

LETTER OF OFFER

"This Document is important and requires your immediate attention"

This Letter of Offer is sent to you as a shareholder(s) of **ESSEN SUPPLEMENTS INDIA LIMITED**.

If you require any clarifications about the action to be taken, you may consult your Stock Broker or investment consultant or Manager / Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER

By

MR. GANESH KUMAR SINGHANIA & MRS. ANITA SINGHANIA (the "Acquirers")

both residing at 238A, A. J. C. Bose Road, Kolkata- 700 020

Ph: (033) 2290 3185, Fax No. (033) 2290 3179;

email: gks404@gmail.com; anu28b@yahoo.com

To the shareholders of

ESSEN SUPPLEMENTS INDIA LIMITED ("ESIL")

having its registered office at 39B & 40B, Anrich Industrial Estate, Bolla Ram, Jinna Ram Mandal, Dist. Medak, Andhra Pradesh- 502 325

Ph No: (040) 2770 0300; Fax No: (040) 2780 8889; email: essen.supplements@gmail.com

For the acquisition of 19,61,780 fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs. 10/- per fully paid- up equity shares & Rs. 5/- per partly paid- up equity shares ("Offer Price") payable in cash, in accordance with regulation 20(2)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof, from the existing equity shareholders of ESIL.

Please Note:

1. This Offer is being made in compliance with Regulations 11(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").
2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders, if any. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of ESIL to the Acquirers. As on the date, to the best of the knowledge of the Acquirers, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price / Size at any time up to seven working days prior to the date of closure of the Offer viz. 04.02.2011 or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the original Public Announcement dated 20.10.2010 & Corrigendum dated 15.01.2011 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.
4. **As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offer/ bid, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**
5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can withdraw the same upto 10.02.2011 i.e. three working days prior to the closure of the Offer.
6. **No Competitive bid has been announced as on the date of this Letter of Offer.**
7. The offer is not subject to a minimum level of acceptance by the shareholders of ESIL.
8. The Procedure for Acceptance is set out in Para 8 of this Letter of Offer. A Form of Acceptance and a Form of Withdrawal is enclosed with this Letter of Offer.
9. The Public Announcement, Corrigendum to Public Announcement and Letter of Offer (including Form of Acceptance and Form of Withdrawal) would also be available at SEBI's website www.sebi.gov.in.

MANAGER TO THE OFFER:



VC CORPORATE ADVISORS PRIVATE LIMITED

SEBI REGN NO: INM000011096

(Contact Person: Ms. Neha Dalmia)

31 Ganesh Chandra Avenue, 2nd Floor, Suite No -2C, Kolkata-700 013.

Phone No : (033) 2225-3940 / 3941/ 4116

Fax : (033) 2225-3941

Email: mail@vccorporate.com



REGISTRAR TO THE OFFER:

NICHE TECHNOLOGIES PRIVATE LIMITED

SEBI REGN No : INR000003290

(Contact Person: Mr. S. Abbas)

71, B. R. B. Basu Road,

D-511, Bagree Market,

Kolkata- 700 001

Tel: (033) 2235-7271/ 7270/ 3070

Fax: (033) 2215-6823

E-mail: nichetechpl@nichetechpl.com

OFFER OPENS ON: 27.01.2011

OFFER CLOSING ON: 15.02.2011

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activity	Original Date & Day		Revised Date & Day	
	Date	Day	Date	Day
Date of Public Announcement	20.10.2010	Wednesday	20.10.2010	Wednesday
Specified date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	29.10.2010	Friday	29.10.2010	Friday
Last Date for a Competitive Bid, if any	10.11.2010	Wednesday	10.11.2010	Wednesday
Date by which Letter of Offer to be dispatched to the shareholders	02.12.2010	Thursday	20.01.2011	Thursday
Date of Opening of the Offer	10.12.2010	Friday	27.01.2011	Thursday
Last Date for revising the Offer Price / Number of Shares	20.12.2010	Monday	04.02.2011	Friday
Last Date for withdrawal of acceptance by shareholders who have accepted the Offer	24.12.2010	Friday	10.02.2011	Thursday
Date of Closing of the Offer	29.12.2010	Wednesday	15.02.2011	Tuesday
Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired shares and / or the share certificates for the rejected shares will be dispatched.	13.01.2011	Thursday	01.03.2011	Tuesday

RISK FACTORS

RISK RELATED TO THE OFFER:-

1. The Offer involves an offer to acquire 19,61,780 fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs 10/- per fully paid- up equity shares & Rs. 5/- per partly paid- up equity shares from the eligible persons for the Offer. In the case of over subscription in the Offer, as per the Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this LO. Consequently, the payment of consideration to the public shareholders of ESIL whose Shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI, may, if satisfied that the non-receipt of approval was not due to the willful default or negligence or failure to diligently pursue on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by the SEBI. Further, shareholders should note that after the last date of withdrawal i.e. 10.02.2011, the shareholders who have lodged the shares would not be able to withdraw them even if the acceptance of the Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers under the Offer. The Acquirers may not be able to proceed with the Offer in the event the approvals are not received in terms of the Regulation 27 of the Regulations. Delay, if any, in the receipt of these approvals may delay completion of the offer.

3. The Acquirers intend to acquire 19,61,780 fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital of ESIL at a price of Rs 10/- per fully paid- up equity shares & Rs. 5/- per partly paid- up equity shares under Regulations. There are 60,402 partly paid- up equity shares of ESIL outstanding as on the date of the PA. Further, the shares tendered in the offer in demat form will lie to the credit of a designated Escrow Account and the shares tendered in the physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities and the shareholders will not be able to trade in such equity shares.

4. Risk involved in getting associated with the Acquirers:

The Acquirers make no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.

5. Risk related to the Transaction

The transaction is subject to completion risks as would be applicable to similar transactions.

The Acquirers and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer and any person placing reliance on any other source of information would be doing so at its own risk.

The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

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DEFINITIONS/ABBREVIATIONS

Acquirers	Mr. Ganesh Kumar Singhania & Mrs. Anita Singhania
ASE	Ahmedabad Stock Exchange Limited
BSE	Bombay Stock Exchange Limited
Corrigendum to PA	Corrigendum to the Public Announcement date 15.01.2011
FII	Foreign Institutional Investor
FOA or Form of Acceptance	Form of Acceptance - cum - Acknowledgment accompanying this Letter of Offer
FOW or Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
HSE	Hyderabad Stock Exchange Limited
Income Tax Act	Income Tax Act, 1961
LO	Letter of Offer
Manager to the Offer	VC Corporate Advisors Private Limited
NRI(s)	Non- Resident Indians
NSDL	National Securities Depository Limited
Offer Period	15.10.2010 to 01.03.2011
Offer Price	Rs. 10/- per fully paid- up equity shares & Rs. 5/- per partly paid- up equity shares payable in cash
Offer/ Open Offer	Cash Offer being made by the Acquirers to acquire 19,61,780 (Nineteen Lacs Sixty One Thousand Seven Hundred and Eighty) fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs 10/- per fully paid- up equity shares & Rs. 5/- per partly paid- up equity shares
PA	Public Announcement dt. 20.10.2010
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of ESIL except the Acquirers
Preferential Issue	Issue of 37,00,000 fully paid- up equity shares of Rs.10 each at par to the Acquirers and 3,00,000 fully paid- up equity shares of Rs.10 each at par to other Investor, i.e. M/s. Vastav Dealers Pvt. Ltd. aggregating to 40,00,000 fully paid- up equity shares of Rs. 10/- each at par in accordance with the Regulations for Preferential Issue under Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the subsequent amendments thereto
Promoters/ Promoter Group	Mr. Ganesh Kumar Singhania and Mrs. Anita Singhania
RBI	Reserve Bank of India
Registrar to the Offer	Niche Technologies Pvt. Ltd.
Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
ROC	Registrar of Companies

SEBI	Securities & Exchange Board of India
SEBI (ICDR) Regulations	Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto
Specified date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of ESIL or the Records of the Depositories, to whom the Letter of Offer should be sent, i.e. 29.10.2010
SSA / Agreement	Share Subscription Agreement dt. 15.10.2010 entered into between Acquirers and the Target Company in respect of Subscription Shares
Subscription Shares	The issue and allotment of 18,50,000 fully paid- up equity shares to Mr. Ganesh Kumar Singhania and 18,50,000 fully paid- up equity shares to Mrs. Anita Singhania aggregating to 37,00,000 (Thirty Seven Lacs) fully paid- up equity shares of Rs. 10/- each, at a price of Rs. 10/- (Ten) per equity share on a Preferential Basis
Target Company / ESIL	Essen Supplements India Limited

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF ESIL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR 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 ACQUIRERS ARE 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 ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 02.11.2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER."

2. DETAILS OF THE OFFER:

2.1. Background of the Offer:

2.1.1 This Open Offer (the "Open Offer" or "Offer") is being made by Mr. Ganesh Kumar Singhania & Mrs. Anita Singhania, both residing at 238A, A. J. C. Bose Road, Kolkata- 700 020 in compliance with regulation 11(2) of the Regulations, to the shareholders of Essen Supplements India Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 39B & 40B, Anrich Industrial Estate, Bolla Ram, Jinna Ram Mandal, Dist. Medak, Andhra Pradesh- 502 325 (hereinafter referred to as "ESIL" or "Target Company").

2.1.2 The Board of Directors of the Target Company at their meeting held on 15th October, 2010 have issued and allotted on preferential basis 37,00,000 (Thirty Seven Lacs) ('Subscription Shares') fully paid- up equity shares of Rs. 10/- each at par to the Acquirers representing 37.72% of the expanded subscribed equity share capital and 3,00,000 fully paid- up equity shares of Rs 10/- each at par to other Strategic Investor i.e. M/s Vastav Dealers Private Limited aggregating to 40,00,000 fully paid- up equity shares of Rs. 10/- each at par ("Preferential Issue") in accordance with the Regulations for Preferential Issue under Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the subsequent amendments thereto ("SEBI (ICDR) Regulations"). The Equity Shares issued on preferential basis are subject to "lock-in" as per the abovementioned SEBI (ICDR) Regulations.

The Preferential Issue was duly authorised by the Board of Directors of the Target Company at their meeting held on 13th July, 2010 and by the Shareholders by way of a special resolution passed under Sec 81(1A) of the Companies Act, 1956 at the duly convened Extra Ordinary General Meeting ("EGM") of the Target Company held on 17th August, 2010. The Target Company has received in-principle approval from The Bombay Stock Exchange Limited ("BSE") vide letter no. DCS/PREF/SR/PRE/614/10-11 dated 30th September, 2010 for the aforesaid preferential issue.

2.1.3 Pursuant to the preferential allotment of 37,00,000 Equity Shares to the Acquirers, their shareholding have increased from 33,84,984 fully paid-up equity shares representing 58.27% of the Pre- Preferential subscribed equity share capital to 70,84,984 fully paid-up equity shares representing 72.23% of the expanded subscribed equity share capital of the Target Company which resulted in triggering of the Regulations. The Acquirers are part of the present Promoters/ Promoter Group of the Target Company. The other Investor is not connected with the Acquirers. The proposed Preferential Issue taken together with the existing holding of the Acquirers will result in consolidation of the Promoters/ Promoter Group Shareholding in the Target Company; hence this offer is being made pursuant to and in terms of the Regulations.

2.1.4 The subscribed and paid up equity share capital of the Target Company prior to the Preferential Issue was Rs. 5,77,86,990/- consisting of 57,48,498 fully paid- up equity shares of Rs 10/- each and 60,402 partly paid- up equity shares of Rs 10/- each paid up to the extent of Rs. 5/- per share. Post Preferential Issue, the subscribed and paid up equity share capital of the Target Company has increased to Rs. 9,77,86,990/- consisting of 97,48,498 fully paid- up equity shares of Rs 10/- each and 60,402 partly paid- up equity shares of Rs 10/- each paid up to the extent of Rs. 5/- per share. Accordingly, the Shareholding pattern pursuant to the Preferential Allotment is as under:

Particulars	Pre- Preferential Shareholding		Post- Preferential Shareholding	
	No. of Shares	%	No. of Shares	%
Acquirers	33,84,984	58.27%	70,84,984	72.23%
Others	24,23,916	41.73%	27,23,916	27.77%
Total	58,08,900	100.00%	98,08,900	100.00%

2.1.5 As on the date of PA, the Acquirers hold 70,84,984 fully paid- up equity shares in the Target Company representing 72.23% of the expanded subscribed equity share capital of the Target Company. During twelve months preceding the date of the PA, the Acquirers have acquired 3,07,666

Equity Shares pursuant to Open Offer made to the shareholders of the Target Company in compliance with Regulations which opened on 01.10.2009 and closed on 20.10.2009, 22,730 fully paid- up equity shares through off market transactions & 37,00,000 fully paid- up equity shares through Share Subscription Agreement dated 15.10.2010 aggregating in total 40,30,396 equity shares at a highest and average price of Rs. 10/- per equity share and Rs. 9.99/- per equity share respectively. Other than the above, the Acquirers have not acquired any equity shares of ESIL during the preceding twelve months from the date of the PA.

- 2.1.6 As on the date of PA, the Manager to the Offer does not hold any equity share in the Target Company. They declare and undertake not to deal in the shares of ESIL 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 the Offer.
- 2.1.7 The Offer is not as a result of global acquisition resulting in indirect acquisition of ESIL.
- 2.1.8 The Acquirers have entered into a Share Subscription Agreement (“SSA” / “Agreement”) dated 15th October, 2010 with the Target Company to subscribe to the aforesaid Preferential Issue in compliances with Chapter VII of the SEBI (ICDR) Regulations and the salient features of the Agreement are mentioned below: -
- The Issuer Company (ESIL) has agreed to issue and allot a total of 37,00,000 fully paid up equity shares of Rs. 10/- each to the Acquirers (Mr. Ganesh Kumar Singhania - 18,50,000 equity shares, Mrs. Anita Singhania - 18,50,000 equity shares) on preferential allotment basis at a price of Rs. 10/- per equity share aggregating to Rs. 3,70,00,000/- (Rupees- Three Crores and Seventy Lakhs only) (herein after referred to as “Subscription Shares”) in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto “(SEBI (ICDR) Regulations)”.
 - As on the date of the Agreement, the Acquirers hold 33,84,984 fully paid- up equity shares in the Target Company representing 58.27% of the subscribed equity share capital of the Target Company. Subsequent to the Preferential allotment of 37,00,000 fully paid-up equity shares, the Acquirers are holding 70,84,984 fully paid- up equity shares in the Target Company representing 72.23% of the expanded subscribed equity share capital of the Target Company and 72.68% of the expanded voting share capital of the Target Company.
 - The Subscription Shares issued shall be free and clear of all encumbrances, together with all rights now or hereafter attaching thereto.
 - In accordance with the terms and conditions of this Agreement, in consideration for the issuance and allotment of the Subscription Shares, the Acquirers shall pay to the Issuer Company the Share Subscription Price.
 - Pursuant to the allotment of shares on preferential basis, the Acquirers shall acquire equity and voting share capital beyond the permissible limit triggering the requirement of making Open Offer in compliance with the provisions of the Regulations.
- 2.1.9 There is no non-compete agreement between the Acquirers and the Target and any other entity as envisaged under regulation 20(8) of the Regulations. No additional payments are being made by the Acquirers as non-compete fees.
- 2.1.10 The Acquirers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulation made under the SEBI Act, 1992.
- 2.1.11 The offer will not result in change in control of ESIL. No change of the Board of Directors of ESIL is contemplated by the Acquirers, consequent to this acquisition.
- 2.1.12 As per Regulation 74(1) of Chapter VII of the SEBI (ICDR) Regulations, 2009 allotment pursuant to the special resolution shall be completed within a period of fifteen (15) days from the date of passing of such resolution, provided that where any approval or permission by any Regulatory Authority or the Central Government for allotment is pending, the period of fifteen (15) days shall be counted from the date of approval or permission, as the case may be. The Target Company obtained the in-principle approval from BSE vide letter no. DCS/PREF/SR/PRE/614/10-11 dated 30.09.2010 & accordingly allotted the equity shares on preferential basis on 15.10.2010 in compliance of the SEBI (ICDR) Regulations, 2009.
- 2.2. Details of the proposed Offer:**
- 2.2.1. The Public Announcement dated 20.10.2010 & Corrigendum to Public Announcement dated 15.01.2011 made by the Acquirers have appeared in Business Standard (English Daily) all editions, Business Standard (Hindi Daily) all editions, Lakshwadeep (Marathi Daily) Mumbai edition and Andhra Prabha (Hyderabad) in compliance with Regulation 15(1) of the Regulations. The Public Announcement made on 20.10.2010 & Corrigendum to Public Announcement dated 15.01.2011 is available on the SEBI web-site at www.sebi.gov.in.
- 2.2.2. The Acquirers propose to acquire from the existing equity shareholders of ESIL (except the Acquirers) 19,61,780 fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs 10/- per fully paid up shares & Rs. 5/- per partly paid up equity shares (“Offer Price”) payable in cash (“Offer” or “Open Offer”) in terms of Regulation 20 of the Regulations. There are 60,402 partly paid- up equity shares of ESIL outstanding as on the date of the PA. The amount due on each partly paid equity shares is Rs. 5/- each. The Offer price in respect of partly paid- up shares is in compliance with the Regulation 20(10) of the Regulations.
- 2.2.3. The Equity Shares will be acquired by the Acquirers free from all lien, charges and encumbrances and together with all rights attached to, including all the rights to dividend, bonus and rights offer declared thereof.
- 2.2.4. The Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional Offer. The Acquirers shall accept all the equity shares of ESIL those are tendered in valid form in terms of this Open Offer upto maximum of 19,61,780 fully paid- up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital of ESIL at a price of Rs. 10/- (Ten) per equity share (“Offer Price”).
- 2.2.5. Since the date of the PA to the date of this LO, the Acquirers have not acquired any shares of ESIL.
- 2.2.6. No competitive bid has been received as on date of LO.
- 2.3. Object of the Offer:**
- 2.3.1 The Offer has been made pursuant to Preferential Allotment of 37,00,000 fully paid- up equity shares representing 37.72% of the expanded subscribed equity share capital of the Target Company to the Acquirers resulting in consolidation of holdings of the Acquirers in ESIL. Acquirers are making this offer to the Public Shareholders of the Target Company in accordance with Regulation 11(2) of the Regulations and other applicable provisions of Chapter III and in compliance with the Regulations.

3. BACKGROUND OF THE ACQUIRERS:

- 3.1. Mr. Ganesh Kumar Singhania, son of Shri Maman Chand Singhania, aged about 39 years, residing at 238A, A. J. C. Bose Road, Kolkata- 700 020 is having more than 15 years of experience in Real Estate Investments. His networth as on 30.09.2010 as certified by Mr. S. S. Lohia, (Membership No. 051739) Partner of M/s S. S. Lohia & Co., Chartered Accountants, having office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 001; Ph: No. (033) 2242 4684 / 2243 3261 and E-mail: sslohiaca@rediffmail.com vide their certificate dated 18.10.2010 is Rs. 55.79 Lacs. Mr. Ganesh Kumar Singhania is presently the Managing Director of the Target Company.
- 3.2. Mrs. Anita Singhania, wife of Mr. Ganesh Kumar Singhania, aged about 35 years, residing at 238A, A. J. C. Bose Road, Kolkata- 700 020 is having more than 8 years of experience in the finance and hospitality business. Her networth as on 30.09.2010 as certified by Mr. S. S. Lohia, (Membership No.051739) Partner of M/s S.S.Lohia & Co., Chartered Accountants, having office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700001; Ph: No. (033) 2242 4684 / 2243 3261; and E-mail: sslohiaca@rediffmail.com vide their certificate dated 18.10.2010 is Rs. 26.76 Lacs.
- 3.3. None of the Acquirers hold office of directorship in any listed company. Acquirers are not whole-time director in any company.
- 3.4. The Acquirers i.e. Mr. Ganesh Kumar Singhania & Mrs. Anita Singhania are husband & wife.
- 3.5. For the purpose of this Offer, there is no Person(s) Acting in Concert ("PAC") with the Acquirers.
- 3.6. The Acquirers among themselves have not entered into any agreement with regard to shares to be acquired in the Open Offer. However, the Acquirers have informal understanding to hold the Equity Shares of the Target Company acquired in the Open Offer in equal proportion.
- 3.7. The Acquirers who are also the promoters of the Target Company had acquired controlling stake in the Target Company pursuant to allotment of equity shares on Preferential Basis for 20,00,000 fully paid-up equity shares and Share Purchase Agreement (SPA) for 10,54,588 fully paid-up equity shares entered into with the erstwhile promoters/promoter group of the Target Company, both dated 24.07.2009. Pursuant to the aforementioned allotment and SPA, an open offer was made to the shareholders of the Target Company by the Acquirers which opened on 01.10.2009 and closed on 20.10.2009 and the Acquirers acquired 3,07,666 fully paid-up equity shares in the Open Offer tendered by the Shareholders. On 18.02.2010, the Acquirers further purchased 22,730 fully paid-up equity shares of the Target Company through Off-market transactions. Accordingly, the equity shareholding of the Acquirers increased to 33,84,984 fully paid-up equity shares representing 58.27% of the pre-preferential subscribed equity share capital of the Target Company.
- 3.8. As on the date of the PA, Mr. Ganesh Kumar Singhania is on the Board of the Target Company. Pursuant to Regulation 22(9) of the Regulations, he has not participated and undertakes not to participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer.
- 3.9. The Acquirer, till date have complied with the relevant provisions of Chapter II of the Regulations, wherever applicable except there was a delay of 1 day in respect of compliance u/r 7(1) in the year 2009. Further the acquirers have not complied with the disclosure requirement to Stock Exchanges u/r 7(1) & 7(1A) in the year 2010 in respect of shares acquired in the Open Offer.
- 3.10. **Disclosures in terms of Regulations 16(ix) of the Regulations of ESIL:**
- 3.10.1. The Offer has been made pursuant to Preferential Allotment of 37,00,000 fully paid- up equity shares representing 37.72% of the expanded subscribed equity share capital of the Target Company to the Acquirers resulting in consolidation of holdings of the Acquirers in ESIL. Acquirers are making this offer to the Public Shareholders of the Target Company in accordance with Regulation 11(2) of the Regulations and other applicable provisions of Chapter III and in compliance with the Regulations.
- 3.10.2. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of ESIL in the next two years except in the ordinary course of business of ESIL and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of ESIL.
- 3.10.3. The Acquirers undertake not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.
- 3.11. **Future Plans / Strategies of the Acquirers with regard to the Target Company.**

The Acquirers have plans to consolidate their shareholding in the Target Company. The Target Company is presently engaged into the business of Construction Chemical and Epoxy Resins. However, ESIL in its Annual General Meeting held on 20.09.2010 has duly passed the resolution for change of object clause of the Memorandum of Association of the Company to include the business of real estate, hotels, hospitality and Asset reconstruction & management. Barring unforeseen circumstances, the Acquirers are confident of ensuring growth. The Acquirers intend to infuse fresh funds into the Company to expand the existing and proposed activities.

4. OPTION IN TERMS OF REGULATION 21 (2)

In the event, pursuant to this Offer or otherwise, if the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers will, in accordance with Regulation 21(2) of the Regulations, 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 clause 40A of the Listing Agreement and in compliance with the Regulations.

5. BACKGROUND OF ESSEN SUPPLEMENTS INDIA LIMITED ("ESIL" or "TARGET COMPANY")

5.1. Brief History and Main Areas of Operations:

- 5.1.1. ESIL having its Registered Office at 39B & 40B, Anrich Industrial Estate, Bolla Ram, Jinna Ram Mandal, Dist. Medak, Andhra Pradesh- 502 325, Ph: (040) 2770 0300 and Fax No. (040) 2780 8889 was incorporated in the name of Essen Supplements India Private Limited on 02.01.1992 under the Companies Act, 1956 as a Private Limited Company with the Registrar of Companies, Andhra Pradesh. The name of the Target Company was subsequently changed to Essen Supplements India Limited pursuant to resolution passed on 20.04.1992 in terms of Section 31(1)/ 44 of the Companies Act, 1956 and fresh Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh, Hyderabad on 15.06.1992. ESIL came out with initial public offer in the year 1994. The Company had passed a special resolution on 20th September, 2010 by means of postal ballot

under Section 192A of the Companies Act, 1956 for change of its registered office from Plot No 35, Samrat Colony, West Marredpally, Secunderabad - 500 026, Andhra Pradesh to 39B & 40B, Anrich Industrial Estate, Bollaram, Jinnaram Mandal, Dist. Medak, Andhra Pradesh- 502 325 with effect from 1st January, 2011. The CIN of the Target Company is L24230AP1992PLC013635.

- 5.1.2. As on the date of the PA, the Authorized share capital of ESIL is Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each fully paid up. The subscribed and paid up equity share capital of the Target Company is Rs. 9,77,86,990/- consisting of 97,48,498 fully paid- up equity shares of Rs 10/- each and 60,402 partly paid- up equity shares of Rs 10/- each paid up to the extent of Rs. 5/- per share.
- 5.1.3. ESIL is engaged in the business of manufacturing/ trading of Construction Chemical and Epoxy Resins at its plant located at 39B & 40B, Anrich Industrial Estate, Bollaram, Jinnaram Mandal, Dist- Medak, Andhra Pradesh- 502 325. However, ESIL in its Annual General Meeting held on 20.09.2010 has duly passed the resolution for change of object clause of the Memorandum of Association of the Company to include the business of real estate, hotels, hospitality and Asset reconstruction & management.
- 5.1.4. The Equity Shares of ESIL are listed on Stock Exchanges at BSE, ASE and HSE. The shares of the ESIL are not admitted as permitted security in any other Stock Exchange. HSE has since being de-recognised by SEBI. The equity shares of the Target Company were suspended from trading from the BSE w.e.f 31.12.2007 due to the non-compliances of the various clauses of the Listing Agreement. The aforesaid suspension has been revoked by BSE vide Notice No. 20090429-15 dated 29.04.2009 effective from 07.05.2009.
- 5.1.5. The share capital structure of the Target Company is as follows:

Paid up Equity Shares of Target Company	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully Paid up Equity Shares	97,48,498/ 97,48,498	98.38/ 100
Partly Paid up Equity Shares	60,402/ 0	0.62/ 0
Total Paid up Equity Shares/ voting rights	*98,08,900/ 97,48,498	100/ 100

27,00,000 Equity Shares allotted by the Target Company on Preferential basis on 24.07.2009 are listed with BSE Only.

* 40,00,000 Equity Shares allotted on 15.10.2010 on Preferential basis are yet to be listed on all the Stock Exchanges.

- 5.1.6. Current capital structure of the Target Company has been built up since inception as per the details given below:

Date of allotment	Shares Issued		Cumulative paid up capital (Rs)	Mode of allotment	Face Value (Rs.)	Issue Price (Rs.)	Identity of allottees	Compliance status
	Number	%						
02.01.1992 (On Incorporation)	120	0.002	1200	Cash	10	10	Subscribers to the Memorandum	Yes
20.03.1992	300	0.005	4200	Cash	10	10	Subscribers to the Memorandum on conversion from Private to Public	Yes
26.10.1993	1,63,580	2.846	16,40,000	Cash	10	10	Promoters/ Promoter Group	Yes
17.04.1994	1,13,130	1.968	27,71,300	Firm Allotment by way of Reservation in Public Issue Through Cash	10	10	Promoters/ Promoter Group & Associates	Yes
27.07.1994	10,22,870	17.794	1,30,00,000	Firm Allotment by way of Reservation in Public Issue Through Cash	10	10	Promoters/ Promoter Group & Associates	Yes
27.07.1994	18,08,900	31.467	3,10,89,000	Allotment through Public Issue in Cash	10	10	Public Shareholders	Yes
24.07.2009	27,00,000	46.97	5,80,89,000	Preferential Allotment in Cash to Acquirers and Strategic Investors	10	10	Acquirers and Strategic Investors	Yes
15.10.2010	40,00,000*	41.03	9,80,89,000	Preferential Allotment in Cash to Acquirers and Strategic Investor	10	10	Acquirers and Strategic Investor	Yes

* 40,00,000 fully paid- up equity share were allotted by the Target Company on 15.10.2010 in accordance with regulations for Preferential Issue under Chapter VII of the SEBI (ICDR) Regulations. These shares are subject to lock- in as per the abovementioned Regulations. The break up of Preferential Issue is as follows:

Name of Allottees	No. of Share Allotted	Price per Share (Rs.)	Category of Allottees
Mr. Ganesh Kumar Singhania	18,50,000	10	Acquirer (Promoter)
Mrs. Anita Singhania	18,50,000	10	Acquirer (Promoter)
M/s. Vastav Dealers Pvt. Ltd.	3,00,000	10	Strategic Investor
TOTAL	40,00,000		

- 5.1.7. As on the date of PA, there are no outstanding convertible instruments such as warrants / FCDs / PCDs etc. There are 60,402 partly paid up shares as on the date of PA.
- 5.1.8. As per our verification and undertaking received from the Target Company, we state that there has not been any suspension of trading of shares of ESIL on BSE, ASE & HSE i.e. the Stock Exchange where the shares of the Company are listed except suspension of the Equity Shares from BSE w.e.f 31.12.2007 due to non compliance of various clauses of the Listing Agreement. The aforesaid suspension has been revoked by BSE vide its notice no. 20090429-15 dt. 29.04.2009 effective from 07.05.2009. We have further been informed that as on date no other punitive action has been taken against the Target Company by any of the Stock Exchanges. In this respect we have already written to BSE, ASE & HSE vide our letter dt. 22.10.2010 and reminder letter dated 28.10.2010 to provide us the information of compliance made by ESIL along with any suspension / disciplinary / penal action taken by them against the Target Company. BSE vide their e- mail dated 09.11.2010 informed us about some of the pending compliances of the Target Company. The Target Company has duly replied for the same vide letter dated 20.11.2010. Apart from above, we have not received any information from any of the Stock Exchange till date. As per the letter dt.14.01.2011 received from the Registrar, we state that there are no Investor's grievances pending as on date against the Target Company.
- 5.1.9. ESIL has belatedly complied with the disclosure requirement under Regulation 6(2) and 6(4) for the years 1997 and Regulation 8(3) for the year 1998 to 2003 with BSE on 01.09.2004 and with HSE on 03.09.2009. However we have not been provided any documentary evidence in respect of compliance done with ASE for the aforesaid period. The disclosure under Regulation 8(3) for the years 2004 to 2008 has been done with BSE, ASE & HSE on 20.10.2008. Further Compliance u/r 8(3) for the year 2009 has been submitted to BSE on 24.04.2009 whereas the Compliance done in respect of the same with ASE & HSE has not been provided to us. The Target Company has also not complied with the disclosure required under regulation 7(3) during the year 2003-04, 2006-07 & 2007-08 as the Target Company had not received the required disclosure u/r 7(1A) from the erstwhile promoters of the Target Company. The Present Promoters (Acquirers) of the Target Company till date have duly complied with the applicable provisions of Chapter II of the Takeover Regulations except there was a delay of 1 (one) day in respect of Compliance u/r 7(1) in the year 2009. Further the Acquirers have not complied with disclosure requirement under regulation 7(1) & 7(1A) with the Stock Exchanges in respect of shares acquired in the Open Offer. There has been an increase in the shareholding of the Promoters/ Promoter Group during the year 2009-10 on account of acquisition of 22,730 fully paid- up equity shares from the off-market transactions in violation of Regulation 11(2) of the Regulations. Other major shareholders have complied with the disclosure requirements except there was a delay of 1 day in the year 2009. Further other major shareholders i.e. erstwhile promoter group have not complied with disclosure under regulation 7(1A) in the year 2003-04, 2006-07 & 2007-2008. **For such non-compliance/ delayed compliance, SEBI may initiate suitable action.**

The details of the non-compliances of the Chapter-II of the Takeover Regulation made by the acquirers/promoters, major shareholders/ erstwhile promoters and the target company in a tabular format are as follows:-

(i) **Non- compliance by the Acquirers / Present Promoters:**

Date of Acquisition	Due date for Compliance	No. of Equity Shares Acquired	% to Equity Share Capital	% to Equity Voting Capital	Mode of Acquisition	Status of Compliance	Delay, if any (in no. of days)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)= (b)-(a)
24.07.2009	26.07.2009	30,54,588	52.58%	53.14%	Pursuant to Preferential Allotment & Share Purchase Agreement	Yes #	1 day
18.02.2010	20.02.2010	3,07,666	5.30%	5.35%	Open Offer	No ^	-

Delay in compliances by the present Promoters of the Target Company under regulation 7(1) of the Regulations pursuant to Share Purchase Agreement entered with the Erstwhile Promoters of the Target Company and Allotment of 20,00,000 equity shares on Preferential Basis.

^ Non-compliance of regulation 7(1) and 7(1A) of the Regulations by the Acquirers/ Present Promoters of the Target Company in pursuant to acquisition of 3,07,666 equity shares in the Open Offer made to the Public Shareholders of the Target Company.

(ii) **Non- compliance by Major Shareholders/ Erstwhile Promoter Group:**

Due date for Compliance	Regulation/ Sub-regulation	No. of Equity Shares Acquired	% Shareholding prior to Acquisition	% Shareholding after the Acquisition	Mode of Acquisition	Status of Compliance
31.03.2004	7(1A)	2,98,704	18.50%	28.11%	Re-classification	Not Complied *
15.02.2007	7(1A)	1,29,200	26.66%	30.82%	Off Market	Not Complied **
30.06.2007	7(1A)	96,800	30.82%	33.93%	Off Market	Not Complied ***

* There was re-classification during the year 2003-04 in the Promoter Group category. There were some shareholders that were associates of the Promoter/ Promoter Group and were holding shares since the applicability of the SEBI (SAST) Regulations, 1997, but were inadvertently shown in the Public category. During the year 2003-2004, the management based on the advice of the then Company Secretary thought it fit to reclassify the promoter group shareholding by inclusion of name of shareholders who were not shown in the Promoter Category. Further to inform you that all the shareholders as included in the Promoter Category during the year 2003-04 were continuing as such and in the year 2009 were also parties to the agreement entered by the then Promoter Group with the Acquirers. The names of entities who are party to the transaction are: M/s. Kant Finance Pvt. Ltd., Mr. Vibha D. Dattani, Mr. Bilal Natha Odedra, Mr. Rana Khimji Khunti, Mr. Rajen Rana Khunti, Mr. Bhima S. Maher and Ms. Bharati Keshwala.

** During the year 2006-07, Mr. Mayur N Kanani & Mr Natwar Lal Lalji Kanani had acquired 62,500 Equity Shares at a price of Rs. 2.43 per share & 66,700 Equity Shares at a price of Rs. 15/- per share respectively from non-promoter shareholders in off market transactions for which no compliance was made by them.

*** During the year 2007-08, Mr. Mayur N Kanani had acquired 96,800 equity shares of the Target Company on 28.06.2007 at a price of Rs. 15/- per share from non-promoter shareholder in Off-market transaction for which no compliance was made by him.

(iii) Non-compliance by the other Major Shareholder, i.e. M/s. Vastav Dealers Private Limited:

Date of Acquisition	Due date for Compliance	No. of Equity Shares Acquired	% to Equity Share Capital	% to Equity Voting Capital	Mode of Acquisition	Status of Compliance	Delay, if any (in no. of days)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)= (b)-(a)
24.07.2009	26.07.2009	5,00,000	8.60%	8.69%	Pursuant to Preferential Allotment	Yes **	1 day

** There was an allotment of 5,00,000 fully paid- up equity shares on Preferential basis by the Target Company to M/s. Vastav Dealers Private Limited having its registered office at 23/24, Radha Bazar Street, 1st Floor, Kolkata- 700 001 on 24.07.2009 in accordance with the guidelines for Preferential Issue under Chapter XIII of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 and subsequent amendments thereto. The disclosure under Regulation 7(1) was made by the allottee to the Company as well as to Stock Exchanges. However there was a delay of 1 day in respect of compliance made to Hyderabad Stock Exchange (HSE).

(iv) Non-compliance by the Target Company:

Sl. No.	Regulation/ Sub-regulation	Due Date for Compliance	Actual date of compliance			Delay, if any (in no. of days) Col.4 - Col.3
			BSE	ASE	HSE	
1	2	3	4			5
(a).	6(2)	20/05/1997	01.09.2004	Not Complied	03.09.2004	Not Complied
(b).	6(4)	20/05/1997	01.09.2004	Not Complied	03.09.2004	Not Complied
(c).	8(3)	30/04/1998	01.09.2004	Not Complied	03.09.2004	Not Complied
(d).	8(3)	30/04/1999	01.09.2004	Not Complied	03.09.2004	Not Complied
(e).	8(3)	30/04/2000	01.09.2004	Not Complied	03.09.2004	Not Complied
(f).	8(3)	30/04/2001	01.09.2004	Not Complied	03.09.2004	Not Complied
(g).	8(3)	30/04/2002	01.09.2004	Not Complied	03.09.2004	Not Complied
(h).	8(3)	30/04/2003	01.09.2004	Not Complied	03.09.2004	Not Complied
(i).	8(3)	30/04/2004	20.10.2008	20.10.2008	20.10.2008	1634 days
(j).	8(3)	30/04/2005	20.10.2008	20.10.2008	20.10.2008	1269 days
(k).	8(3)	30/04/2006	20.10.2008	20.10.2008	20.10.2008	904 days
(l).	8(3)	30/04/2007	20.10.2008	20.10.2008	20.10.2008	539 days
(m).	8(3)	30/04/2008	20.10.2008	20.10.2008	20.10.2008	173 days
(n).	8(3)	30/04/2009	24.04.2009	Not Complied	Not Complied	Not Complied

Note:

- (i) SEBI may initiate suitable action against Target Company/ Promoters/ Major Shareholders for the non-compliances made under the required provisions of Chapter II of the Regulations.
- (ii) SEBI may initiate appropriate action against the Erstwhile Promoters and current Promoters for not complying with the required provisions of Chapter III of the Regulations with regard to re-classification and off-market acquisitions respectively.

5.1.10. As per our verification and confirmation received from ESIL, we state that, ESIL has:

- a) Paid up to date Listing Fees to BSE and ASE. However, the same is not paid for HSE.
- b) Belatedly Complied with the Listing Agreement requirements of the Stock Exchanges in some of the cases. However no punitive actions have been taken against it by any of the stock exchange till date except as already mentioned in para 5.1.8 above.

5.1.11. The Board of Directors of ESIL as on the date of the PA is as follows:

Names of Directors	Designation	Date of Apptt.	Din No	Qualification	Residential Address	Experience	No. & % of shares of ESIL held as on date of P.A. i.e. 20.10.2010 (Equity/ Voting)
Mr. Ganesh Kumar Singhania	Managing Director	18 / 02/ 2010	01248747	B.COM	238A, A. J. C. Bose Road, Kolkata- 700 020, West Bengal	Having more than 15 years of experience in Real Estates Investments	34,95,572 (35.63% / 35.86%)
Mr. Sanjay Jhajharia	Director	28/ 05/ 2007	00222973	FCA, CS	CJ- 29, Salt Lake City, Sector- III, Kolkata- 700 091, West Bengal	Having more than 25 years of experience in Finance	Nil
Mr. Pawan Kumar Goel	Director	28/ 05/ 2007	00238445	FCA	27, Abhoy Guha Road, Flat No.- 405, Liluah, Howrah- 711 204, West Bengal	Having more than 25 years of experience in Finance	Nil
Mr. Arun Kumar Singh	Director	18 / 02/ 2010	00416126	B.COM	224, Mahatma Gandhi Road, Kolkata- 700 007, West Bengal	Having more than 15 years of experience in Accounts, Finance & Business Management	Nil
Mr. Tapas Mukherjee	Director	13/ 07/ 2010	03121793	B.COM	19, K P Kumar Street, Bally, Howrah- 711 201, West Bengal	Having more than 15 years of experience in Office Administration & customer relationship	Nil

NOTE:

As on the date of the PA, Mr. Ganesh Kumar Singhania is on the Board of the Target Company. Pursuant to regulation 22(9) of the Regulations, he has not participated and undertakes not to participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer.

5.1.12. There has been no merger / demerger or spin off involving ESIL during the last 3 years.

5.2. Financial Information:

The financial details of ESIL, as per the audited accounts for the last three financial years ended 31st March, 2008, 31st March, 2009 and 31st March, 2010 and Certified Accounts for the period ended 30th September, 2010 are as follows:

Profit & Loss Statement					(Rs. in Lacs)
For the Year Ended	31 st March 2008 (Audited)	31 st March 2009 (Audited)	31 st March, 2010 (Audited)	30 th September, 2010 (Un- Audited)	
Income from Operations	80.78	80.65	72.47	-	
Other Income	0.05	0.07	1.86	-	
Liabilities written back	-	-	-	-	
Total Income	80.83	80.72	74.33	-	
Total Expenditure	77.96	77.02	170.54	3.05	
Profit/ (Loss) before Interest, Depreciation and Tax	2.87	3.70	(-)96.21	(-) 3.05	
Depreciation	14.26	14.26	13.99	-	
Interest	1.79	-	-	-	
Profit/ (Loss) before Tax	(-) 13.18	(-) 10.56	(-)110.20	(-) 3.05	
Prior Period Expenses	(-) 0.61	-	-	-	
Provision for Tax (including deferred and fringe benefit tax)	(-) 0.38	(-) 0.52	-	-	
Profit/ (Loss) after tax	(-) 14.17	(-) 11.08	(-)110.20	(-) 3.05	

Balance Sheet

(Rs. in Lacs)

As on	31 st March 2008 (Audited)	31 st March 2009 (Audited)	31 st March, 2010 (Audited)	30 th September, 2010 (Un- Audited)
Sources of funds				
Paid up share capital	307.87	307.87	577.87	577.87
Reserves & Surplus (excluding revaluation reserves)	93.28	93.28	93.28	93.28
Miscellaneous Expenditure	-	-	(2.60)	(2.60)
P/L A/c (Dr. Bal)	(503.75)	(514.83)	(625.03)	(628.08)
Net Worth	(-) 102.60	(-)113.68	43.52	40.47
Secured loans	218.50	232.00	-	-
Unsecured loans	59.55	59.55	30.45	30.45
Total	175.45	177.87	73.97	70.92
Uses of funds				
Net Fixed Assets (including capital W-I-P)	149.35	147.91	30.95	30.95
Investments	-	-	-	-
Deferred Tax Assets (Net)	-	-	-	-
Net Current Assets	26.10	29.96	43.02	39.97
Total	175.45	177.87	73.97	70.92

Other Financial Data

For the Year Ended	31 st March 2008 (Audited)	31 st March 2009 (Audited)	31 st March, 2010 (Audited)	30 th September, 2010 (Un- Audited)
Dividend (%)	Nil	Nil	Nil	Nil
Earning Per Share (Rs.)	(-) 0.46	(-) 0.36	(-) 1.91	(-) 0.05
Return on Net worth (%)	N.M*	N.M*	(-) 253.22	(-) 7.54
Book Value Per Share (Rs.)	(-) 3.33	(-) 3.69	0.75	0.70

*N.M means not meaningful

Note:

- (i) EPS = Profit after tax / number of outstanding equity shares at the close of the year/ period.
- (ii) Return on Net Worth = Profit after Tax / Net Worth
- (iii) Book Value per Share = Net Worth / No. of equity shares
- (iv) Source: Audited Annual Reports / Certified by Statutory Auditors
- (v) Reason for fall/ rise in Total Income, Expenditure and PAT in the relevant year if applicable: - Year wise reason for the fall in the Total Income, Expenditure & PAT is cited below: -

- a) Reason for change in Total Income, Expenditure and PAT for the year ended 31st March, 2010 over year ended 31st March 2009:

Total Income for the year ended 31st March 2010 decreased to Rs. 74.33 Lacs as compared to Rs. 80.72 Lacs for the year ended 31st March 2009. The decrease in Total Income was due to decrease in Sales to Rs. 72.47 Lacs for the year ended 31st March 2010 from Rs. 80.65 Lacs for the year ended 31st March 2009. However, the Other Income increased to Rs. 1.86 Lacs for the year ended 31st March 2010 from Rs. 0.07 Lacs for the year ended 31st March 2009. The Total Expenditure (excluding interest and depreciation) increased to Rs. 170.54 Lacs for the year ended 31st March 2010 from Rs.77.02 Lacs for the year ended on 31st March 2009 mainly due to Loss on sale of Vehicles & Assets of Rs. 98.13 Lacs for the year ended 31st March 2010 as compared to Nil for the year ended on 31st March 2009. Consequently, the Loss for the year ended 31st March 2010 was Rs. 110.20 Lacs as compared to the loss of Rs. 11.08 Lacs for the year ended on 31st March 2009.

- b) Reason for change in Total Income, Expenditure and PAT for the year ended 31st March, 2009 over year ended 31st March 2008:

Total Income for the year ended 31st March 2009 decreased to Rs. 80.72 Lacs as compared to Rs. 80.83 Lacs for the year ended 31st March 2008. The Total Expenditure (excluding interest and depreciation) decreased to Rs. 77.02 Lacs for the year ended 31st March 2009 from Rs.77.96 Lacs for the year ended on 31st March 2008 mainly on account of decrease in Salary and Administrative Expenditure. Consequently, the Loss for the year ended 31st March 2009 was Rs. 11.08 Lacs as compared to the loss of Rs. 14.17 Lacs for the year ended on 31st March 2008.

5.3. Pre and Post- Offer Shareholding Pattern of ESIL (based on the Subscribed & Paid-up Equity Share Capital) is as under:

Shareholders' Category	Share holding prior to the Preferential Allotment and Offer		Shares acquired on Preferential Basis which triggered off the Regulations		Shares to be acquired in Open Offer (assuming full acceptances)		Share holding after Allotment of Shares on Preferential Basis and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoters/ Promoter Group								
a) Acquirers	33,84,984	58.27%	37,00,000*	37.72%	19,61,780	20.00%	90,46,764	92.23%
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
TOTAL 1 (a + b)	33,84,984	58.27%	37,00,000*	37.72%	19,61,780	20.00%	90,46,764	92.23%
2. Public Share Holding [Other than 1 (a) & (b)]								
I) Institutions								
a) Mutual Funds / UTI	9,900	0.17%	-	-	(-)19,61,780	(-) 20.00%	7,62,136	7.77%
b) FIs/ Banks/ Ins. Co.	-	-	-	-				
c) Foreign Institutional Investors	1,13,700	1.96%	-	-				
II) Non-Institutions								
a) Bodies Corporate	5,13,700	8.84%	3,00,000*	3.06%				
b) Individuals	17,86,616	30.76%	-	-				
c) Others (NRI/ OCBS)	-	-	-	-				
TOTAL 2 (I) + (II)	24,23,916	41.73%	3,00,000*	3.06%				
GRANDTOTAL (1+2)	58,08,900	100.00%	40,00,000*	40.78%	-	-	98,08,900	100.00%

* Preferential Allotment of shares to Promoters and Non-Promoters.

5.4. Pre and Post- Offer Shareholding Pattern of ESIL (based on the Voting Capital) is as under:

Shareholders' Category	Share holding prior to the Preferential Allotment and Offer		Shares acquired on Preferential Basis which triggered off the Regulations		Shares to be acquired in Open Offer (assuming full acceptances)		Share holding after Allotment of Shares on Preferential Basis and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoters/ Promoter Group								
a) Acquirers	33,84,984	58.88%	37,00,000*	37.95%	19,61,780	20.12%	90,46,764	92.80%
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
TOTAL 1 (a + b)	33,84,984	58.88%	37,00,000*	37.95%	19,61,780	20.12%	90,46,764	92.80%
2. Public Share Holding [Other than 1 (a) & (b)]								
I) Institutions								
a) Mutual Funds / UTI	9,900	0.17%	-	-	(-)19,61,780	(-) 20.12%	7,01,734	7.20%
b) FIs/ Banks/ Ins. Co.	-	-	-	-				
c) Foreign Institutional Investors	1,13,700	1.98%	-	-				
II) Non-Institutions								
a) Bodies Corporate	5,13,700	8.94%	3,00,000*	3.08%				
b) Individuals	17,26,214	30.03%	-	-				
	60,402 partly paid with no voting rights							
c) Others (NRI/ OCBS)	-	-	-	-				
TOTAL 2 (I) + (II)	23,63,514	41.12%	3,00,000*	3.08%				
GRANDTOTAL (1+2)	57,48,498	100.00%	40,00,000*	41.03%	-	-	97,48,498	100.00%

* Preferential Allotment of shares to Promoters and Non-Promoters.

5.5. The total number of shareholders in Public Category is 524 as on 30.09.2010.

5.6. There was no trading of the shares of ESIL as on 20.10.2010 i.e. the date of Public Announcement at any of the Stock Exchange.

5.7. The details of the buildup of the Promoters Shareholding in the Target Company are as follows: -

A. For the period 20.02.1997 to 24.07.2009 (by Erstwhile Promoters): -

Shareholdings			Purchase / Inter se Transfer/ transmissio n made during the year	Sale / Inter se /Transfer/ transmissio n made during the year	Mode of allotment / acquisition	Shareholdings			Status of compliance with SEBI (SAST) Regulations, other regulations under SEBI Act, 1992 & statutory requirements as applicable
As on	No. of Shares	%				As on	No. of Shares	%	
20/02/97	7,26,070	23.35%	-	-	-	31.03.97	7,26,070	23.35%	N.A
01/04/97	7,26,070	23.35%	-	-	-	31.03.98	7,26,070	23.35%	N.A.
01/04/98	7,26,070	23.35%	-	-	-	31.03.99	7,26,070	23.35%	N.A.
01/04/99	7,26,070	23.35%	0	1,36,500	Off Market Transaction	31.03.00	5,89,570	18.96%	N.A.
01/04/00	5,89,570	18.96%	0	14,500	Off Market Transaction	31.03.01	5,75,070	18.50%	N.A.
01/04/01	5,75,070	18.50%	-	-	-	31.03.02	5,75,070	18.50%	N.A.
01/04/02	5,75,070	18.50%	-	-	-	31.03.03	5,75,070	18.50%	N.A.
01/04/03	5,75,070	18.50%	2,98,704	-	Reclassificati on*	31.03.04	8,73,774	28.11%	NO ^
01/04/04	8,73,774	28.11%	0	100	Off Market Transaction	31.03.05	873,674	28.10%	N.A.
01/04/05	8,73,674	28.10%	0	44,700	Off Market Transaction	31.03.06	8,28,974	26.66%	N.A.
01/04/06	8,28,974	26.66%	129,200	-	Off Market Transaction	31.03.07	9,58,174	30.82%	NO ^
01/04/07	9,58,174	30.82%	1,36,800	-	Off Market Transaction	31.03.08	10,94,974	35.22%	NO ^
01/04/08	10,94,974	35.22%	0	2,300	Off Market Transaction	31.03.09	10,92,674	35.15%	N.A.
01/04/09	10,92,674	35.15%	0	10,54,588	Sale pursuant to SPA dt. 24.07.09	24.07.09	38,086**	0.66%	YES

* During the year 2003-04, there was reclassification of Promoters Shareholding of the Target Company. Due to this reclassification, the Promoters shareholding increased from 5,75,070 Equity shares (18.50%) in the year 2002-2003 to 8,73,774 Equity Shares (28.11%) in the Year 2003-2004. As per the available information, we state that the Promoters of the Target Company have not complied with regulation 7(1A) and 11(1) of the Regulations, in case the re-classification is considered as fresh acquisition, in this case.

There were no Inter-se transfers of shares amongst the Promoters/ Promoter Group of the Target Company.

** The built up of the Shareholding of the Promoters in the Target Company as tabled above pertains to the erstwhile Promoters of the Target Company. Pursuant to the Share Purchase Agreement dated 24.07.2009, the Erstwhile Promoter Group of the Target Company sold 10,54,588 equity shares to the Acquirers out of their total shareholding of 10,92,674 equity shares leaving the balance of 38,086 equity shares which subsequent to the open offer made by the Acquirers formed part of the Public Shareholding.

^ Non-compliances of regulation 7(1A) of the Regulations by the Erstwhile Promoters of the Target Company pursuant to acquisitions of shares through Off-market transaction.

Note: The Target Company has not complied with the disclosures under regulation 7(3) of the Regulations as they had not received the required disclosures under regulation 7(1A) of the Regulations from the Erstwhile Promoters of the Target Company

B. For the period 24.07.2009 to 20.10.2010 (by Present Promoters): -

Shareholdings				Purchase / Inter se Transfer/ transmission made during the year				Sale / Inter se / Transfer/ transmission made during the year	Mode of allotment / acquisition	Shareholdings				Status of compliance with SEBI (SAST) Regulations, other regulations under SEBI Act, 1992 & statutory requirements as applicable
As on	No. of Shares	% to Equity Share Capital	% to Voting Share Capital	Date	Shares	% to Equity Share Capital	% to Voting Share Capital			As on	No. of Shares	% to Equity Share Capital	% to Voting Share Capital	
01.04.2009	-	0.00%	0.00%	25.11.2009 ++	30,54,588	52.58%	53.14%	-	Pursuant to Preferential Allotment & Share Purchase Agreement	31.03.2010	3384984	58.27%	58.88%	Yes #
				18.02.2010	3,07,666	5.30%	5.35%		Open Offer					NO ^^
				18.02.2010	22,730 ⁽¹⁾	0.39%	0.39%		Off Market					NO ^^
01.04.2010	33,84,984	58.27%	58.88%	15.10.2010	37,00,000	37.72%	37.95%	-	Preferential Allotment	20.10.2010	70,84,984	72.23% ***	72.68% ***	Yes

The Acquirers who are also the present promoters of the Target Company had acquired controlling stake in the Target Company pursuant to Share Purchase Agreement (SPA) for 10,54,588 fully paid-up equity shares entered into with the Erstwhile Promoters/ Promoter Group of the Target Company and allotment of 20,00,000 fully paid-up equity shares on Preferential Basis, both dated 24.07.2009. Pursuant to the aforementioned SPA and preferential allotment, an open offer was made to the shareholders of the Target Company by the Acquirers which opened on 01.10.2009 and closed on 20.10.2009 and the Acquirers acquired 3,07,666 fully paid-up equity shares in the Open Offer tendered by the Shareholders. On 18.02.2010, the Acquirers further purchased 22,730 fully paid-up equity shares of the Target Company through off-market transactions. Accordingly, the equity shareholding of the Acquirers increased to 33,84,984 fully paid-up equity shares representing 58.27% of the pre-preferential subscribed equity share capital and 58.88% of the of the pre-preferential subscribed voting share capital Target Company.

++ The date i.e. 25.11.2009 pertains to the 45 Days report filed with the SEBI by the Merchant Banker pursuant to previous Open Offer.

Delay in compliances by the present Promoters of the Target Company under regulation 7(1) of the Regulations pursuant to Share Purchase Agreement entered with the Erstwhile Promoters of the Target Company and Allotment of 20,00,000 equity shares on Preferential Basis.

^^ Non-compliance of regulation 7(1) and 7(1A) of the Regulations by the Acquirers/ Present Promoters of the Target Company pursuant to acquisition of 3,07,666 equity shares in the Open Offer made to the Public Shareholders of the Target Company.

^^ Violation of regulation 11(2) of the Regulations by the Acquirers for the acquisition of 22,730 equity shares of the Target Company through Off-market transactions.

(1) There was an acquisition of 22,730 equity shares by the Acquirers/ Present Promoters of the Target Company through Off-market transactions at a price of Rs. 8/- per equity share.

*** Calculated on the basis of expanded Equity Share Capital of 98,08,900 shares and Voting Share Capital of 97,48,498 shares.

5.8. Corporate Governance and Pending Litigations:

Corporate Governance: As per Certificate dated 14.08.2010 issued by Vimal Chand Jain, Partner of M/s Vimal C. Jain & Co., the Statutory Auditor, the Target Company has complied with conditions of Corporate Governance as stipulated in the Listing Agreement.

Pending Litigations:

We state that as per the Annual Report of ESIL for the financial year ended dated 31.03.2010, there are no pending Litigations / Claims against the Target Company contingent in nature.

5.9. Compliance Officer:

Mr. Arun Kumar Singh is acting as the Compliance Officer and his address is 39B & 40B, Anrich Industrial Estate, Bolla Ram, Jinna Ram Mandal, Dist. Medak, Andhra Pradesh- 502 325, Ph No: (040) 2770 0300, Mob No. 99037280985, Fax No: (040) 2780 8889 email- arunsingh@sify.com.

6. OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

6.1.1. The Equity Shares of ESIL are presently listed at BSE, ASE and HSE.

6.1.2. The Annualised trading turnover during the preceding six calendar months ended September 2010 in BSE, ASE and HSE are as follows:

Name of Stock Exchange	Total no of shares traded during the 6 calendar months prior to the month in which PA was made	Total No. of listed Shares	Annualised Trading Turnover (in terms of % to total listed shares)
*BSE	2,100	58,08,900	0.07%
ASE	-	31,08,900	-
HSE	-	31,08,900	-

*Source: www.bseindia.com

6.1.3. The equity shares of ESIL are listed on Bombay Stock Exchange Limited (BSE), Ahmedabad Stock Exchange Limited (ASE) & The Hyderabad Stock Exchange Limited (HSE). HSE has since being de-recognised by SEBI. The shares of the Target Company were suspended from trading from BSE w.e.f 31.12.2007 due to the non-compliances of the various clauses of the Listing agreement. The aforesaid suspension has been revoked by BSE vide Notice No. 20090429-15 dated 29.04.2009 effective from 07.05.2009. As the annualised trading turnover of the Equity Shares of ESIL is not more than 5% of the total number of listed shares on Stock Exchanges, the equity shares are deemed to be infrequently traded within the meaning of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters: -

Sl. No.	Particulars	Price (in Rs. per share)
a)	Negotiated Price under the Agreement	N. A.
b)	Highest Price paid by the Acquirers for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of Public Announcement	Rs. 10.00 per fully paid equity share
c)	Other parameters	Based on Audited Accounts for the year ended March 31, 2010
	Return on Networth (%)	#N.M
	Book Value per share (Rs)	0.75
	Earning per Share (Rs)	(-)1.91
	Industry Average P/E Multiple for Chemicals^	17.40
	Offer price P/E Multiple*	#N.M

* Offer price/ EPS

#N.M means not meaningful

^ (Source: Capital Market Vol. XXV/ 17 Oct 18-31, 2010)

The Industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies, which have varied, and different businesses compared to ESIL and also vary widely in terms of financial parameters with ESIL.

Mr. S.S.Lohia, (Membership No. 051739) Partner of M/s S.S.Lohia & Co., Chartered Accountants having office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 001 Ph: No. (033) 2242 4684 / 2243 3261 E-mail sslohiaca@rediffmail.com vide certificate dated 19.10.2010 has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the value of the equity shares of ESIL is Rs.7.98 per equity share. The relevant extracts of the report dated 19.10.2010 is stated as under:

- Net Asset Value: The Net Asset Value is Re. 0.75 per share as per the audited annual report for the year-ended 31.03.2010.
- Profit Earning Capacity Value (PECV): The average profit after tax for last 3 financial years ending on 31.03.2010 as per audited annual accounts is Rs.(44.65) Lacs. The same considering capitalization factor of 15% comes to Rs. (297.65) Lacs and therefore value per share after dividing the same by number of equity shares i.e 57,78,699 Equity shares is to be taken as Zero.
- Market based value: Average of the weekly high & low of the closing prices of the shares of ESIL as quoted on Bombay Stock Exchange Limited (BSE) where the shares of the Company are infrequently traded during the 26 weeks or the average of daily high & low of the prices of shares during the 2 weeks preceding the date of Public Announcement whichever is higher, is Rs.11.59.
- Considering the Supreme Court decision in the Hindustan Lever Employees Union vs. Hindustan Lever Limited, 1995 (83 Com. Case 30), wherein the Honorable Court had opined that the fair value of a listed company could be assessed based on the following weightages: Market Based Value: 2; Earnings Based Value: 2; Net Asset Value: 1

Given the NAV of Re.0.75 per share, PECV of Re. Zero per share as assessed above and the average market price for the last 26 weeks or 2 weeks whichever is higher is Rs.11.59, if one were to apply this approach; the share price based on the weighted average would be Rs. 7.98 per equity share.

In view of the above, the Offer price of Rs.10/- per fully paid-up equity share is justified in terms of Regulation 20(5) of the Regulations.

The last traded price of the equity shares on BSE was Rs 12.15 per share on 14.10.2010 (Source-www.bseindia.com)

6.1.4. As on the date of the PA, ESIL has 60,402 partly paid up equity shares of Rs. 10/- each and the total amount of allotment money in arrear is Rs.3,02,010/- i.e. Rs. 5/- per share. The Offer Price for partly paid up equity shares shall be adjusted to the extent unpaid as per Regulation 20(10) of the Regulations.

6.1.5. The Offer is not as a result of global acquisition resulting in indirect acquisition of ESIL.

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

6.1.7. It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirers for any acquisition of shares of the ESIL from the date of Public Announcement upto 7 working days prior to the closure of the offer viz. 04.02.2011.

6.2. Financial arrangements:

6.2.1. The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources / Net Worth and no borrowings from any Bank and / or Financial Institution are envisaged. Mr. S.S.Lohia, (Membership No. 051739), Partner of M/s S.S.Lohia & Co., Chartered Accountants, having Office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 001 Ph: (033) 2242 4684/ 2243 3261 e-mail sslohiaca@rediffmail.com vide their certificate dated 19.10.2010 have certified that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.

6.2.2. The maximum consideration payable by the Acquirers assuming full acceptance of the Offer would be Rs 1,96,17,800/- (Rupees One Crore Ninety Six Lacs Seventeen Thousand and Eight Hundred Only). In accordance with regulation 28 of the Regulations, the Acquirers have opened an Escrow Account under the name and style "ESIL- Open Offer Escrow Account" with HDFC Bank, Central Plaza Branch, Kolkata-700 020 ("Escrow Banker") and made therein a cash deposit of Rs. 50,00,000/- (Rupees Fifty Lacs Only) being more than 25% of the consideration payable in the Open Offer. Further the acquirers have arranged the balanced fund required in the Open Offer from M/s. Ankush Vyapaar Pvt. Ltd., an NBFC Company who has provided a comfort letter dated 19.10.2010 to provide financial assistance to the Acquirers on demand a maximum of Rs.1,50,00,000/- (Rupees One Crore and Fifty Lacs Only) for meeting their obligation under the Open Offer.

6.2.3. The Manager to the Offer i.e. VC Corporate Advisors Private Limited is authorized to operate the above-mentioned Escrow Account to the exclusion of all others and to instruct the Escrow Banker to issue cheques / pay orders / demand drafts / ECS credit, if required, in accordance with the Regulations.

6.2.4. Based on the aforesaid financial arrangements and based on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of ESIL (except the Acquirers) whose name appear on the Register of Members and to the beneficial owners of the shares of the ESIL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on 29.10.2010 ("Specified Date").

7.2. All owners of the shares, Registered or Unregistered (except Acquirers) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.3. Accidental omission to dispatch this LO or the non-receipt or delayed receipt of this LO will not invalidate the Offer in anyway.

7.4. Subject to the conditions governing this Offer, as mentioned in the LO, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.5. Locked-in Shares:

The entire pre-preferential holdings of the Acquirers and the other Investor are locked-in pursuant to and in compliance of SEBI (ICDR) Regulations. The equity shares issued and allotted on preferential basis to the Acquirers and the strategic investor on 15.10.2010 are subject to locked-in as per Chapter VII of the SEBI (ICDR) Regulations.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirers) whose names appeared in the register of shareholders on 29.10.2010 and also to the beneficial owners ("Demat Holders") of the equity shares of ESIL, whose names appeared as beneficiaries on the records of the respective Depository Participants ("DP") at the close of the business hours on 29.10.2010 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

7.7.1. The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any.

7.7.2. To the best of knowledge and belief of the Acquirers, as of the date of the PA, other than the above, no statutory approvals and/ or consents are required. However, the offer would be subject to the receipt of such other statutory approvals as may be required and/ or may subsequently become necessary to acquire at any later date.

7.7.3. In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of the

Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

- 7.7.4. To the best of the knowledge of the Acquirers, no approvals from any banks/ financial institutions are required to make this Open Offer.
- 7.7.5. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can withdraw the same upto i.e. 10.02.2011 i.e three working days prior to the closure of the Offer.
- 7.7.6. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:

- 8.1. The Shareholder(s) of ESIL who qualify and who wish to avail of this Offer will have to send their shares to the Registrar to the Offer as mentioned in the Form of Acceptance at the following address:

NICHE TECHNOLOGIES PRIVATE LIMITED

(Contact Person: Mr. S. Abbas)

71, B.R.B.Basu Road,

D-511, Bagree Market,

Kolkata- 700 001

Tel: (033) 2235-7271/ 7270/ 3070

Fax: (033) 2215-6823

E-mail: nichetechpl@nichetechpl.com

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e. 15.02.2011. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday - Friday	11.00 a.m. to 5.30 p.m.	Hand Delivery
Saturday	11.00 a.m. to 3.00 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

- 8.2. Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent.

8.2.1. For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- Original Share Certificates
- Valid share transfer Form(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 ESIL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

(ii) Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein.
- Original Share Certificate(s)
- Broker contract note.
- Valid share transfer form(s) as received from the market. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

8.2.2. For equity shares held in Demat Form:

Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off- market" mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on 15.02.2011.

- 8.3. The Registrar to the Offer, Niche Technologies Pvt. Ltd. has opened a special depository account with Trans Scan sec Pvt. Ltd. (Registered with NSDL). The details of the special depository account are as follows: -

DP Name	Trans Scan Sec. Pvt. Ltd.
DP ID	IN302496
Client ID	10054920
Account name	NICHE TECHNOLOGIES PVT. LTD.- "ESIL- OPEN OFFER ESCROW A/C"
Depository	National Securities Depository Limited (NSDL)

- 8.4. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure of the Offer. The Form of Acceptance of such Demat Shares not credited in favour of the Special Depository Account before the closure of the offer is liable to be rejected.
- 8.5. The Share Certificate(s), Share Transfer Form, Form of Acceptance, Form of Withdrawal and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. **They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.**
- 8.6. In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of ESIL. The Public Announcement, Corrigendum to Public Announcement, Letter of Offer, Form of Acceptance Cum Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 15.02.2011. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of Beneficial Owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no. of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer.
- 8.7. Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions/ orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 8.8. While tendering the equity shares under the Offer, NRIs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserve the right to reject such equity shares tendered. While tendering shares under the Offer, NRI / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.
- 8.9. As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.
- 8.10. The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 01.03.2011. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 01.03.2011.
- 8.11. Payment of consideration will be made by crossed account payee cheques / demand drafts / pay orders / through ECS mode of payment and will be sent by registered post, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirer in part or in full except in case of joint holders, cheques / demand drafts/ pay orders/ECS Credit, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques / demand drafts / pay orders. In order to get payment through ECS mode shareholders are requested to provide their Bank Details like Account Number, Name of the Bank and its address, IFSC Code of Bank etc.
- 8.12. In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provision of Regulation 21(6) of the Regulations, on a proportionate basis. The rejected Applications / Documents will be sent by Registered Post. The marketable lot for equity shares of ESIL is 1 (one) equity share.
- 8.13. Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners sole risk to the sole / first shareholder. Shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners.

- 8.14.** The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form/s on behalf of the shareholders of ESIL who have accepted the Offer, till the Cheques/Drafts/ECS credit for the consideration and/or the unaccepted shares/share certificates are despatched/returned/credited.
- 8.15.** In case any person has lodged shares of ESIL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 8.6 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct ESIL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.
- 8.16.** In case any person has tendered his physical shares in ESIL for dematerialization and such dematerialization has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialization request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the Special Depository Account on or before the Offer closing date.
- 8.17.** In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold. In case the shares were sold directly ("Off-market"), this document may be forwarded to the purchaser of the shares.
- 8.18.** The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of closure of the Offer, i.e. on or before 10.02.2011 in terms of Regulation 22(5A).
- 8.19.** The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 10.02.2011. The withdrawal option can be exercised by submitting the form of withdrawal.
- 8.20.** In case of non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
- In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.
 - In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the Depository Escrow Account.
- 8.21.** The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

9. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31 Ganesh Chandra Avenue, 2nd Floor, Suite No -2C, Kolkata-700 013 on any working day between 10.00 a.m. and 2.00 p.m. during the period the Offer is open i.e., from 27.01.2011 to 15.02.2011.

- Certificate from Mr. S. S. Lohia, (Membership No. 051739) Partner of M/s S.S.Lohia & Co., Chartered Accountants, having office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 013; Ph: No. (033) 2242 4684 / 2243 3261; E-mail: sslohiaca@rediffmail.com, certifying the net worth as on 30.09.2010 of the Acquirers.
- Memorandum & Articles of Association of ESSEN SUPPLEMENTS INDIA LIMITED along with Certificate of Incorporation.
- Audited Annual Reports for the financial year ended March 31 2008, March 31 2009 & March 31 2010 and Certified Financials details for the six months period ended 30.09.2010 of ESSEN SUPPLEMENTS INDIA LIMITED.
- Certificate dated 19.10.2010 from Mr. S.S.Lohia, (Membership No. 051739), Partner of M/s S.S.Lohia & Co., Chartered Accountants, having Office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 001 Ph: (033) 2242 4684/ 2243 3261 e-mail sslohiaca@rediffmail.com certifying that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.
- Certificate dated 19.10.2010 from Mr. S.S.Lohia, (Membership No. 051739), Partner of M/s S.S.Lohia & Co., Chartered Accountants, having Office at 27, Brabourne Road, Narayani Building, 5th Floor, Room No 505, Kolkata-700 001 Ph: (033) 2242 4684/ 2243 3261 e-mail sslohiaca@rediffmail.com certifying that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com Case 30), the value of the equity shares of ESIL is Rs. 7.98 per equity share.
- Letter of HDFC Bank Ltd., Bank House, 3A, Gurusaday Road Branch, Kolkata-700 019 dated 19.10.2010 confirming the amount kept in the Escrow Account.
- Copy of Escrow Agreement dt. 18.10.2010 entered amongst the Manager to the Offer, the Acquirers and HDFC Bank Limited ('Escrow Banker').
- The copy of Share Subscription Agreement dated 15.10.2010 between the Acquirers and the Target Company.
- A copy of the Public Announcement for the Offer dated 20.10.2010 & Corrigendum to Public Announcement dated 15.01.2011.
- A Copy of the confirmation received from Depository Participant- Trans Scan Sec. Pvt. Ltd. (registered with NSDL) confirming opening of Special Depository Account styled, NICHE TECHNOLOGIES PVT. LTD. "ESIL- OPEN OFFER ESCROW A/C".

- xi) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated 18.10.2010.
- xii) Comfort Letter dated 19.10.2010 from M/s. Ankush Vyapaar Private Limited, to provide financial assistance to the Acquirers.
- xiii) Information obtained from BSE website about stock market data.
- xiv) Copy of SEBI Letter No.CFD/DCR/TO/SS/1200/2011 dated January 11, 2011 issued in terms of proviso to the regulation 18(2) of the Regulations.

10. DECLARATION BY THE ACQUIRERS:

The Acquirers, accept full responsibility for the information contained in this Letter of Offer and also for their obligations as laid down in Regulation 22(6) of the Regulations.

(Mr. Ganesh Kumar Singhania)

(Mrs. Anita Singhania)

Place: Kolkata

Date: 15.01.2011

Attached: Form of Acceptance cum Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
Niche Technologies Private Limited
 71, B. R. B. Basu Road,
 D-511, Bagree Market,
 Kolkata-700 001
 Dear Sir,

OFFER	
Opens on	January 27, 2011
Closes on	February 15, 2011
Last date of Withdrawal	February 10, 2011

Subject: Open Offer by Mr. Ganesh Kumar Singhania & Mrs. Anita Singhania , residing at 238A, A. J. C. Bose Road, Kolkata - 700 020 (hereinafter referred to as the “Acquirers”) to the shareholders of ESSEN SUPPLEMENTS INDIA LIMITED (ESIL) to acquire from them 19,61,780 fully paid up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs 10/- per fully paid up equity shares & Rs. 5/- per partly paid up equity shares.

I/We refer to the Letter of Offer dated 15.01.2011 for acquiring the equity shares held by us in ESSEN SUPPLEMENTS INDIA LIMITED.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES IN PHYSICAL FORM

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

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of shares
Total number of equity shares				

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 Acquirers gives the purchase consideration as mentioned in the Letter of Offer.

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

SHARES IN DEMATERIALISED FORM

I/We holding the shares in the dematerialized form, accept the offer and enclose the photocopy of the Delivery Instruction in “Off-market” mode, duly acknowledged by the Depository Participants “DP” in respect of my/our shares as detailed below:

DP Name	DP ID	Client ID	No. of Shares	ISIN NO.
Total number of shares				

I/We have done an off market transaction for crediting the Shares to the special account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirers accept the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.

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

I/We authorize the Acquirers to accept the shares so offered which they 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) in respect of which the offer is not found valid/not accepted.

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

I/We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,
 Signed and Delivered

	Full Names (s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place:

Date:

Bank Details

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

I / We permit the Acquirers or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.

Savings/Current/(Others; please specify) : _____

Name of the Bank Branch: _____

Account Number: _____ IFSC Code of Bank _____

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

Acknowledgement slip

Ledger Folio No. _____ DP ID _____ Client ID _____ Received from _____ an application for sale of _____ Equity Share(s) of ESSEN SUPPLEMENTS INDIA LIMITED together with _____ share certificate(s) bearing Certificate Numbers _____ and _____ transfer deed(s)/ photocopy of “Off-market” delivery instruction duly acknowledged by the DP.

Note: All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned above.

Date of receipt

Signature of the official

FORM OF WITHDRAWAL
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

From:
Name:
Address:
Tel. No.
Fax No.
E-mail:

OFFER	
Opens on	January 27, 2011
Closes on	February 15, 2011
Last date of Withdrawal	February 10, 2011

To,
Niche Technologies Private Limited
71, B. R. B. Basu Road,
D-511, Bagree Market,
Kolkata-700 001

Dear Sir,

Subject: Open Offer by Mr. Ganesh Kumar Singhania & Mrs. Anita Singhania , residing at 238A, A. J. C. Bose Road, Kolkata - 700 020 (hereinafter referred to as the "Acquirers ") to the shareholders of ESSEN SUPPLEMENTS INDIA LIMITED (ESIL) to acquire from them 19,61,780 fully paid up equity shares of Rs. 10/- each representing 20.00% of the expanded subscribed equity share capital and 20.12% of the expanded voting share capital at a price of Rs 10/- per fully paid up equity shares & Rs. 5/- per partly paid up equity shares.

I/We refer to the Letter of Offer dated 15.01.2011 for acquiring the equity shares held by me/us in ESSEN SUPPLEMENTS INDIA LIMITED.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I/We, hereby consent unconditionally and irrevocably to withdraw my/our shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered equity 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 Acquirers /Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.10.02.2011.

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

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

SHARES HELD IN PHYSICAL FORM

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

Sr. No.	Ledger folio No.	Certificate No.	Distinctive No.		No. of Shares
			From	To	
Total number of shares					

SHARES IN DEMATERIALISED FORM

We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to the NICHE TECHNOLOGIES PVT. LTD. "ESIL- OPEN OFFER ESCROW A/C " as per the following particulars:

DP ID : IN302496
DP Name : Trans Scan Sec. Pvt. Ltd.
Beneficiary ID Number : 10054920

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my/our shares have been tendered are as detailed below:

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

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

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

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

Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all shareholders must sign. A corporate body must sign under its official name. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance cum Acknowledgement. Applicants are requested to clearly mark the envelope with the words "ESSEN SUPPLEMENTS INDIA LIMITED Open Offer" while sending the documents to the Registrar to the Offer. All future correspondence, if any, should be sent to the Registrar to the Offer, Niche Technologies Private Limited. (unit: ESSEN SUPPLEMENTS INDIA LIMITED), at their aforesaid address.

Place: _____ Date: _____
----- TEAR HERE -----

ACKNOWLEDGEMENT RECEIPT

Received Form of Withdrawal from Mr./ Mrs./Ms. _____

Folio No. _____ DP ID _____ Client ID No. _____ Number of Shares tendered _____

Number of share withdrawn _____

Stamp of Registrar

Signature of official

Date of Receipt