

DETAILED PUBLIC STATEMENT TO THE SHAREHOLDERS OF DURGESH MERCHANTS LIMITED IN TERMS OF REGULATION 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

OPEN OFFER FOR ACQUISITION OF UPTO 6,94,200 EQUITY SHARES FROM THE SHAREHOLDERS OF DURGESH MERCHANTS LIMITED (HEREINAFTER REFERRED TO AS "TARGET" OR "TARGET COMPANY" OR "DML") BY MR. KAMAL AHUJA (HEREINAFTER REFERRED TO AS "THE ACQUIRER") ("OFFER").

This Detailed Public Statement ("DPS") is being issued by Sobhagya Capital Options Limited, the Manager to the Offer ("Manager to the Offer"/ "Manager"), on behalf of Mr. Kamal Ahuja (hereinafter referred to as the "Acquirer"), in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto, ("SEBI (SAST) Regulations"/"Regulations"), pursuant to the Public Announcement ("PA") filed on March 23, 2015 with The Calcutta Stock Exchange Limited ("CSE"), (hereinafter referred to as the "CSE"/"Stock Exchange") and the Securities and Exchange Board of India ("SEBI") and Durgesh Merchants Limited (hereinafter referred to as "Target" or "Target company" or "DML") in terms of Regulation 4 of the SEBI (SAST) Regulations.

I. ACQUIRER, SELLERS, TARGET COMPANY AND OFFER

(A) Information about the Acquirer - Mr. Kamal Ahuja
 i. Nature of Entity: Individual
 ii. Mr. Kamal Ahuja, aged about 40 years, son of Late Shri Anur Chand Ahuja is residing at B-2/216, Yamuna Vihar, Shahdara, New Delhi - 110053, Mobile no.: 09811259140. Mr. Kamal Ahuja is a member of the Institute of Company Secretaries of India (ICSI) and Delhi High Court Bar Association. He is having experience spanning over 15 years in the field of Corporate Laws.
 iii. Mr. Kamal Ahuja does not belong to any group.
 iv. Mr. Kamal Ahuja is the Managing Director on the Board of Directors of the Target Company. He is also the shareholder of the Target Company and is presently holding 1,80,000 Equity Shares representing 6.74% of the fully paid up Equity Share Capital of the Target Company. Besides this, he is not related to the Target Company, its Directors, key employees and Promoters in any manner whatsoever.
 v. There are no 'Persons Acting in Concert' within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer.
 vi. As on the date of DPS, the Acquirer holds 1,80,000 Equity Shares representing 6.74% of the fully paid up Equity Share Capital of the Target Company.
 vii. Mr. Kamal Ahuja has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.
 viii. Mr. S.A.S. Tomar (Membership No. 88577) Proprietor of M/s Shivesh & Co., Chartered Accountants, having office at C-55, Sector-56, Noida, UP-201301, Ph: +91-9810248683, Email Id: shiveshas@yahoo.com, has certified, vide certificate dated March 23, 2015 that the net worth of Mr. Kamal Ahuja is Rs. 86.06 Lacs (Rupees Eighty Six Lacs and Six Thousand only).

(B) Details of Sellers:
 i. The Details of the Sellers are as follows:

Sr. No.	Name & Address of the Sellers	Nature of Entity	Part of Promoter Group (Yes/No)	Listed/ Unlisted	Shareholding (No. of Equity Shares)	% of paid up and Voting Capital
1.	Mr. Rajendra Pal Garg 6, Block BQ, Shalimar Bagh, New Delhi - 110088	Individual	Yes	Not Applicable	30000	1.12
2.	Mrs. Kiran Garg, 6, Block BQ, Shalimar Bagh, New Delhi - 110088	Individual	Yes	Not Applicable	17600	0.66
3.	Mr. Heman Garg, 6, Block BQ, Shalimar Bagh, New Delhi - 110088	Individual	Yes	Not Applicable	26000	0.97
4.	Mr. Dushan Garg, 6, Block BQ, Shalimar Bagh, New Delhi - 110088	Individual	Yes	Not Applicable	2000	0.07
Total					75600	2.83

ii. As per the latest Shareholding Pattern under clause 35 of the Standard Listing Agreement, filed by the Target Company with The Calcutta Stock Exchange Limited, the Sellers are the current Promoters of the Target Company. There are no other Promoters or Promoters Group of the Target Company.
 iii. The Sellers are not part of any group.
 iv. The Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

(C) Durgesh Merchants Limited ("Target Company") / "DML"/"Target"):

i. Durgesh Merchants Limited was incorporated on December 27, 1984, as "Durgesh Merchants Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab, H.P. & Chandigarh and obtained certificate of commencement of business on December 31, 1984. The Corporate Identification Number of Target Company is L51219DL1984PLC248322.
 ii. The Target Company is registered with Reserve Bank of India (hereinafter referred to as "RBI") as Non Banking Financial Company. Reserve Bank of India has granted registration vide its registration no. B.06.00133 dated May 14, 2002 with a condition that the Target Company shall not accept public deposits.
 iii. Presently, the registered office of the Target Company is situated at 8/33, IIIrd Floor, Satbhraava School Marg, W.E.A, Karol Bagh, New Delhi - 110005.
 iv. In terms of the Main Objects clause of its Memorandum of Association, the Target Company is inter-alia permitted to carry on the activities/businesses of trading, import & export etc. of Agricultural Products, iron & steel and other products, to deal in real estate, to do financing of industrial, commercial and other enterprises, leasing of plants, machineries etc. and also to carry on the business of commission agents, brokers etc.
 v. As on date of this DPS, the Authorized Share Capital of the Target Company is Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 (Forty Lacs) Equity Shares of Rs. 10.00 (Rupees Ten Only) each and the Issued, Subscribed and Paid-up Capital of the Target Company is Rs. 2,67,00,000/- (Rupees Two Crores Sixty Seven Lacs Only) consisting of 26,70,000 (Twenty Six Lacs Seventy Thousand Only) Equity Shares of face value of Rs. 10.00 (Rupees Ten Only) each.
 vi. The entire present paid up Equity Share Capital of the Target Company is currently listed on The Calcutta Stock Exchange Limited. The Target Company was also listed on the Ludhiana Stock Exchange Limited. However, SEBI vide its Order No. WTM/RKA/MRD/166/2014 dated December 30, 2014 had issued an exit order in respect of The Ludhiana Stock Exchange Limited. Hence, as on date of this DPS, the Target Company is listed exclusively on CSE.
 vii. Based on the information available, the Equity Shares of the Target Company are not frequently traded on CSE (within the meaning of definition of "frequently traded shares" under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
 viii. The financial information of the Target Company as per the audited accounts for the last three financial years ended March 31, 2014, March 31, 2013, March 31, 2012 and unaudited & certified financials for the 9 months period ended December 31, 2014 are as follows:

(Figures In "Rupees Lacs.")

Particulars	9 Months period ending (Un-audited)		Year ended (Audited)	
	December 31, 2014	March 31, 2014	March 31, 2013	March 31, 2012
Total Revenue	17.00	15.77	0.53	10.51
Net Income (PAT)	5.95	3.40	(3.60)	0.05
Earnings Per share (EPS) (In Rs.)	0.22	0.69	(0.73)	0.01
Net worth/ Shareholders Funds	272.32	49.06	45.66	49.26

(Source - As certified by Mr. Ajay Kumar Jain (Membership No. 097094), Proprietor of M/s Ajay Shikhar Jain & Co., Chartered Accountants, Statutory Auditors of the Target Company, having Office at C-7/130, Yamuna Vihar, Delhi - 110053, Ph: +91-9212617213, Email Id: caajayshikharjainco@gmail.com vide certificate dated March 23, 2015)

(D) Details of the Offer:

i. The Acquirer is making an Offer to acquire up to 6,94,200 Equity Shares of face value of Rs. 10 each representing 26% of the fully paid up Equity Share Capital of the Target Company.
 ii. This Offer is being made to all the Equity Shareholders of the Target Company as on May 07, 2015 ("Identified Date") [Other than the parties to the Share Purchase Agreement dated March 23, 2015 as given in Paragraph B (i)].
 iii. The Offer is being made at a price of Rs. 10/- (Rupees Ten Only) per fully paid up Equity Share, payable by cash, subject to the terms and conditions set out in the PA, this Detailed Public Statement and the Letter of Offer, that will be sent to the shareholders of the Target Company.
 iv. The payment to be made to the public shareholders shall be in cash only.
 v. The Offer is subject to the receipt of statutory and other approvals as mentioned in Section VI of this DPS.
 vi. This Offer is not conditional upon any minimum level of acceptance by the Equity Shareholders of the Target Company. The Acquirer will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 6,94,200 Equity Shares of face value of Rs. 10/- each representing 26% of the fully paid up Equity Share Capital of the Target Company.
 vii. This is not a competing offer. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares of the Target Company.
 viii. There are no conditions stipulated in the Share Purchase Agreement between the Sellers and the Acquirer, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.
 ix. The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
 x. The Manager to the Offer, Sobhagya Capital Options Limited, does not hold any Equity Shares in the Target Company as at the date of this DPS. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

(E) As on the date of this DPS, the Acquirer does not have any intention to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

(F) Upon completion of the Open Offer, assuming full acceptances, the Acquirer will hold 9,49,800 Equity Shares of the Target Company, representing a total of 35.57% of the fully paid up Equity Share Capital of the Target Company. Accordingly, the Offer (assuming full acceptance) would not result in public shareholding in Target Company being reduced below the minimum level, as per requirements set forth under the Standard Listing Agreement entered into by the Target Company with the Stock Exchange, for the purpose of listing on continuous basis.

II. BACKGROUND TO THE OFFER

i. The Acquirer has entered into a Share Purchase Agreement ("SPA") with Mr. Rajendra Pal Garg, Mrs. Kiran Garg, Mr. Heman Garg and Mr. Dushan Garg, the existing Promoters of the Target Company (hereinafter collectively referred to as the "Sellers") with the objective of taking complete Management Control of the Target Company along with acquisition of the entire present shareholding of the Sellers, i.e. 75,600 (Seventy Five Thousand Six Hundred Only) fully paid up Equity Shares of the Target Company, representing 2.83% of total fully paid-up Equity Share Capital of the Target Company presently held by the Sellers, at a price of Rs. 10/- (Rupee Ten only) per fully paid up Equity Share for cash consideration. **This mandatory Open Offer is made by the Acquirer in compliance with Regulation 4 of the SEBI (SAST) Regulations, consequent to the agreement for acquisition of complete Control and Management of the Target Company contemplated under the SPA.**
 ii. The salient features of the SPA are as follows:
 • The SPA is subject to the compliances of provisions of SEBI (SAST) Regulations and in case of non-compliances of any provisions of SEBI (SAST) Regulations, the SPA shall not be acted upon.
 • The Agreement shall be binding on the parties.
 • That the Sale Shares under the SPA are free from all Liens, Claim, encumbrance, charge, mortgage and the like.
 • The Sellers should handover the Original Share Certificates along with original, valid and signed share transfer forms to the Acquirer.
 • The Acquirer intends to acquire the complete management control along with the entire current shareholding of the Sellers.
 • The Purchase Consideration of the Sale Shares in respect of the transfer of shares has been agreed to be Rs. 10/- per share resulting in an aggregate consideration of Rs. 7,56,000/- (Rupees Seven Lacs Fifty Six Thousand Only) payable by the Acquirer to the respective Sellers.
 iii. After the completion of this Offer and pursuant to the transfer of the Equity Shares so acquired, the Acquirer shall be in a position to exercise complete management control over the Target Company.
 iv. The Acquirer intends to take complete control and management over the Target Company and make changes in the Board of Directors of the Target Company, subsequent to the completion of this Offer in accordance hereof with the SEBI (SAST) Regulations.
 v. The main object of this acquisition is to acquire complete management control of the Target Company. The Acquirer may continue the existing line of business of the Target Company or may diversify its business activities in future with the prior approval of shareholders. However, depending on the requirements and expediency of the business situation and subject to

the provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Target Company and all applicable laws, rules and regulations, the Board of Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer cannot ascertain the repercussions, if any, on the employees and locations of the business place of Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS:

The current and proposed shareholding of the Acquirer in Target Company and the details of their acquisition are as follows:

Details	Kamal Ahuja	
	No. of Shares	%
Shareholding as on the PA date	1,80,000	6.74
Shares acquired between the PA date and the DPS date	NIL	NIL
Shares to be acquired through Share Purchase Agreement	75,600	2.83
Shares to be acquired in the Open Offer (assuming full acceptance)	6,94,200	26.00
Post Offer shareholding (On diluted basis, as on 10th working day after closing of tendering period)	9,49,800	35.57

IV. OFFER PRICE:

i. The Equity Shares of the Target Company are listed only on The Calcutta Stock Exchange Limited. The Company was also listed on the Ludhiana Stock Exchange Limited. However, SEBI vide its Order No. WTM/RKA/MRD/166/2014 dated December 30, 2014 had issued an exit order in respect of The Ludhiana Stock Exchange Limited. Hence, as on date of this DPS, the Target Company is listed exclusively on CSE.
 ii. The total trading turnover in the Equity Shares of the Target Company on the Stock Exchange based on trading volume during the twelve calendar months prior to the month of Public Announcement (March 01, 2014 to February 28, 2015) is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the Twelve months prior to the month of PA	Total No. of Equity Shares listed	Total Trading Turnover (as % of total Equity Shares listed)
CSE	Nil	26,70,000	Nil

iii. Based on the above information, Equity Shares of Target Company are not frequently traded on Stock Exchange within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Offer Price has been determined taking into account the parameters as set out under Regulation 8(2) of SEBI (SAST) Regulations, as under:

1	Negotiated Price under the SPA	Rs. 10 per share
2	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA @	Rs. 10 per Share
3	Highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of PA @	Rs. 10 per Share
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	Not Applicable
5	Other financial Parameters	For the 9 months period ended December 2014 (Unaudited & Certified)*
a.	Return on Net Worth (%)	2.18%
b.	Book value per Share (Rs).	10.20
c.	Earnings per Share	0.22^

@ Acquisition Price of Equity Shares acquired by way of Preferential Allotment and Off Market Purchase
 * Source - Unaudited and Certified Financials
 ^ Not Annualised

Mr. S.A.S. Tomar (Membership No. 88577) Proprietor of M/s Shivesh & Co., Chartered Accountants, having office at C-55, Sector-56, Noida, UP-201301, Ph: +91-9810248683, Email Id: shiveshas@yahoo.com, has certified, vide certificate dated March 23, 2015 the Fair Value of Equity Shares of the Target Company. The relevant extracts of the report is stated as under:-
 In the case of Hindustan Lever Employees' Union versus Hindustan Lever Limited (1995), the Hon'ble Supreme Court upheld the use of the following three bases of valuation:

- (i) the yield method;
- (ii) the net asset value method; and
- (iii) the market value method.

In case of Durgesh Merchants Limited:
 (i) **The net asset value method (NAV):** The Net Asset Value based on Unaudited Financial Statements for the 9 months period ended December 31, 2014 is Rs. 10.20 per Equity Share.
 (ii) **The yield method (Price Earning Capacity value/PECV):** For calculating the Value based on Profit Earning Capacity, average profit after tax based on the Audited Financial Statements for the financial years ended March 31, 2014, March 31, 2013 and March 31, 2012 have been considered. The average profit after tax as per audited annual accounts is Rs. 1.73 Lacs. Based on that, weighted average EPS of the Company comes out to Rs. 0.06 per Equity Share. The Profit Earning Capacity Value (PECV) of the company comes to Rs 0.32 per Equity Share after considering a capitalization rate of 20.00%, since the Company is a trading company and we have used a capitalization rate of 20.00%.

(iii) **The market value method:** Since the Company is listed on The Calcutta Stock Exchange Limited and the trading in securities is not being carried in CSE, hence in absence of any market quotations, determination of market value of the shares of the Company by this method is not possible. Therefore the Market Price method is an inappropriate method for valuation in the present case.
 Considering the Supreme Court's Decision in the case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited (1995) reported at (83 Company Cases 30) wherein the Apex Court has opined that under certain circumstances the fair value of a Company could be assessed based on weights, we have assigned the following weights for the purpose of computing the Fair Market Value:-

Particulars	Price per shares	Weight	Amount (In Rs Per Equity Share)
NAV Method	10.20	2	20.40
PECV Method	0.32	1	0.32
Market Value Method	Not Applicable	Not Applicable	Not Applicable
Fair Value per Equity Share			6.91

We are of the opinion that based on the information as referred to hereinabove, the Value of Equity Shares of Durgesh Merchants Limited in terms of the Hon'ble Supreme Court's decision in the Hindustan Lever Employees' Union Vs. Hindustan Lever Limited (1995) reported at (83 Companies Cases 30), is Rs. 6.91 per Equity Share.

Conclusion:

Based on the parameters as prescribed by SEBI and the valuation as determined by using the HLL formula, we are of the opinion that the fair value per Equity Share for the purpose of the proposed open offer is Rs. 10 (Rupees Ten) per Equity Share.

iv. In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 10/- per Equity Share as mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

v. The relevant price parameters have not been adjusted for any corporate actions.

vi. As on date there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

vii. If there is any revision in the Offer Price on account of future purchases/competing offers, it will be done only at any time prior to the commencement of the last three working days before the date of commencement of the tendering period and would be notified to shareholders of the Target Company by way of announcement in all the newspapers in which this Detailed Public Statement pursuant to the Public Announcement is being made.

V. FINANCIAL ARRANGEMENTS

i. The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 6,94,200 (Six Lacs Ninety Four Thousand and Two Hundred Only) Equity Shares at a price of Rs. 10/- (Rupees Ten only) per Equity Share is Rs. 69,42,000 (Rupees Sixty Nine Lacs Forty Two Thousand only). ("Maximum Consideration").

ii. The Acquirer has adequate financial resources and has made financial arrangements for the implementation of the Offer in full, out of their own sources/network and no borrowings from any Bank and/or Financial Institutions are envisaged. Mr. S.A.S. Tomer (Membership No. 88577) Proprietor of M/s Shivesh & Co., Chartered Accountants, having office at C-55, Sector-56, Noida, UP - 201301, Ph: +91-9810248683, Email Id: shiveshas@yahoo.com, has certified, vide certificate dated March 23, 2015 that sufficient resources are available with the Acquirer for fulfilling the obligations under this Offer in full.

iii. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account in the name and style of "DML OPEN OFFER ESCROW ACCOUNT" bearing number 000405107930, with ICICI Bank Limited, Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 (hereinafter referred to as the "Escrow Banker") and deposited therein an amount of Rs. 17,50,000/- (Rupees Seventeen Lacs Fifty Thousand only), in cash, being more than 25% of the Maximum Consideration payable under the Offer.

iv. The Manager to the Offer is authorized to operate the above mentioned Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

v. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that firm arrangement for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

VI. STATUTORY AND OTHER APPROVALS

i. As on date, the underlying transaction requires prior approval of the Reserve Bank of India (RBI) under Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions, 2014 issued under Master Circular No. DNBS (PD) CC No. 397/03.02.001/2014-15 dated July 01, 2014. The Target Company has initiated the process and filed the requisite application with the RBI.

ii. To the best of knowledge and belief of the Acquirer, as on the date of this DPS, there are no statutory approvals and/or consent, except that of the Reserve Bank of India as stated above, to acquire the equity shares tendered pursuant to this Offer. However, if any other statutory approvals are required or become applicable prior to completion of this Offer, this Offer would be subject to the receipt of such other statutory approvals that may become applicable at a later date.

iii. If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

iv. Subject to the receipt of statutory and other approvals, if any, the Acquirer shall complete all requirements relating to this Offer including payment to the shareholders who have accepted the Open Offer within 10 working days from the date of Closure of the Tendering Period.

v. In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant extension of time for the purpose of making the payments, subject to the Acquirer agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. However, where the statutory approvals extend to someone but not all holders of the Equity Shares, the Acquirer has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

vi. There are no conditions stipulated in the Share Purchase Agreement between the Sellers and the Acquirer, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Nature of Activity	Day and Date
Date of the Public Announcement	Monday, March 23, 2015
Last date of publication of the Detailed Public Statement	Monday, March 30, 2015
Last date of filing of Draft Letter of Offer with SEBI	Wednesday, April 08, 2015
Last date for a Competing Offer	Thursday, April 23, 2015
Identified Date*	Thursday May 07, 2015
Last Date by which Letter of Offer will be dispatched to the Shareholders	Thursday, May 14, 2015
Last Date for revising the Offer Price/Offer Size	Friday, May 15, 2015
Last date by which an independent committee of the Board of Target Company shall give its recommendation	Tuesday, May 19, 2015
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspaper	Wednesday, May 20, 2015
Date of commencement of tendering period (Offer Opening Date)	Thursday, May 21, 2015
Date of expiry of tendering period (Offer Closing Date)	Wednesday, June 03, 2015
Date by which all requirements including payment of consideration would be completed	Wednesday, June 17, 2015

*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirer and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

i. All owners of Equity Shares, registered or unregistered, are eligible to participate in the Offer (except the Acquirer and Sellers) anytime before closure of the Offer.
 ii. Letter of Offer (hereinafter referred to as "LOO") will be dispatched to all the Equity Shareholders of Target Company, whose names appear in its Register of Members on Thursday, May 07, 2015, the Identified Date, except the Acquirer and Sellers.

iii. Shareholders who hold Equity Shares of the Target Company in physical form and wish to tender their Equity Share pursuant to the Offer will be required to submit the duly completed Form of Acceptance cum acknowledgement, original Share Certificate(s), Transfer Deed (s) duly signed and witnessed and other documents as may be specified in the LOO, to the Registrar to the Offer either by Registered Post/Courier, at their own risk or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closing of the Offer i.e. Wednesday, June 03, 2015.
 iv. The Registrar to the Offer, M/s Skyline Financial Services Private Limited has opened a Depository Escrow Account with National Securities Depository Ltd. ("NSDL") for receiving Equity Shares during the offer from eligible shareholders who hold Equity Shares in demat form.

v. Shareholders holding Equity Shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the LOO to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. Wednesday, June 03, 2015, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "SKYLINE-DML-OPEN OFFER-ESCROW DEMAT ACCOUNT" (Depository Escrow Account) filed in as per the instructions given below:

DP Name	K K Securities Limited
DP ID	IN300468
Client ID	10089830
Depository	National Securities Depository Ltd. (NSDL)

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with NSDL.

vi. In case of (a) shareholders who have not received the Letter of Offer, (b) unregistered shareholders, (c) owners of the Equity Shares who have sent the Equity Shares to the Target Company for transfer, may also participate in this Offer by submitting an application on plain paper giving details such as name, addresses, number of Equity Shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such Equity Shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds, duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, this DPS and the Letter of Offer, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. Wednesday, June 03, 2015. Such shareholders can also obtain the Letter of Offer from the Registrar to the Offer by giving an application in writing to that effect.

vii. In case of shareholders who have not received the LOO and are holding Equity Shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of Equity Shares held, Depository name, Depository I.D., Client name, Client I.D., number of Equity Shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para VIII (v) above, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. Wednesday, June 03, 2015. Such Equity Shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.