries Limited on 3<sup>rd</sup> March, 1994. The Company was renamed as AGEE Gold Refiners Limited on 19<sup>th</sup> May, 2000. Again on 18<sup>th</sup> March, 2002 the name of the company was changed to its current name – Shirpur Gold Refinery Limited. The Registered Office of the company is situated at Refinery Site, Shirpur, Dhulia – 425405. Tel. No (022- 26600148 / 26600149), Fax No. (022-26614196).

6.1.2 "SGRL" is currently engaged in the business of refining Gold and Silver each up to 99.99% purity at its works at Refinery Site, Shirpur, Dhulia- 425405.

**6.2. The Share Capital Structure of “SGRL” as on the date of the PA is as follows:**

Subscribed and paid-up Equity Share	No. of shares	Face Value	Voting rights %
Authorized Equity Capital	25,00,00,000	Rs.10/-	---
Issued Equity Capital	1,55,62,500	Rs.10/-	100.00 %
Subscribed and paid up Equity Share Capital	1,55,62,500	Rs.10/-	100.00 %
Total voting rights in Target Company	1,55,62,500	Rs.10/-	100.00 %

**6.3 Capital build-up of “SGRL” since inception:**

Date of Allotment	Equity Shares		Cumulative Paid-up Equity Share Capital (Rs)	Mode of Allotment	Identity of Allottees (Promoters / Ex. Promoters / Others)	Compliance Status
	No. of shares	Cumulative %				
(Incorporation) 31.10.1984	7		70/-	On Incorporation	Promoters	Complied
29.08.1985	94993	0.61	9,50,000	Public Issue	Promoters and their associates	Complied
29.08.1985	150000	0.96	24,50,000		Public	Complied
10.02.1990	980000	6.30	1,22,50,000	Rights Issue	Promoters/Public	Complied
29.11.1995	18,37,500	11.81	3,06,25,000	Rights Issue	Promoters/Public	Complied
22.03.2000	75,00,000	48.19	10,56,25,000	Preferential Allotment	Promoters and their Associates	*Reg. 3 of SEBI (SAST) Regulations not complied
28.11.2000	50,00,000	32.13	15,56,25,000	Preferential Allotment	Overseas Corporate Body	*Reg. 3 of SEBI (SAST) Regulations not complied.
<b>Total</b>	<b>1,55,62,500</b>	<b>100.00</b>				

\* The Company had not complied fully with the provisions under SEBI (SAST) Regulations 1997 and SEBI will take their own view for the same but company had complied with the Listing Agreement requirements for the same.

**6.4 The equity shares of “SGRL” are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). No penal actions have been initiated by the Stock Exchanges against “SGRL” till date. Trading of shares has not been suspended from Bombay Stock Exchange**

Limited. The scrip of the company is suspended from trading at NSE with effect from 20<sup>th</sup> April 2006 due to noncompliance of not having a company secretary as compliance officer and not having its website.

The company is in the process of appointing a whole time Company Secretary as per the requirement of Listing Agreement and taking adequate steps to create website of the company for providing information about the company to the investors. The company after meeting the statutory requirement of NSE, it is proposed to file an application to NSE for revocation of suspension.

- 6.5 The sellers, promoters, other major shareholders except Target Company, have complied with the applicable provisions of Chapter II of the Regulations. SGRL has complied with the provision of Regulation 6 for the year 1997 with a delay of 175 days. The TC has not complied under Regulation 8(3) of Chapter II of the Regulations for the period 1997 to 2000, & for the year 2006 and with a delay of 17 days for the year 2007 and 123 days for the year 2008. SGRL has not complied with Regulation 7(3). SEBI may take actions against the Target Company for non compliances under chapter II of the Regulation.

The target Company made an Application for Consent Order vide its application dated 16/5/2008 to SEBI for certain lapses pertaining to the issue, formalities and completion of Preferential Allotments in the year 2000.

- 6.6 "SGRL" had made Preferential Allotments of 75,00,000 equity shares to its Promoter & their Associates on 22<sup>nd</sup> March 2000 and 50, 00,000 equity shares to C S Orbit Investment Ltd, an Overseas Corporate Body, located at Port Louis, Mauritius on 28/11/2000. These equity shares were admitted for trading in the Bombay Stock Exchange Limited. While "SGRL" has not complied with the disclosure requirements fully as provided under Regulation 3 (1) (c) of SEBI (SAST) Regulations, 1997,

**6.7 Pending Litigations**

Sl. No:	Name of the Party	Suit/case No	Amount of claim	Status of the case
1	Oriental Bank of Commerce	O.A /147/2006 with DRT –II	160.00 Crores	Statements/Vakalatnama Filed by the company no further developments
2	Sachin Kiranraj Sonigara	86/05 Pune civil court for recovery of dealer deposits with interest	18.30 Lakhs	Pending at Pune court for hearing and disposal
3	Chenaji Narsinghji	1735/05 Mumbai High court for recovery of dealer deposits with interest	17.37 Lakhs	Order passed by Bambah High court in favour of the party for recovery. No further action taken by party
4	Sree Sai Bullion	Legal Notice dated 16.11.05 recovery of dealer deposits with interest	20.08 Lakhs	No further action initiated by the party in the court of law
5	Sanghvi Dhanrupji Devji and Co	Legal Notice dated 24.03.06 recovery of dealer deposits with interest	19.31 Lakhs	No further action initiated by the party in the court of law

6	Elcome Marine Services Pvt Ltd	Legal Notice dated 6.9.2006 For balance due for supply of machinery	4.00 Lakhs	No further action initiated by the party in the court of law
---	--------------------------------	------------------------------------------------------------------------	------------	--------------------------------------------------------------

#### 6.8 Details of the Board of Directors of “SGRL” as on the date of the PA

Name, Designation and Address	Date of Appointment	No. of Shares held in “SGRL”	Qualification	Experience
Mr. Chintan A. Patel, (M.D., Promoter) Pallavi Beach Angel Bungalow No.1 Ruia Park, Juhu, Mumbai - 400049	20 <sup>th</sup> September 2002	2,00,000	B.Com	Experience in Administration and Precious Metal Industries. Holds directorship in Autoriders International Limited,
Mr. Tapan M. Patel, (Jt. M.D., Promoter) Chintan Bungalow 9 <sup>th</sup> Road, JVPD Scheme Vile Parle West Mumbai – 400049	20 <sup>th</sup> September 2002	81,500	BBA	Experience in Administration and Precious Metal Industries. Holds directorship in Autoriders International Limited, Mumbai
Mr. Sanjay Gupta (Non Exe. Ind. Director) Kanchwala House, 18- B Veer Savarkar Marg, Dadar (West),	17 <sup>th</sup> April 2002	Nil	B.Sc (H) , M.B.A. PGD IT(IIFT)	He has over 14 years experience in precious Metals Industry
Mr. Subhash (Non Exe. Ind. Director) Manakchand Jain 2341, Jain Lane , Sirpur, Dist. Dhulia- 425 405	29 <sup>th</sup> July 2003	Nil	B.Com (Hons)	He has over 24 years experience as Tax and Industrial Consultant.

Note: There are no representatives of JCPL (Acquirer) on the Board of Directors of Target Company.

- 6.9 “SGRL” has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the “SEBI Act”) or under any other regulation made under the SEBI Act.
- 6.10 “SGRL” is not a Sick Company.
- 6.11 There are no outstanding instruments in the nature of Warrants / Fully Convertible Debentures / Partly Convertible Debentures etc. which are convertible into equity at any later date. There has been no merger / de- merger or spin off in the Company during the past three years.

## 6.12 Brief Audited Financials of “SGRL”

The summarized consolidated financial statements of “SGRL” are as follows:

**a) Profit and Loss Statement** (Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2006 Audited	31 <sup>st</sup> March, 2007 Audited	31 <sup>st</sup> March, 2008 Audited
Income from Operations	-	-	-
Other Income	5.02	48.69	165.85
<b>Total Income</b>	<b>5.02</b>	<b>48.69</b>	<b>165.85</b>
Total Expenditure	83.99	51.79	44.80
<b>Profit (Loss) before Depreciation Interest and Tax</b>	<b>(78.97)</b>	<b>(3.1)</b>	<b>121.05</b>
Depreciation	1774.47	1738.57	1708.45
Interest	1750.02	1676.18	1822.67
<b>Profit/ (Loss) before Tax</b>	<b>(3603.46)</b>	<b>(3417.85)</b>	<b>(3410.08)</b>
Provision for Tax	-	-	-
Deferred Tax	-	-	-
Fringe Benefit Tax	-	.45	.754
<b>Profit/ (Loss) after Tax</b>	<b>(3603.46)</b>	<b>(3418.3)</b>	<b>(3410.829)</b>
<b>Profit/(Loss) carried forward from PY</b>	<b>(2856.36)</b>	<b>(6459.83)</b>	<b>(9878.12)</b>
<b>Profit Transferred to B/S</b>	<b>(6459.83)</b>	<b>(9878.12)</b>	<b>(13288.94)</b>

**(b) Balance Sheet Statement**

(Rs. in Lacs)

Particulars	31 <sup>st</sup> March, 2006 Audited	31 <sup>st</sup> March, 2007 Audited	31 <sup>st</sup> March, 2008 Audited
<b>Sources of Funds</b>			
Paid up Share Capital	1556.25	1556.25	1556.25
Reserves & Surplus (excluding revaluation reserve)	7890.17	4471.88	1061.05
Own Funds	9446.42	6028.13	2617.30
Less: Misc. Expenditure	-	-	-
Less: Debit Balance of P&L A/c	-	-	-
Net Worth	9446.42	6028.13	2617.30
Secured Loans	19770.13	21244.66	22723.23
Unsecured Loans	1967.02	2156.30	1496.41
<b>Total</b>	<b>31183.57</b>	<b>29429.09</b>	<b>26836.94</b>
<b>Application of Funds</b>			
Net Fixed Assets	31105.94	29367.38	27317.57
Investments	2.13	2.13	2.13
Current Assets, Loans & Advances	1455.71	1439.21	174.54
Less: Current Liabilities & Provisions	1380.20	1379.62	657.29
Net Current Assets	75.51	59.59	(482.76)
<b>Total</b>	<b>31183.57</b>	<b>29429.09</b>	<b>26836.94</b>

**(c) Other Financial Data**

	31 <sup>st</sup> March, 2006	31 <sup>st</sup> March, 2007	31 <sup>st</sup> March, 2008
Dividend (%)	-	-	-
Earnings Per share(Rs.)	(23.15)	(21.96)	(21.92)
Return on Net-Worth (%)	(38.15)	(56.71)	(130.32)
Book Value Per Share(Rs)	60.70	38.73	16.82

(Source: Audited Financial Statements of "SGRL" for the Financial Years ended 31<sup>st</sup> March, 2006, 31<sup>st</sup> March, 2007, & 31<sup>st</sup> March 2008.

**The formulas are**

Dividend (%) = (Dividend Paid/Face Value of Equity shares issued)\*100

Earning Per Share = Profit After Tax / No. of Equity Shares issued

Return on Net worth (%) = (Profit After Tax / Net worth)\*100

Book Value Per Share = Net worth / No. of Equity shares issued

**Note: 1. Reasons for NIL income from Operations.**

Due to sudden and unfortunate demise of the main promoter Shri Mukesh R. Patel the company had major set back in direction and focus. The operation of the company could not be maximized due to shortage of working capital. The company made efforts to revive operations and applied for working capital facilities from its bankers, however the endeavors were not successful.

**2. Reasons for increase in 'other income'**

- a) 2007 compared to 2006 – Refund of sales tax received against tax paid during earlier period
- b) 2008 compared to 2007 – Due to the profit on sale of some of the immovable assets of the company, treated as misc. income.

**3. Reason for continuous loss – 2006, 2007, 2008**

Even though there was no production/operation during these period, the expenses for maintenance of the plant and interest & depreciation were provided as per norms. Hence the loss during 2006, 2007, 2008

4. In the year ended 2005 – (sales of Rs. 4,63,91,666) – The expenses during construction of plant and trial production period were capitalized as on 1.4.2004, and thereafter sales of precious metal manufactured in 2005 were shown as sales for the period. Whereas till 31.3.2004 the same were shown under recovery in trial run production and classified under expenses during the construction period.

**6.13 Pre and Post- Offer Share Holding Pattern of "SGRL" as on the date of letter of offer :**

Shareholders' Category	Shareholding & Voting Rights prior to Agreement/Acquisition and offer		Shares/ Voting Rights agreed to be Acquired which triggered off the Regulations		Shares /Voting Rights to be acquired in open offer (Assuming Full acceptances)		Share Holding /Voting after the acquisition and offer	
	A		B		C		D= A+B+C	
	No.	%	No.	%	No.	%	No.	%
1. Promoters Group a) parties to SPA if any	30,89,070	19.85						
b) Promoters other than 'a' above.	14,56,250	9.36			This will depend upon response from this category.			
<b>Total (1) (a+b)</b>	<b>45,45,320</b>	<b>29.21</b>						

**Shirpur Gold Refinery Limited**

2. (a) Main Acquirers "JCPL" (b) PAC			7089070	45.55	76,25,625	49	1,47,14,695	94.55
<b>Total (2) (a+b)</b>			<b>7089070</b>	<b>45.55</b>	<b>76,25,625</b>	<b>49</b>	<b>1,47,14,695</b>	<b>94.55</b>
3.1. Parties to Agreement other than 1 (a) & 2 above Oriental Bank of commerce	40,00,000	25.70						
	<b>40,00,000</b>	<b>25.70</b>						
4. Public (other than parties to agreement, acquirers & PACs) a). FIs/MFs/FIIs/Banks, SFI - (indicate names) C.S.Orbit Investments Ltd. (overseas corporate body.)	48,00,000	30.84	-	-	This will depend upon response from this category.		(*)	(*)
b) Others	22,17,180	14.25	-	-	This will depend upon response from this category.		(*)	(*)
<b>Total (4) (a+b)</b>	<b>70,17,180</b>	<b>45.09</b>						
<b>Grand Total (1+2+3+4)</b>	<b>1,55,62,500</b>	<b>100</b>	<b>70,89,070</b>		<b>76,25,625</b>	<b>49</b>	<b>1,55,62,500</b>	<b>100</b>

(\*) **Depending on the response to the Offer the balance in these categories will be 847805 equity shares representing 5.45% of the shareholding / voting rights after the acquisition and Offer**

6.14 The existing promoters will not continue as promoters after completion of the takeover process by JCPL

6.15 **Change in Promoter's Shareholding as and when happened in the target Company.**

Date of allotment	No. of shares issued	Face value	Issue Price	Total Paid up capital	Promoter Holding	Percent -age	Total Paid up Capital Rs.
20.02.1997		10	10	3062500	2523500	82.40%	30625000
22.03.2000	7500000 (Preferential Allotment to Promoters, PAC & other than promoters)	10	100	10562500	5023500 1250000(PAC)	47.77% 11.62% 59.39%	105625000
22.11.2000	5000000 (Preferential Allotment to other than promoters)	10	162	15562500	5023500 1250000(PAC)	32.28% 8.03% 40.31%	155625000
31.12.2001				15562500	4671320	30.02%	15,56,25,000
30.06.2004				15562500	4645320	29.86%	15,56,25,000
17.08.2007					4546320	29.21%	15,56,25,000

PAC = Persons Acting in Concert

6.16 Compliance with the Corporate Governance

"SGRL" has not complied with the provisions of Clause 49 of the Listing Agreement with the NSE and BSE.

6.17 In the absence of wholetime Company Secretary in the Company Mr. Chintan A. Patel, Managing Director of the Company is acting as compliance officer.

Compliance Officer:

Mr. Chintan A. Patel

Refinery Site Shirpur, Dhulia-425405

**OFFER PRICE AND FINANCIAL ARRANGEMENTS****7.1 Justification of Offer Price**

7.1.1 The equity shares of "SGRL" are listed on the Bombay Stock Exchange Limited, (BSE) and National Stock Exchange Limited (NSE). Based on the information available, the shares of "SGRL" are frequently traded on BSE (Source : [www.bseindia.com](http://www.bseindia.com)) but the trading of the shares are suspended in NSE.

7.1.2 The Annualized Trading Turnover in the shares of "SGRL" on BSE based on trading volume during the preceding six months (i.e. 1<sup>st</sup> December 2006 to 31<sup>st</sup> May 2007) prior to the month in which this PA is required to be made is given below:

Name of Stock Exchange	Total No. of Shares traded during the 6 calendar months ending on 31 <sup>st</sup> May 2007	Total No. of Listed Shares	Annualized trading turnover (in terms of % of total listed shares)
BSE	10,04,640	1,55,62,500	12.91%

*(Source: official website of BSE [www.bseindia.com](http://www.bseindia.com).)*

7.1.3 Based on the information available, the shares are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the Regulations. However owing to certain non-compliances of the Listing Agreement with NSE, the equity shares of the "SGRL" have been suspended from trading at NSE with effect from 20<sup>th</sup> April 2006. Consequently, the shares of "SGRL" are deemed to be infrequently traded on NSE within the meaning of explanation (i) of Regulation 20 (5) of the Takeover Regulations.

7.1.4 The weekly high and low of the closing prices of the Equity Shares of "SGRL", during the 26 weeks period ending 26<sup>th</sup> June 2007 (being the last trading day prior to the date of Public Announcement on 27<sup>th</sup> June 2007 as recorded on the BSE are given below:

Week No.	Date/Week		Weekly High Rs. P.	Weekly Low Rs. P.	Average Rs. P.
	From	To			
1	27/12/2006	02/01/2007	18.00	17.25	17.63
2	03/01/2007	09/01/2007	18.20	17.35	17.78
3	10/01/2007	16/01/2007	18.20	17.35	17.78
4	17/01/2007	23/01/2007	17.65	17.15	17.40
5	24/01/2007	29/01/2007	17.60	17.35	17.48
6	31/01/2007	06/02/2007	20.55	18.85	19.50
7	07/02/2007	13/02/2007	24.70	21.55	23.13
8	14/02/2007	20/02/2007	27.55	24.50	26.03
9	21/02/2007	27/02/2007	28.90	25.30	27.10
10	28/02/2007	06/03/2007	24.62	20.50	22.58
11	07/03/2007	13/03/2007	23.15	19.50	21.33
12	14/03/2007	20/03/2007	24.00	22.45	23.23
13	21/03/2007	26/03/2007	24.05	23.10	23.58
14	28/03/2007	03/04/2007	24.50	22.55	23.53
15	04/04/2007	10/04/2007	25.50	24.00	24.75

**Shirpur Gold Refinery Limited**

16	11/04/2007	17/04/2007	24.15	23.00	23.58
17	18/04/2007	24/04/2007	27.05	25.35	26.20
18	25/04/2007	30/04/2007	25.00	23.10	24.05
19	03/05/2007	08/05/2007	24.25	22.00	23.13
20	09/05/2007	15/05/2007	24.10	23.55	23.83
21	16/05/2007	22/05/2007	24.70	23.55	24.13
22	23/05/2007	29/05/2007	28.15	25.15	26.65
23	30/05/2007	05/06/2007	35.70	29.55	32.63
24	06/06/2007	12/06/2007	45.50	37.45	41.48
25	13/06/2007	19/06/2007	52.40	47.55	49.98
26	20/06/2007	26/06/2007	66.65	54.95	60.80
				<b>Average</b>	<b>26.12</b>

*(Source: official website of BSE [www.bseindia.com](http://www.bseindia.com).)*

7.1.5 The daily high and low of the price of the Equity Shares of "SGRL", during 2 weeks period ending 26<sup>th</sup> June 2007 (being the last trading day prior to the date of Public Announcement on 27<sup>th</sup> June 2007 as recorded on the BSE are given below:

Day No.	Date	Daily High		Daily Low		Average	
		Rs.	P.	Rs.	P.	Rs.	P.
1	13 <sup>th</sup> June 2007	47.00		47.00		47.00	
2	14 <sup>th</sup> June 2007	50.05		50.05		50.05	
3	15 <sup>th</sup> June 2007	52.55		47.55		50.05	
4	18 <sup>th</sup> June 2007	49.90		46.30		48.10	
5	19 <sup>th</sup> June 2007	52.35		51.40		51.88	
6	20 <sup>th</sup> June 2007	54.95		54.95		54.95	
7	21 <sup>st</sup> June 2007	57.65		53.10		55.35	
8	22 <sup>nd</sup> June 2007	60.50		59.10		59.80	
9	25 <sup>th</sup> June 2007	63.50		62.00		62.75	
10	26 <sup>th</sup> June 2007	66.65		66.65		66.65	
						<b>Average</b>	<b>54.73</b>

*(Source: official website of BSE [www.bseindia.com](http://www.bseindia.com).)*

7.1.6 In accordance with regulations 20(4) and 20(5) of the Regulations, the Offer Price of Rs.54.75 per share is the highest of the following:

1.	Negotiated Price under the agreement for acquisition of share or voting rights or deciding to acquire shares or voting rights	Rs.40.00
2.	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 Public Announcement	NA
3.	The highest of the average of the weekly high and low of the closing prices for the equity shares of "SGRL" for the 26 week period prior to 26 <sup>th</sup> June 2007 i.e. the date of the Public Announcement	Rs.26.12
4.	The highest of the average of the daily high and low prices of the equity shares during the 2 week period preceding the date of the Public Announcement	Rs.54.73
5.	Other Parameters based on the audited accounts of "SGRL" for Financial Year ended 31 <sup>st</sup> March 2006.	
(i)	Return on Net worth (%)	(38.15 %)
(ii)	Book Value per share (Rs.)	Rs. 60.70
(iii)	Earnings Per Share (Rs.)	-
(iv)	Price Earning Multiple (with reference to the Offer price of Rs. 54.75 per share)	-
(v)	Industry average PE multiple (Source Capital Market:4 <sup>th</sup> June,2007 to 17 <sup>th</sup> June,2007)	11.90
(vi)	Fair Value of the Share	Rs. 22.36

As the Equity Shares are deemed to be infrequently traded on NSE as per the details given above, so as to ascertain fair value of the equity shares of "SGRL", in terms of the provisions of Regulation 20(5) of SEBI Takeover Regulations, the "Acquirer" have obtained a share valuation certificate dated 26<sup>th</sup> June 2007 from Mr.Mahesh M Bhatt,Partner, (Membership No.34192,of Bhatt & Mathur, Chartered Accountants, 402 Star Manor, Anand Road Extension, Malad (West),Mumbai 400001, an independent Chartered Accountant, keeping in view the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union v. Hindustan Lever Limited, (1995) 83 Comp Case 30. The said valuation report, prepared on the basis of Net Asset Value [Rs. 60.70 per share], Profit Earning Capacity Value [Nil] and Market Value [Rs. 51.12 per share] as per the erstwhile guidelines of the Controller of Capital Issues, indicated that the Fair Value of the equity share of "SGRL" based on the audited financial statement as on 31<sup>st</sup> March 2006 is Rs. 22.36.

7.1.7 Based on the above information, in the opinion of the Manager to the Offer, the Offer Price is Rs.54.75 per share being justified in terms of Regulation 20 (4) & (5) of the Takeover Regulations.

7.1.8 If the Acquirer acquire shares in the open market or through negotiations, after the date of Public Announcement and upto seven working days prior to the closure of the offer at a price higher than the offer price stated herein, the highest price paid for such acquisition shall be payable for all shares tendered and accepted under this offer as per regulation 20 (7) of the Takeover Regulations.

7.1.9 There is no Non-Compete agreement.

## 7.2 Financial Arrangements:

7.2.1 Acquirer has adequate financial resources to meet the financial requirements of the Offer. The

Acquirer has made firm financial arrangements in terms of Regulation 16 (xiv) for the resources required to complete the offer in terms of the Regulations. The acquisition to be financed through internal resources. No borrowings from Bank/ Financial Institution are being made for the purpose. The funds to be utilized shall be domestic and not any foreign funds.

The Company has free reserves of approx. Rs. 30 Crores and is holding shares of listed companies the market value of which is approx. Rs. 1790/- crores as on 15<sup>th</sup> Sept 2008. The company proposes to utilize its free reserves or sell a part of its investments/ leverage a part of the investments to fund the requirement open for offer. In addition out of the total requirement of funds of Rs. 41.75 crores, the company has already deposited Rs. 10.50 crores in the Escrow Account opened for the open offer.

- 7.2.2 The maximum purchase consideration payable by the Acquirer in case of full acceptance of offer i.e. 76,25,625 fully paid up equity shares is Rs. 41,75,02,969 (Rupees Forty One Crores Seventy Five Lakhs Two Thousand Nine Hundred Sixty Nine only) at a price of Rs 54.75/- per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.
- 7.2.3 In accordance with Regulation 28 of SEBI (SAST) Regulations, the Acquirer has created an Escrow Account in the form of Fixed Deposit for Rs. 10,50,00,000 (Rupees Ten Crores Fifty Lakhs Only) being more than 25% of the total consideration payable under the Offer with HDFC Bank Limited at its branch office at Maneckji Wadia Building, Naneck Motwani Marg, Fort, Mumbai – 400 001 (hereinafter referred to as "Escrow Bank") on 26<sup>th</sup> June, 2007 and a lien has been marked on the said Escrow Account in favour of Vivro Financial Services Pvt. Ltd., Manager to the Offer.
- 7.2.4 V. R. Jain & Co, Chartered Accountants, Aziz Mansion, 'D' Block , 1<sup>st</sup> Floor, L .J Road , Mahim, Mumbai – 400 016 (Tel. No. 022 - 24455668 ; have certified vide their certificate dated 26<sup>th</sup> June , 2007 that the Acquirer has adequate financial resources to fulfill its obligations under the Open Offer in terms of the SEBI ( SAST) Regulations 1997.
- 7.2.5 Based on the above certificate, Manager to the Offer, Vivro Financial Services Pvt. Ltd. certify and confirm that the firm arrangement of funds and money for payment through verifiable means are in place to fulfill the obligations under the Offer and to implement the said offer in accordance with the Regulations. Based on the above Certificate Manager to the Offer, Vivro Financial Services Pvt. Ltd. has satisfied himself about the ability of the acquirer to implement the offer in accordance with the Regulations

## **8) TERMS AND CONDITIONS OF THE OFFER**

### **8.1 Statutory Approvals**

- a) The Offer is subject to Approval, if any, required from RBI under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from the Non residents and Overseas corporate bodies under the Offer.
- b) No approval from any Bank/ Financial Institution is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.
- c) No statutory approvals are required to the best of the knowledge of the Acquirer to acquire the shares that may be tendered pursuant to the Offer.
- d) If any other statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals. The acquirers shall take necessary RBI approvals, if any.
- e) Subject to the receipt of statutory approval, the Acquirer shall complete all procedure relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date to those shareholders whose share certificates and / or other documents are found valid and in case of delay in receipt of any statutory approval, if any, SEBI has power to grant extension of time to the Acquirer for the payment of the consideration to the tendering shareholders subject to the Acquirer agreeing to pay interest as directed by SEBI under Regulation 22(12) of SEBI (SAST) Regulations. If the delay occurs due to willful default of the Acquirer in obtaining the requisite approval, if any, Regulation 22(13) of SEBI (SAST) Regulations will become applicable.

## f) Locked-in Shares:

There are no locked-in shares in SGRL.

**8.2 Other Terms of the Offer**

- 8.2.1 This is not a conditional offer and there is no stipulation as to the minimum level of acceptance.
- 8.2.2 The Offer will be made to the shareholders of “SGRL” and the Letter of Offer (“LOF”) together with the Form of Acceptance cum Acknowledgement (“FOA”) and Form of Withdrawal will be mailed to those shareholders of “SGRL” (except Acquirer, parties to SPA and Bank) whose names appear on the register of members of “SGRL” and the beneficial owners of the shares whose names appear on the beneficial records of the respective share depositories, at the close of business hours on Wednesday 11<sup>th</sup> July, 2007 (the “Specified Date”).
- 8.2.3. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 8.2.4. **Sharepro Services (India) Private Limited** having their office at Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099. is acting as the Registrar to the Offer (“**Registrar**”) and they have opened a Special Depository Account under the name and style of “SHAREPRO SERVICES – ESCROW A/C – SHIRPUR GOLD – OPEN OFFER” with Stock Holding Corporation of India Limited, who is acting as Depository Participant. The DPID is IN 301330 and the Client ID is 20084283.
- 8.2.5. Beneficial Owners and shareholders holding shares in physical form, will be required to send their Form of Acceptance Cum Acknowledgement to the Registrar to the offer either by hand delivery during normal business hours or by registered post on or before the closure of the Offer, 31<sup>st</sup> October 2008, along with photocopy of the delivery instructions in “Off Market” mode or counter foil of the delivery instruction in “Off Market” mode, duly acknowledged by the Depository Participant (“DP”) in favour of “SHAREPRO SERVICES – ESCROW A/C – SHIRPUR GOLD – OPEN OFFER”
- 8.2.6. The equity shareholders of the Target Company who wish to avail of and accept the offer can also deliver the Acceptance Cum Acknowledgment Form along with all the relevant documents at the collection centers below on or before closure of the offer i.e. not later than 31<sup>st</sup> October 2008, in accordance with the procedure as set out in the Letter of Offer. The centers mentioned herein below would be open from Monday to Saturday (excluding Sundays and Public Holidays) between 11.00 a.m. to 4.00 p.m.

Address of Collecting Office	Contact Person	Telephone Number	Fax Number	Email
Sharepro Services (India) Pvt Ltd C/o Skystock Financial 161 Rabindra Saroni Omkar Market Near Canara Bank Calcutta - 700 007	Mr Simraj	033-32930032 033-22739872 9322206719		<a href="mailto:latokolkata7@yahoo.com">latokolkata7@yahoo.com</a>
Sharepro Services (India) Pvt Ltd S-3/150 Shanti Apartment Near Vardharan Tower Shastri Nagar Naranpura Ahmedabad - 380 013	Mr. Alphesh D Suthar	9227209715		<a href="mailto:alphesh.suthar@tatatel.co.in">alphesh.suthar@tatatel.co.in</a>

**Shirpur Gold Refinery Limited**

Sharepro Services (India) Pvt Ltd C/o Skystock Financial 7/A Laxman Nagar East Main Road Chennai - 600 082	Mr B Srinivasan	044-26712611 9840109859	044-26712611	<a href="mailto:skystock_financial@yahoo.com">skystock_financial@yahoo.com</a>
Sharepro Services (India) Pvt Ltd C/o Sterling Services F-75 1st Floor Bhagat Singh Market Near Gol Market New Delhi - 110 001	Mr Sridhar	011-65058126 9810095391	011-23341292	<a href="mailto:sterlingservices20022002@yahoo.com">sterlingservices20022002@yahoo.com</a>
Sharepro Services (India) Pvt Ltd Satam Estate 3rd Floor Above Bank of Baroda Cardinal Gracious Road Chakala Andheri East Mumbai - 400 099	Mr Ganesh Rane	022-67720300 022-67720400 022-67720422	022-28508927	<a href="mailto:offer@shareproservices.com">offer@shareproservices.com</a>

- 8.2.7 Shareholders having their depository account in CDSL have to use inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with NSDL.
- 8.2.8 Shareholders holding their shares in physical form and who wish to tender their fully paid shares will be required to send the Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and Transfer Deed(s) duly signed, to the Registrar to the Offer at the address given above, either by hand delivery during normal business hours from Monday to Saturday between 11.00 a.m. to 4.00 p.m. (excluding Sunday, and Public Holidays) or by Registered Post on or before the closure of the offer i.e. 31<sup>st</sup> October 2008 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement, in an envelope subscribing the same with “**Shirpur Gold Refinery Limited – Open Offer**”.
- 8.2.9 All owners of fully paid-up equity shares registered or unregistered and the beneficial owners of the shares (except the Acquirer, parties to SPA and Bank) who own the shares at any time prior to the closure of the offer are eligible to participate in the offer. Unregistered owners/ shareholders who have not received Letter of Offer can send their application in writing, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered to, Distinctive Numbers, Folio No., together with documents stated above so as to reach the Registrar to the Offer on or before 31<sup>st</sup> October 2008. In case of unregistered owners, the same should be accompanied by a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.
- 8.2.10 The minimum marketable lot for the purpose of acceptance, for both physical and demat shares would be one share.
- 8.2.11 In case of non-receipt of Letter Of Offer, eligible person may send their acceptance to the Registrar to the Offer on a plain paper stating the name, address, No. of Shares held, distinctive No., Folio No., No. of Shares offered, along with documents as mentioned above, so as to reach to the Registrar to the Offer at the above address on or before the closure of the Offer i.e.– 31<sup>st</sup> October 2008.
- 8.2.12 In case of non-receipt of Letter of offer, the eligible person may obtain the copy of the same from the Registrar to the Offer by providing suitable documentary evidence to that effect. Such shareholders may also download the Form of Acceptance Cum Acknowledgement from the website of SEBI i.e. <http://www.sebi.gov.in> which will be made available from the opening of the Offer.
- 8.2.13 The Shareholders or Beneficial Owners should not send the form of acceptance cum acknowledgement, original share certificate and transfer deed either to the Acquirer or Target Company.**

- 8.2.14 The Registrar to the Offer will hold in trust the shares, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company, who have accepted the offer, until the cheques / drafts for the consideration and / or the unaccepted shares/ share certificates are dispatched/ returned.
- 8.2.15 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. Shareholders whose shares are held in dematerialized form to the extent not accepted will be intimated by post for the non-acceptance.
- 8.2.16 Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.
- 8.2.17 Shareholders who have sent their shares for demat need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer i.e. 31<sup>st</sup> October, 2008 else the application would be rejected.
- 8.2.18 In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirer, the Acquirer shall accept all valid application received from the shareholders on a proportional basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots.
- 8.2.19 Acquirer is confident of completing all the formalities pertaining to the acquisition of the said shares, within 15 days from the date of closure of this Offer including payment of consideration to the shareholders who have accepted the Offer and for the purpose open a Special account as provided under Regulation 29. Provided that where the Acquirer is unable to make payment to the shareholders who have accepted the offer before the said period of 15 days due to non-receipt of requisite statutory approval, if any, the SEBI may, if satisfied that non-receipt of requisites statutory approval was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 30 days, as may be specified by the SEBI from time to time.
- 8.2.20 In accordance with Regulation 22(5)(A) of the Regulations, shareholders who have tendered requisite documents in terms of Public Announcement and Letter of Offer shall have option to withdraw acceptance tendered upto 3 working days prior to the offer closing date i.e. 24<sup>th</sup> October, 2008. The withdrawal option can be exercised by submitting the form of withdrawal (separately enclosed with the Letter of Offer) and the copy of acknowledgment received from the Registrar to the Offer while tendering the acceptance together with following details
- In case of physical shares: name, address, distinctive no., folio no., no. of shares tendered / withdrawn
  - In case of dematerialized shares: name, address, no. of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account No., photo copy for delivery instruction in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the DP in favour of the depository escrow account. In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making an application on the plain paper along with the details mentioned above. Shareholders who have tendered Shares in physical form and wish to partially withdraw their tenders, should also enclose valid shares transfer form(s) for the remaining equity shares (i.e. Shares not withdrawn) duly signed by transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signature registered with "SGRL" and duly witnessed at the appropriate place.

- a) The withdrawal of Shares will be available only for the Shares certificates / shares that have been received by the Registrar to the Offer.
- b) The intimation of returned Shares to the shareholders will be at the address as per the records of "SGRL".
- c) The FOW should be sent to the Registrar to the Offer only, at the collection center mentioned in section 8.2.6 above.
- d) In case of partial withdrawal of Shares tendered in physical form, if the original shares certificates are required to be split, the same will be returned on receipt of shares certificate from "SGRL".
- e) Partial withdrawal of tendered Shares can be done only by the registered shareholders. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.
- f) 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.
- g) The Registrar to the Offer will hold in trust the shares / share certificates, shares lying in the credit of the special depository account, Form of Acceptance cum Acknowledgement, the transfer form(s) and Form of Withdrawal if any, on behalf of the shareholders of the ("SGRL") Target Company, who have accepted the offer, until the Cheques / Demand drafts /pay orders for the consideration and / or the unaccepted shares/ share certificates are dispatched/ returned or credited back to the beneficial owners DP account.
- h) In case any person has lodged shares for transfer and such transfer has not yet been effected, the concerned person may apply together with Acknowledgement of the lodgment of shares for transfer. Such person should also instruct "SGRL" and its Registrar and Transfer Agent to send the transferred shares certificate(s) directly to the collection center located at Mumbai. The applicant should ensure that the certificate(s) reach the designated collection center not later than 4 PM on Friday 31<sup>st</sup> October, 2008.

#### **9. Payment of Consideration**

- a) The payment of consideration shall be made to those shareholders whose equity share certificates and / or other documents are found valid and in order by the Acquirer, and the same shall be through a crossed account payee cheque / demand draft / pay order. The intimation regarding the acquisition (in part or full) or rejection of the shares tendered by the shareholders in acceptance of this Offer and the corresponding payment for the acquired Shares and / or Share certificates for the rejected Shares will be dispatched to the shareholders by registered post *or by ordinary post*, at the shareholders'/ unregistered owner's sole risk within 15 days from the date of closure of the offer i.e. Friday 14<sup>th</sup> November, 2008.
- b) All cheques / demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. **It will be desirable if the shareholders provide bank account details in the Form of Acceptance cum Acknowledgement for incorporation in the cheque / demand draft.**
- c) However, if the Acquirer are unable to make the payment to the shareholders within 15 days due to non-receipt of any statutory approval to which the offer may be subject, the Board may, if it is satisfied that non receipt of requisite statutory approval was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, grant extension or time for the purpose, subject to payment of interest to the shareholders at such rate for delay beyond 15 days, as may be specified by the Board.

**10. DOCUMENTS FOR INSPECTION**

The following documents are regarded as material documents and are available for inspection by the shareholders of "SGRL" at the office of the Manager to the Offer i.e. Vivro Financial Services Pvt. Ltd., from 10.30 a.m. to 4.00 p.m. on any working day except Sundays, and Public / Bank Holidays until the Offer closes on 31<sup>st</sup> October, 2008.

- 1) Certificate of Incorporation and the Memorandum and Articles of Association of the Shirpur Gold Refinery Limited
- 2) Certificate of Incorporation and the Memorandum and Articles of Association of Jayneer Capital Private Limited.
- 3) Published Copy of Public Announcement of Offer dated 27<sup>th</sup> June 2007.
- 4) Share Purchase Agreement dated 22<sup>nd</sup> June, 2007 between Oriental Bank of Commerce and Jayneer Capital Private Limited.
- 5) Escrow Agreement dated 22<sup>nd</sup> June, 2007 between Jayneer Capital Private Limited, HDFC Bank (Escrow Depository Participant) and M/s ANS Law Associates (Escrow Agent).
- 6) The Audited annual reports of the Target Company for the financial year ended 31<sup>st</sup> March 2006, 2007, and 2008
- 7) The Audited Financial Statements of Jayneer Capital Private Limited for the financial year ended 31<sup>st</sup> March 2005, 2006, 2007
- 8) Letter from the Acquirer regarding appointment of Manager to the Offer.
- 9) Letter of HDFC Bank Limited (Escrow bank), Process House, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai confirming the creation of escrow account and the amount thereof in terms of Regulations 28(1) of SEBI(SAST) Regulations 1997 and the creation of lien in favour of Manager to the Offer.
- 10) Certificate dated 5<sup>th</sup> June, 2007 certifying the net worth of the Acquirer obtained from M/s V.R. Jain & Co., Chartered Accountants, Mumbai.
- 11) Certificate dated 26<sup>th</sup> June, 2007 certifying the adequacy of financial resources with Acquirer to fulfil the open offer obligations obtained from M/s V.R. Jain & Co., Chartered Accountants, Mumbai.
- 12) Copy of SEBI letter No. CFD/DCR/TO/AK/137050/2008- dated 8<sup>th</sup> September 2008 issued in terms of proviso to the Regulation 18(2) of the Regulations.
- 13) Due Diligence Certificate given by Vivro Financial Services Pvt. Ltd., Manager to the Offer dated 11<sup>th</sup> July, 2007.

**11. DECLARATION BY THE ACQUIRER**

- 11.1 The Acquirers, Jayneer Capital Private Limited accepts full responsibility for the information contained in this Letter of Offer.
- 11.2 The Acquirer would be responsible for ensuring compliance with the Takeover Regulations. The information relating to the Target Company has been obtained from publicly available information and from the company.

**For and on behalf of The Acquirer**  
Jayneer Capital Private Limited.

Mr. Ashokkumar Goel  
Director

(Acquirer)

The person signing the Letter of Offer is duly and legally authorized person.

Place: Mumbai  
Date: 25<sup>th</sup> September ,2008

**Attached: Form of Acceptance – cum – Acknowledgement**  
**Form of Withdrawal – cum – Acknowledgement**

**FOR M OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Registrar to the Offer Sharepro Services (India) Private Limited at the address as mentioned in the Letter of Offer)*

*(All terms and expression used herein shall have the same meaning as described thereto in letter of offer and please read the instructions mentioned below before filling in this form of acceptance.)*

From: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

OFFER	
Opens on	10 <sup>th</sup> October 2008, Friday
Last date of withdrawal	24 <sup>th</sup> October 2008, Friday
Closes on	31 <sup>st</sup> October 2008, Friday

Tel No : (\_\_\_\_\_) \_\_\_\_\_ Fax No. (\_\_\_\_\_) \_\_\_\_\_

E-mail: \_\_\_\_\_

To,

**Sharepro Services (India) Pvt Ltd**  
 3rd Floor Satam Industrial Estate, Cardinal Gracious Road,  
 Chakala, Andheri ( East), Mumbai - 400 099

Dear Sir/Madam

**Re: Open Offer to acquire 76,25,625 equity shares of Rs. 10/- each, representing 49.00% of the issued & subscribed Equity share Capital and 49.00% of the total voting equity share capital of Shirpur Gold Refinery Ltd. ("Target Company" / "SGRL" ) at price of Rs. 54.75/- ( Rupees Fifty Four and Seventy Five paise only) per Equity share ("Offer Price") payable in cash by M/s. Jayneer Capital Private Limited (the "Acquirers")**

- I/We refer to the Letter of Offer dated 25<sup>th</sup> September, 2008 constituting an offer for acquiring the equity shares held **Shirpur Gold Refinery Limited**
- I/We, the undersigned have read the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

**SHARES HELD 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.	Folio No.	Certificate No.	Distinctive No.(s)		No. of Shares
			From	To	
<b>Total Number of shares</b>					

Please use additional sheet and authenticate the same in case of insufficient space.

**SHARES HELD IN DEMAT FORM**

- I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the delivery instructions by my/our DP in respect of my/our Shares as detailed below:

DP Name	DPID	Client ID Depository	Name of Beneficiary	No. of Shares

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

**Acknowledgment Slip: Shirpur Gold Refinery Limited – Open Offer (to be filled in by the shareholders)**

Sr. No.

Received from Mr./Ms./M/s \_\_\_\_\_

Form of Acceptance cum Acknowledgement for "SGRL" Offer as per details below :-

**Physical Shares:** Folio No. \_\_\_\_\_

No. of Certificates Enclosed \_\_\_\_\_ Certificate No. \_\_\_\_\_ Total No. of Shares Enclosed \_\_\_\_\_

Date of Receipt : \_\_\_\_\_

Stamp of collection center:

Signature of Official:

**5 I/We have done an off-market transaction for crediting the Shares to the special depository account with Stock Holding Corporation of India Limited styled "SHAREPRO SERVICES – ESCROW A/C – SHIRPUR GOLD – OPEN OFFER" with Stock Holding Corporation of India Limited, whose particulars are as**

<b>DP Name: Stock Holding Corporation of India Limited</b>	<b>DP ID:IN301330</b>	<b>Client ID: 20084283</b>
------------------------------------------------------------	-----------------------	----------------------------

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Shares in favour of the Special Depository Account with NSDL.

Enclosures (Please tick as appropriate, if applicable)  
Please use additional sheet and authenticate the same in case of insufficient space.

<input type="checkbox"/>	Power of Attorney	<input type="checkbox"/>	Corporate authorization in Case of companies along With Board Resolution and specimen Signatures of authorized signatories
<input type="checkbox"/>	Death Certificate / Succession Certificate	<input type="checkbox"/>	others(Please specify)_____
<input type="checkbox"/>	No objection Certificate & Tax Clearance Certificate under Income-Tax Act, 1961, for NRIs /OCBs /Foreign Shareholders as applicable		

- 6 I/We confirm that the equity shares of Shirpur Gold Refinery Limited which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.
- 7 I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me / us by the Registrar to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.
- 8 I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.
- 9 I/We authorize the Acquirer to send by registered post/ speed post/ UCP the draft/ cheque, in settlement of the amount to the sole/ first holder at the address mentioned above.
- 10 I/We authorize the Acquirer to accept the Shares so offered or such lesser number of equity shares which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, equity share certificate(s) which is not found valid.
- 11 My/Our execution of this Form of Acceptance shall constitute my/our warranty that the Equity shares comprised in this application are owned by me/us and are transferred by me/us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I/We will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I/We agree that the Acquirer may pay the offer price only after due verification of the documents and signatures and on obtaining the necessary approvals as mentioned in the said letter of offer.
- 12 I/We undertake to execute such further documents and give further assurance as may be required or expedient to give effect to my/our agreeing to sell the said Equity shares.

So as to avoid fraudulent encashment in transit, Shareholder(s) should provide details of bank account of the first/sole shareholder and the cheque or demand draft will be drawn accordingly.

Name of Bank	Branch	City	Type of Account	Account Number

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

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

**Sharepro Services (India) Pvt Ltd**  
**Contact person : Mr. Ganesh Rane**  
 3rd Floor Satam Industrial Estate, Cardinal Gracious Road,  
 Chakala, Andheri ( East), Mumbai - 400 099  
 TEL : 022-67720300/ 67720422/ 67720400, FAX : 022 – 28508927  
 EMAIL : [offer@shareproservices.com](mailto:offer@shareproservices.com)

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under: -

1 <sup>st</sup> Shareholder	2 <sup>nd</sup> Shareholder	3 <sup>rd</sup> Shareholder
PAN/GIR No.		

Yours faithfully,  
Signed and delivered

	FULL NAME (S) OF THE HOLDER	SIGNATURE (S)
First/ Sole Holder		
1 <sup>st</sup> Shareholder		
2 <sup>nd</sup> Shareholder		
3 <sup>rd</sup> Shareholder		

Note : In case of joint holdings, all shareholders must sign. In case of body corporate, the company seal should be affixed

Place : \_\_\_\_\_

Date : \_\_\_\_\_

13 I/We irrevocably authorize the Acquirer or the Manager to the Offer to send by registered post the draft / cheque, in settlement of purchase at my own risk and any excess share certificate, if any, to the Sole/first holder at the address mentioned below:

**NAME AND COMPLETE ADDRESS OF THE SOLE/FIRST HOLDER (IN CASE OF MEMBER(S), ADDRESS as Registered with the Company.**

**Name** : \_\_\_\_\_

**Address** : \_\_\_\_\_  
\_\_\_\_\_

**Place** : \_\_\_\_\_

**Date** : \_\_\_\_\_

**Tele No** : \_\_\_\_\_

#### INSTRUCTIONS

**1. Registered Share holders should enclose the following:**

**I. For Shares held in physical form:-**

Registered Shareholders should enclose

- Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein, by all Shareholders whose names appear on the Share certificates.
- Original Share certificate(s).**
- Valid transfer deed(s)** duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with "SGRL" and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.

The details of buyer should be left blank failing which the same will be invalid under the offer. The details of the Acquirers as buyer will be filled by Mr. Ganesh Rane upon verification of the Form Of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

**II. For Shares held in demat form:-**

Beneficial owners should enclose

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
- Photocopy of the delivery instruction in "off-market" made or counterfoil of the delivery instruction in "off-market" mode, duly acknowledgement by the DP as per the instruction in the Letter of offer.

**III. Unregistered owners should enclose**

- Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.

- b. **Original Share certificate(s).**
- c. **Original broker contract note.**
- d. **Valid Share transfer deed(s)** as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.

2. **The Share certificate(s), share transfer form(s) and the Form of Acceptance-cum-Acknowledgment should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirers or SGRL.**
3. The Form of Acceptance-cum-Acknowledgment and other related documents should be submitted at the collection center of Sharepro Services (India) Private Limited as stated in the Letter of Offer.
4. It is mandatory for Shareholders to indicate the bank account details at the appropriate place in the Form of Acceptance-cum-Acknowledgment and the consideration would be made to the bank account of the sole/first shareholder. The payment would be made at par to all the shareholders.
5. Rejection of Shares  
If the shares are rejected for any of the following reasons, the shares will be returned to the holder(s) along with all the documents received from them at the time of submission. Please Note that the following list is not exhaustive.
  - a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of SGRL..
  - b. The Transfer deed is not complete or that the signatures do not match with the specimen recorded with SGRL.
  - c. The number of Shares mentioned in the Form of Acceptance-cum-Acknowledgment does not tally with the actual physical share certificate(s) submitted.
6. All documents/ remittances sent by or to shareholders will be at their own risk. Shareholders of SGRL are advised to adequately safeguard their interests in this regard.
7. Neither The Acquirers, the Manager to the Offer, the Registrar to the Offer or SGRL will be liable for any delay/loss in transit resulting in delayed receipt/non-receipt by the Registrar of your Form of Acceptance- cum-Acknowledgment or submission of original physical Share certificate(s) due to inaccurate /incomplete particulars/instructions on your part, or for any other reason. Applicants who cannot hand deliver their documents at the collection Center, may send their documents only by Registered post, at their own risk, to the Registrar to the Offer at Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099. so as to reach the Registrars to the offer on or before the last date of acceptance i.e. Friday 31<sup>st</sup> October, 2008.
8. Please read the enclosed letter of offer before filling up the form of Acceptance.
9. The Form of Acceptance should be filled up in English only.
10. Signature(s) other than in English, Hindi and thumb impression must be attested by notary public under his official seal.
11. Mode of tendering the Equity shares pursuant to the offer
  - (i) The acceptance of the offer made by the Acquirers is entirely at the discretion of the equity shareholders of "SGRL"
  - (ii) Shareholders of "SGRL" to whom the offer is being made, are free to offer his/her/their shareholding in "SGRL" for sale to the Acquirers, in whole or part, while tendering his/her/their equity shares in the offer. All queries in this regard to be addressed to the Registrar to the offer at the following address quoting your Reference Folio No.

**Sharepro Services (India) Pvt Ltd**

**Contact person : Mr. Ganesh Rane**

3rd Floor Satam Industrial Estate, Cardinal Gracious Road,  
Chakala, Andheri ( East), Mumbai - 400 099

TEL : 022-67720300/ 67720422/ 67720400, FAX : 022 – 28508927

EMAIL : [offer@shareproservices.com](mailto:offer@shareproservices.com)

## FORM OF WITHDRAWAL

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Withdrawal with enclosures to Registrar to the Offer Sharepro Services (India) Private Limited at the address as mentioned in the Letter of Offer)

### THIS FORM SHOULD BE USED BY THE SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROVIDED IN THE LETTER OF OFFER

To,

**Sharepro Services (India) Pvt Ltd**  
3rd Floor Satam Industrial Estate, Cardinal Gracious Road,  
Chakala, Andheri ( East),  
Mumbai - 400 099

Dear Sir/Madam

OFFER	
Opens on	10 <sup>th</sup> October 2008, Friday
Last date of withdrawal	24 <sup>th</sup> October 2008, Friday
Closes on	31 <sup>st</sup> October 2008, Friday

**Re: Open Offer to acquire 76,25,625 equity shares of Rs. 10/- each, representing 49.00% of the issued & subscribed Equity share Capital and 49.00% of the total voting equity share capital of Shirpur Gold Refinery Ltd. ("Target Company" / "SGRL") at price of Rs. 54.75/- ( Rupees Fifty Four and Seventy Five paise only) per Equity share ("Offer Price") payable in cash by M/s. Jayneer Capital Private Limited (the "Acquirers")**

I/We refer to the Letter of Offer dated 25<sup>th</sup> September, 2008, for acquiring the Shares held by me/us in **Shirpur Gold Refinery Limited**. I/we, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

I/we have read the procedure for withdrawal of shares tendered by me/us in the Offer as mentioned in the Letter of offer and unconditionally agree to the terms and conditions mentioned therein.

I/we hereby consent unconditionally and irrecoverably to withdraw my/our Shares from the offer and I/we further authorize the Acquirer to return to me/us, 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 at any of the collection centers mentioned in the Letter of offer as per the mode of delivery indicated therein on or before the last date of withdrawal.

I/we note that the Acquirer / Registrar to the Offer shall not be liable for any postal delay / loss in transit of the shares held in physical form due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer shall return original Share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents and signatures.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s)		No. of Shares
			From	To	

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

#### Acknowledgment Slip: Shirpur Gold Refinery Limited – Open Offer (to be filled in by the shareholders)

Sr. No. \_\_\_\_\_

Received from Mr./Ms./M/s. \_\_\_\_\_

Form of Acceptance cum Acknowledgement for "SGRL" Offer as per details below :-

**Physical Shares:** Folio No. \_\_\_\_\_

No. of Certificates Enclosed \_\_\_\_\_ Certificate No. \_\_\_\_\_ Total No. of Shares Enclosed \_\_\_\_\_

Date of Receipt : \_\_\_\_\_

Stamp of collection center:

Signature of Official:

<b>Tendered</b>				
<b>Withdrawn</b>				
<b>Total No. of equity shares</b>				

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

I/We hold the following shares in dematerialized form, have tendered the Shares in the offer and had done an off-market transaction for crediting the Shares to the Special Depository Account with Stock Holding Corporation of India Limited Styled "SHAREPRO SERVICES – ESCROW A/C – SHIRPUR GOLD – OPEN OFFER" with Stock Holding Corporation of India Limited, whose particulars are as

<b>DP Name: Stock Holding Corporation of India Limited</b>	<b>DP ID:IN301330</b>	<b>Client ID: 20084283</b>
------------------------------------------------------------	-----------------------	----------------------------

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.

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

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

I/We note that the Shares will be credited back only to the 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 of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,  
Signed and delivered

	FULL NAME (S) OF THE HOLDER	SIGNATURE (S)
First/ Sole Holder		
1 <sup>st</sup> Shareholder		
2 <sup>nd</sup> Shareholder		
3 <sup>rd</sup> Shareholder		

Note : In case of joint holdings, all shareholders must sign. In case of body corporate, the company seal should be affixed

Place : \_\_\_\_\_

Date : \_\_\_\_\_

— Tear along this line —

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

**Sharepro Services (India) Pvt Ltd**

**Contact person : Mr. Ganesh Rane**

3rd Floor Satam Industrial Estate, Cardinal Gracious Road,

Chakala, Andheri ( East), Mumbai - 400 099

TEL : 022-67720300/ 67720422/ 67720400, FAX : 022 – 28508927

EMAIL : [offer@shareproservices.com](mailto:offer@shareproservices.com)

## INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned In the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e.24<sup>th</sup> October,2008.
2. Shareholders should enclose the following:
  - I **Registered Shareholders should enclose.**
    - a. Duly signed and completed Form of Withdrawal
    - b. Acknowledgement **slip in original /copy** of the submitted Form of acceptance- cum- Acknowledgement in case delivered by Registered A.D.
    - c. In case of partial withdrawal, valid share transfer form(s) for the remaining 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 Shirpur Gold Refinery Limited and duly witnessed at the appropriate place.
  - II. **Unregistered owners should enclose.**
    - a. Duly signed and completed Form of Withdrawal.
    - b. Acknowledgement slip in original Copy of the submitted Form of Acceptance-cum- Acknowledgement in case delivered by Registered A.D.
  - III. **For Shares held in demat form:-**

Beneficial owners should enclose

    - a. Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
    - b. Photocopy of the delivery instruction in "off-market" mode or counterfoil of the delivery instruction in "off-market" mode, duly acknowledgement by the DP as per the instruction in the Letter of offer.
3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer.
4. The intimation of returned Shares to the shareholders will be at the address as per the records of the Target Company.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
7. The Form of Withdrawal and other related documents should be submitted at the Collection Center of **Sharepro Services (India) Private Limited** as stated in the Letter of Offer. Applicants who cannot hand deliver their documents at the collection Center, may send their documents only by Registered post, at their own risk, to the Registrar to the Offer at Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road ,Chakala, Andheri (East), Mumbai 400 099. so as to reach the Registrars to the offer on or before the last date of acceptance i.e. Friday 31<sup>st</sup> October,2008.

