

- 16.2 In accordance with the Delisting Regulations, the Promoter Acquirers, Kotak Mahindra Bank Limited ("**Escrow Bank**") and the Manager to the Offer have entered into an escrow agreement dated December 26, 2012, subsequent to which the Promoter Acquirers have opened an escrow account with the Escrow Bank at their branch at Nariman Point, Mumbai ("**Escrow Account**") and the Escrow Bank has issued a bank guarantee, pursuant to bank guarantee letter dated December 27, 2012, ("**Bank Guarantee**") in favor of the Manager to the Offer for an aggregate amount of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lacs only) representing 20.34% of the estimated consideration payable as calculated in paragraph 16.1 above.
- 16.3 In the event that the Promoter Acquirers accept the Discovered Price (or offers a price higher than the Discovered Price) and the Offer is successful (with all conditions thereto being satisfied), the Promoter Acquirers shall increase the amount lying to the credit of the Escrow Account to the extent necessary to pay Public Shareholders for acquiring Equity Shares validly tendered in the Offer at the Exit Price ("**Escrow Amount**"). In such a case, the Promoter Acquirers shall also ensure that the Bank Guarantee remains valid until the expiry of the Exit Window.
- 16.4 Further, in such a case, the Promoter Acquirers shall, along with the Manager to the Offer, instruct the Escrow Bank to open a special account ("**Special Account**"), which shall be used for payment to the Public Shareholders who have tendered Offer Shares in the Delisting Offer. The Manager to the Offer shall instruct the Escrow Bank to transfer the entire amount due and payable as consideration in respect of the Offer Shares tendered in the Delisting Offer at the Discovered Price or Exit Price (as appropriate) to the Special Account opened with the Escrow Bank.

17. PROPOSED TIMETABLE FOR THE OFFER

Activity	Date	Day
Date of publication of the PA	29.12.2012	Saturday
Specified Date for determining the names of shareholders to whom the Offers Letters shall be sent	04.01.2013	Friday
Dispatch of Offer Letters/ Bid Forms to Public Shareholders as on Specified Date	07.01.2013	Monday
Bid Opening Date (10.00 am)	18.01.2013	Friday
Last Date of Revision (upwards) or withdrawal of bids	22.01.2013	Tuesday
Bid Closing Date (3.00 pm)	23.01.2013	Wednesday
Announcement of Discovered Price/Exit Price and the Promoter Acquirers Acceptance/Non-acceptance of Discovered Price /Exit Price*	29.01.2013	Tuesday
Final date of payment of consideration#	31.01.2013	Thursday
Return of Offer Shares to shareholders in case of failure of Delisting Offer/Bids have not been accepted	29.01.2013	Tuesday

*This is an indicative date and the announcement may be made on or before February 4, 2013, being the eighth working day from the date of the Bid Closing Date
Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Promoter Acquirers

Specified Date is only for the purpose of determining the names of the Public Shareholders to whom the Offer Letter will be sent. However, all Public Shareholders, (whether registered or unregistered), are eligible to participate in the Offer by submitting their Bid on or before 3:00 pm on the Bid Closing Date. All the dates above are subject to change and are dependent on obtaining the requisite statutory and regulatory approvals as may be applicable.

18. STATUTORY APPROVALS

- 18.1 By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. The Promoter Acquirers understand that the Company has no OCBs (as understood in terms of applicable Indian foreign exchange laws), as its shareholders and in the event that any OCBs tender their Equity Shares in the Offer then it shall be the responsibility of such OCBs to obtain the approval of the RBI, prior to tendering the Offer Shares held by them in the Delisting Offer.
- 18.2 In the event that any Non Resident Indians ("NRIs") tender their Equity Shares in the Offer, then it shall be the responsibility of such NRIs to obtain the requisite approval, including approval from RBI, prior to tendering the Offer Shares held by them in the Delisting Offer.
- 18.3 In the case of shareholders who are nationals of Islamic Republic of Pakistan, the Custodian of Enemy Property in India, Mumbai, is the authorized person who can tender their Equity Shares in the Offer. It shall be the responsibility of the custodian to obtain the requisite approvals from the Government of India prior to tendering the Offer Shares in the Delisting Offer.

- 18.4 In terms of RBI circular No.: RBI/2011-12/247 A.P. (DIR Series) Circular No. 43 dated November 4, 2011, prior approval of RBI is not required for the transfer of shares from a Non Resident to Resident under the foreign direct investment scheme where the pricing guidelines under the Foreign Exchange Management Act, 1999 are not met provided that the price of the shares is computed as per the Delisting Regulations. However, it shall be the responsibility of the Non Resident shareholders tendering the Offer Shares in the Delisting Offer to comply with any restriction or conditions imposed on such Non Resident or obtain any approvals, consents or regulatory approvals that are required by such Non Resident to tender the Offer Shares in the Delisting Offer.
- 18.5 The Company has obtained the approval of its members, by way of a special resolution through postal ballot, the results of which was declared on 10th November 2012 and notified to the BSE and DSE on 10th November 2012, approving the delisting of the Company's equity shares from the BSE and the DSE pursuant to the Delisting Regulations. The votes cast by the Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it.
- 18.6 The Company has received the in-principle approval for the Delisting Offer from the BSE vide its letter dated December 19, 2012.
- 18.7 The Company has received the in-principle approval for the Delisting Offer from the DSE vide its letter dated December 24, 2012.
- 18.8 To the best of the Promoter Acquirers' knowledge, as of the date of this Public Announcement, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by the Promoter Acquirers and the Delisting Offer will be subject to receipt of such statutory or regulatory approvals.
- 18.9 It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals, consents (including corporate, statutory, governmental (state or central), or regulatory approvals), if any, prior to tendering the Offer Shares held by them in the Delisting Offer, and the Promoter Acquirers shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval, consent to the Bid Form, wherever applicable.
- 18.10 The Promoter Acquirers reserve the right not to proceed with the Delisting Offer in the event the approvals indicated above are not obtained or conditions which the Promoter Acquirers consider in their sole discretion to be onerous are imposed in respect of such approvals.
- 18.11 In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Promoter Acquirers may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Promoter Acquirers by issuing an appropriate corrigendum in all the newspapers where this Public Announcement is published.

19. TAX DEDUCTED AT SOURCE

- 19.1 Summary of key provisions related to tax deduction at source ("TDS") under the Income-tax Act, 1961 ("the IT Act"):
- 19.1.1 All shareholders would either be classified as resident or non-resident, which status is to be determined on the basis of criteria laid down in Section 6 of the IT Act.
- 19.1.2 Section 195(1) of the IT Act, *inter alia* states that any person responsible for paying to a non-resident, not being a company, or to a foreign company, any interest or any other sum chargeable under the provisions of the IT Act, is required to deduct tax at source (including surcharge and education cess wherever applicable) at the rates in force.
- 19.1.3 Since, under the current provisions of the IT Act, the consideration payable under the Offer would be chargeable to tax as capital gains, or business profits (as the case may be), the Promoter Acquirers will need to deduct tax at source at the rates in force on the gross consideration payable as computed on the basis of the Exit Price determined as per Delisting Offer to the following categories of shareholders:
- Non-resident Indians; or
 - Overseas Unincorporated Bodies; or
 - Overseas Corporate Bodies / Non-domestic companies; or
 - Foreign Institutional Investors (FIIs)
- 19.1.4 FIIs enjoy exemption from tax deduction at source on capital gains under Section 196D (2) of the IT Act and hence no tax shall be deducted on consideration payable to FIIs. FIIs should enclose copy of their SEBI registration certificate along with the Bid Form, failing which payment of the consideration shall be subject to deduction of tax at source.
- All categories of shareholders above would need to certify in the application form whether the equity shares are held by them on investment/capital account or trade account.
- 19.2 No tax shall be deducted at source from the payment of consideration made to resident Public Shareholders.
- 19.3 For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Promoter Acquirers shall take the following actions based on the information obtained from the Company.
- 19.3.1 In the case of Equity Shares held in physical form that are registered with the Company in the name of the Shareholder, the date of registration of the Equity Shares with the Company shall be taken as the date of acquisition.
- 19.3.2 In the case of Equity Shares held in a physical form and where the tenderer of shares is not the registered shareholder, the capital gain shall be assumed to be short-term in nature.
- 19.3.3 In case of unavailability of information with the Company/Promoter Acquirers or in case of any ambiguous, incomplete or conflicting information, the capital gains shall be considered to be short-term in nature and the tax shall be deducted accordingly.
- In a case where tax is deductible at source, position summarized above is applicable in case of shareholders who have obtained Permanent Account Number ("PAN") under the IT Act and furnish PAN in the Bid Form. Copy of PAN card is also required to be attached as evidence.
- 19.4 However, in case PAN is not obtained or PAN is not mentioned in Bid Form or copy of PAN card is not attached, tax at the rate of 20% or at the rate in force or at the rate specified in the relevant provisions of the IT Act, whichever is higher, will be deducted at source in accordance with provisions of Section 206AA of the IT Act.

- 19.5 **The Promoter Acquirers, the Company and the Manager to the Offer and any of their affiliates do not accept any responsibility for the accuracy or otherwise of the above advice. Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective income tax assessing authorities in their case, and the appropriate course of action that they should take. The tax rates and other provisions specified above are based on the current position in law and may undergo changes.**

20. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY

- 20.1 The Board of Directors of the Company hereby certifies that
- 20.1.1 The Company has not raised capital by issuing securities during the five years preceding the date of this PA;
- 20.1.2 All material information which is required to be disclosed under the provisions of the continuous listing requirement under the relevant Listing Agreement have been disclosed to the BSE and the DSE, as applicable.

21. COMPLIANCE OFFICER

The Compliance Officer of the Company is:
Mr. Tushar Goel (Asst. Company Secretary)
Phone: +91 120 4506900, Fax: +91 120 4506910

In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting processes and procedure, they may address the same to the Registrar to the Offer or the Manager to the Offer.

22. REGISTRAR TO THE OFFER

MAS SERVICES LIMITED,
T-34, 2nd Floor, Okhla Industrial Area - Phase 2, New Delhi - 110020, India
Tel: +91 11 2638 7281/82/83, Fax: +91 11 2638 7384 Email: info@masserv.com
Contact Person: N C Pal

23. DISCLAIMER CLAUSE OF THE BSE

It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliance with various statutory and other requirements by Amrit Banaspati Company Limited and the Manager to the Offer etc. are cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does BSE have any financial responsibility or liability nor does BSE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management."

It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that the public announcement has been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted.

That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

24. GENERAL DISCLAIMER

Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Promoter Acquirers, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through RBP.

This PA is issued on behalf of the Promoter Acquirers by the Manager to the Offer:



ALPEN CAPITAL INDIA PRIVATE LIMITED

Address: 3rd Floor, Forbes Building, Charanjit Rai Marg, Fort, Mumbai 400 001, INDIA
Tel: +91 22 2219 0150, +91 11 46444000 Fax: +91 22 2201 0261
Email: shekhar.deshpande@alpencapital.com, yogendra.khurana@alpencapital.com
Contact Person(s) : Shekhar Deshpande, Yogendra Khurana

For Amrit Trademart Private Limited

(On behalf of the Board)

Sd/- **Ashwini Kumar Bajaj** Sd/- **Vikram Kumar Bajaj**
(Director) (Director)

For A. F. Trading Company Private Limited

(On behalf of the Board)

Sd/- **Ashwini Kumar Bajaj** Sd/- **Vikram Kumar Bajaj**
(Director) (Director)

Sd/- **Naresh Kumar Bajaj** Sd/- **Ashwini Kumar Bajaj** Sd/- **Vikram Kumar Bajaj**

Place : Ghaziabad
Date : 27th December, 2012