

## LETTER OF OFFER

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

*This LoF is sent to you as a shareholder(s) of Andhra Cements 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 LoF 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

**Jaypee Development Corporation Limited (“Acquirer”), having its registered office at 1095, Sector-A, Pocket - A, Vasant Kunj, New Delhi- 110070, Tel No. 011-26137537/ 011-26133988**

To

**Acquire upto 76,315,328 (Seven Crore Sixty Three Lacs Fifteen Thousands Three Hundred and Twenty Eight) Equity Shares of face value of Rs. 10/- each representing 26% of the Expanded Paid up Equity Share Capital**

OF

### ANDHRA CEMENTS LIMITED

**Registered Office: Durga Cement Works, Durgapuram, Guntur – 522414, Andhra Pradesh.,  
Tel. No. 08649 257429, Fax No. 08649 257429**


**At a price of Rs.12 (Rupees Twelve Only) per fully paid up equity share payable in cash.**

**Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI (SAST) Regulations, 2011) and subsequent amendments thereof.**

1. This offer is being made by the Acquirer pursuant to regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (SEBI (SAST) Regulations, 2011) for substantial acquisition of share and voting rights accompanied with change in control and management.
2. The Offer is not subject to any minimum level of acceptance.
3. The Offer and the underlying transaction as envisaged under Share Subscription and Share Purchase Agreement (SSSPA) are subject to the approval of the Bombay Stock Exchange and National Stock Exchange to the extent of Preferential Allotment of 147,500,000 Equity Shares. Necessary approval from NSE has been received on January 13, 2012. However, the same from BSE is awaited.
4. The Acquirer was allowed to make upward revision in the Offer Price upto three working days prior to the commencement of the tendering period i.e. up to January 19, 2012, Thursday. However, there was neither an upward revision of offer price nor withdrawal of offer by the acquirer.
5. **There was no competing offer.**
6. A copy of Public Announcement, Detailed Public Statement, Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI’s web-site: [www.sebi.gov.in](http://www.sebi.gov.in).

**FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 “PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER” (PAGE NO. 11 to 12). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER.**

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED</b> D-28, South Extn., Part-I, New Delhi-110049 <b>Contact Person:</b> Mr. Manoj Kumar/Ms. Ruchi Hans <b>Ph.:</b> 91-11-40622228/51 <b>Fax:</b> 91-11-40622201 <b>Email:</b> manoj@indiacp.com / ruchi@indiacp.com <b>SEBI Regn. No.:</b> INM000011435</p>	 <p><b>ALANKIT ASSIGNMENTS LIMITED</b> Alankit House, 2E/21, Jhandewalan Extn, New Delhi-110055 <b>Contact Person:</b> Mr. Ashish Kumar <b>Ph.:</b> 011-42541952/ 42541234/ 23541234 <b>Fax:</b> 011-42541967/23552001 <b>Email:</b> jdcl.openoffer@alankit.com <b>SEBI Regn. No.:</b> INR0000002532</p>
<b>Offer Opens On: January 25, 2012, Wednesday</b>	<b>Offer Closes On: February 08, 2012, Wednesday</b>

## SCHEDULE OF ACTIVITIES OF THE OFFER

Activity	ORIGINAL DATE AND DAY	REVISED DATE AND DAY
Public Announcement (PA) Date	November 15, 2011, Tuesday	November 15, 2011, Tuesday
Detailed Public Statement (DPS) Date	November 22, 2011, Tuesday	November 22, 2011, Tuesday
Last date for a competing offer	December 13, 2011, Tuesday	December 13, 2011, Tuesday
Identified Date*	December 12, 2011, Monday	January 11, 2012, Wednesday
Last date by which Board of TC shall give its recommendation	December 21, 2011, Wednesday	January 22, 2012, Sunday
Date by which LoF will be despatched to the shareholders	December 23, 2011, Friday	January 23, 2012, Monday
Issue Opening PA Date	December 23, 2011, Friday	January 24, 2012, Tuesday
Date of commencement of tendering period (Offer opening Date)	December 26, 2011, Monday	January 25, 2012, Wednesday
Date of expiry of tendering period (Offer closing Date)	January 06, 2012, Friday	February 08, 2012, Wednesday
Date by which all requirements including payment of consideration would be completed	January 10, 2012, Tuesday	February 10, 2012, Friday

\* Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent.

### RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer:

#### (A) Relating to transaction

The Offer is subject to the compliance of terms and conditions as mentioned under the Share Subscription and Share Purchase Agreement dated November 15, 2011 (as referred below) and the approval of shareholders and Bombay Stock Exchange Limited & National Stock Exchange of India Limited for the preferential allotment approved by the Board of Directors of the Target Company on November 15, 2011 and the Sellers causing the Target Company to fulfill all terms and conditions to consummate the preferential allotment including the revocation of the suspension of trading of the Equity Shares of the Company on National Stock Exchange of India Limited. In this respect, it is noteworthy to mention here is that NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has been resumed w.e.f. December 19, 2011. Further, the Postal Ballot process to seek approval for the preferential allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 was completed on December 20, 2011 and the resolution was approved by the shareholders with requisite majority. Moreover, the In-Principal approval for listing of new shares in terms of clause 24(a) of Listing Agreement from NSE was received on January 13, 2012. However, the same from BSE is awaited.

In terms of Regulation 23 (1) of the SEBI (SAST) Regulations, 2011 if such Condition Precedents and other Conditions are not satisfactorily complied with, the Offer would stand withdrawn.

#### (B) Relating to the Offer

1) In the event that either (a) the regulatory approvals are not received in a timely manner (b) there is any litigation to stay the offer, or (c) SEBI instructs the Acquirer not to proceed with the offer, then the offer proceeds may be delayed beyond the schedule of activities indicated in this draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of ACL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval,

SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

- 2) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 3) The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities. Accordingly, the acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
- 4) The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement(PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

#### (C) Relating to Acquirer

- 1) The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- 2) The Acquirer makes no assurance with respect to its investment/ divestment decisions relating to its proposed shareholding in the Target Company.
- 3) The Acquirer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- 4) The Acquirer does not accept any responsibility for statements made otherwise than in the Letter of Offer (LOO)/ Detailed Public Statement (DPS)/Public Announcement(PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
- 5) The Acquirer does not accept the responsibility with respect to the information contained in PA or DPS or LOO that pertains to the Target Company and has been compiled from publicly available resources.

**The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of ACL are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.**

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## 1. DEFINITIONS

1.	Acquirer or The Acquirer or JDCL	Jaypee Development Corporation Limited
2.	Board of Directors / Board	The Board of Directors of Andhra Cements Limited
3.	Book Value per share	Net worth / Number of equity shares issued
4.	BSE	Bombay Stock Exchange Limited
5.	CCI	Competition Commission of India
6.	CDSL	Central Depository Services (India) Limited
7.	Companies Act	The Companies Act, 1956, as amended from time to time.
8.	Depository Participant or DP	Alankit Assignments Limited
9.	Detailed Public Statement or DPS	Detailed Public Statement which appeared in the newspaper on November 22, 2011
10.	EPS	Profit after tax / Number of equity shares issued
11.	Escrow Agreement	Escrow Agreement dated November 17, 2011 between the Acquirer, Escrow Agent and Manager to the Offer
12.	Escrow Bank/Escrow Agent	Axis Bank Limited having its branch office at Sector 18, Noida , U.P.
13.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
14.	Form of Acceptance	Form of Acceptance cum Acknowledgement
15.	LOO or Letter of Offer or LOF	This Letter of Offer
16.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
17.	N.A.	Not Available/Not Applicable
18.	NSE	National Stock Exchange of India Limited
19.	NRI	Non Resident Indian
20.	NSDL	National Securities Depository Limited
21.	Offer or The Offer or Open Offer	Open Offer for acquisition of upto 76,315,328 fully paid up Equity Shares of face value of Rs. 10/- each being 26% of the Expanded Paid up Equity Share Capital of Target Company post preferential allotment approved by the meeting of Board of Directors of Target Company dated November 15, 2011 at a price of Rs.12 (Rupees Twelve Only) per fully paid up Equity Share payable in cash
22.	Offer Period	Tuesday, November 15, 2011 to Friday, February 10, 2012
23.	Offer Price	Rs. 12 (Rupees Twelve Only) per fully paid up Equity Share payable in cash
24.	PAT	Profit After Tax
25.	Persons eligible to participate in the Offer	Registered shareholders of Andhra Cements Limited and unregistered shareholders who own the Equity Shares of Andhra Cements Limited any time prior to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Subscription and Share Purchase Agreement dated November 15, 2011
26.	Public Announcement or PA	Public Announcement submitted to BSE and NSE as well as to SEBI on November 15, 2011
27.	Registrar or Registrar to the Offer	Alankit Assignments Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time.
28.	RBI	The Reserve Bank of India
29.	Return on Net Worth	(Profit After Tax/Net Worth) *100
30.	INR or Rs.	Indian Rupees
31.	SEBI Act	Securities and Exchange Board of India Act, 1992
32.	SEBI	Securities and Exchange Board of India
33.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
34.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
35.	Sellers	Boydell Media Private Limited, ISG Traders Limited, Sewand Investments Private Limited, Kavita Marketing Private Limited, Orchard Holdings Private Limited, Smt. Indu Goenka and Shri Shrivardhan Goenka
36.	Share Subscription and Share Purchase Agreement or SSSPA	Share Subscription and Share Purchase Agreement dated November 15, 2011 entered into among Acquirer, Sellers and the Target Company
37.	Tendering Period	January 25, 2012, Wednesday to February 08, 2012, Wednesday
38.	Target Company or ACL	Andhra Cements Limited

## 2. DISCLAIMER CLAUSE

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ANDHRA CEMENTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs 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 ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 28, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”**

## 3. DETAILS OF THE OFFER

### 3.1. Background of the Offer

3.1.1. The Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights accompanied with change in control and management of Target Company.

3.1.2. On November 15, 2011, Jaypee Development Corporation Limited (“**Acquirer**”), a company incorporated under the Companies Act, 1956, having its registered office at 1095, Sector A, Pocket A, Vasant Kunj, New Delhi – 110 070, has entered into a Share Subscription and Share Purchase Agreement (“**SSSPA**”) with Boydell Media Private Limited, ISG Traders Limited, Sewand Investments Private Limited, Kavita Marketing Private Limited, Orchard Holdings Private Limited, Smt. Indu Goenka and Shri Shrivardhan Goenka, all belonging to the promoter and promoter group of Andhra Cements Limited (hereinafter collectively referred to as the “**Sellers**”) and the Andhra Cements Limited (“**Target Company**”), to acquire by way of transfer and subscription 195,619,550 (Nineteen Crores Fifty Six Lacs Nineteen Thousand Five Hundred Fifty) equity shares representing 66.646% of the Expanded Paid up Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors dated November 15, 2011 comprising of 48,119,550 (Four Crores Eighty One Lacs Nineteen Thousand Five Hundred Fifty) Equity Shares being purchased from the Sellers (“**Sale Shares**”) and to subscribe to 147,500,000 (Fourteen Crores Seventy Five Lacs) Equity Shares pursuant to a preferential allotment to be made by the Target Company (“**Preferential Allotment**”) at a price of Rs. 12/- (**Rupees Twelve Only**) per equity share. The board of directors of the Target Company (“**Board**”) in their meeting held on November 15, 2011 have duly authorised the abovementioned Preferential Allotment for cash at a price of Rs. 12/- (**Rupees Twelve Only**) per equity share subject to its shareholder’s approval. The Postal Ballot process to seek approval for the preferential allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 was completed on December 20, 2011 and the resolution was approved by the shareholders with requisite majority. The consideration payable by the Acquirer to the Sellers for the purchase of the Sale Shares at the rate of Rs. 12.00 per share shall be Rs. 577,434,600/- (Rupees Fifty Seven Crores Seventy Four Lacs Thirty Four Thousand Six Hundred Only) and the total consideration payable by the Acquirer for the Preferential Allotment shall be Rs. 1,770,000,000/- (Rupees One Hundred Seventy Seven Crores Only). The consideration for the sale shares and preferential allotment shall be paid in cash by the Acquirer.

The Offer is not as a result of Global Acquisition resulting in indirect acquisition of Target Company. As on the date of LoF, the Acquirer does not hold any shares in the Target Company. The acquisition of the Sale Shares and subscription pursuant to the Preferential Allotment by the Acquirer is subject to certain conditions precedent as provided in the SSSPA.

3.1.3. The important features of the SSSPA dated November 15, 2011 are laid down as under:

- Subject to compliance of applicable laws acquisition of 48,119,550 (Four Crores Eighty One Lacs Nineteen Thousand Five Hundred Fifty) Equity Shares at a price of Rs. 12 per share from the sellers amounting to 16.40% of the expanded equity share capital of the Company;
- Subject to compliance of applicable laws, Subscription to 147,500,000 (Fourteen Crores Seventy Five Lacs) Equity Shares in the proposed preferential allotment as approved by the Board of Directors of the Target Company in their meeting held on November 15, 2011 at a price of Rs. 12 per share amounting to 50.252% of the Expanded Equity Share Capital;

- The preferential allotment is subject to the approval of shareholders in terms of Section 81(1A) of Companies Act and of the Stock Exchanges for the listing of the shares allotted under the preferential allotment. In this regard, it is noteworthy to mention here is that the Postal Ballot process to seek approval for the preferential allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 was completed on December 20, 2011 and the resolution was approved by the shareholders with requisite majority. Further, the In-Principal approval for listing of new shares in terms of clause 24(a) of Listing Agreement from NSE was received on January 13, 2012. However, the same from BSE is awaited..
- The Acquisition of Sale Shares is subject to full discharge and release of the shares pledged to Pledge Holders. If the sellers are not able to tender any part of the sale shares free of encumbrances within the period specified in SSSPA, the acquirer shall not be under any obligation to purchase such part of the sale shares from the sellers.

Details of pledged shares as on November 15, 2011 forming part of Share Purchase and Share Subscription Agreement dated November 15, 2011							
Name of the Promoter	No. of shares (%) held in the Target Company and forming part of SSSPA	Name of the Pledgee	No. of Shares pledge	% w.r.t. capital of the Company	Purpose of Loan	Status of compliance	Remarks
Boydell Media Pvt. Ltd.	28221612 (19.33%)	State Bank of India	25,913,054	17.75	Pledge on behalf of Duncans Industries Ltd	Complied	-
Boydell Media Pvt. Ltd.		Landmark Automobiles Pvt. Ltd.	290,000	0.20	Business Purpose	Complied	Invoked by pledgee but expected to be returned.
Boydell Media Pvt. Ltd.		Deva Lease & Finance Pvt. Ltd.	400,000	0.27	Business Purpose	Complied	Earlier Invoked by pledgee but expected to be returned.
Seward Investments Pvt. Ltd.	935000 (0.64%)	Anil A. Shah/Chetna A. Shah	695,000	0.48	Business Purpose	Complied	-
Seward Investments Pvt. Ltd.		Sewri Land Co. Pvt. Ltd.	5,000	0.00	Business Purpose	Complied	-
Seward Investments Pvt. Ltd.		Acadia Marketing Pvt. Ltd.	2,500	0.00	Business Purpose	Complied	Invoked by pledgee but expected to be returned.
Seward Investments Pvt. Ltd.		Art Rubber Industries Ltd.	200,000	0.14	Pledge on behalf of ISG Traders Ltd.	Complied	-
Kavita Marketing Pvt. Ltd.	945000 (0.65%)	Art Rubber Industries Ltd.	800,000	0.55	Pledge on behalf of ISG Traders Ltd	Complied	-
Kavita Marketing Pvt. Ltd.		SKS Fincap Pvt. Ltd.	145,000	0.10	Pledge on behalf of ISG Traders Ltd	Complied	-
ISG Traders Ltd. (Skylark Rubber Products Limited)	17689544 (12.11%)	Art Rubber Industries Ltd.	400,000	0.27	Business Purpose	Complied	-
ISG Traders Ltd. (Skylark Rubber Products Limited)		SKS Fincap Pvt. Ltd.	60,000	0.04	Business Purpose	Complied	-
ISG Traders Ltd.		Gateway Leasing Pvt. Ltd.	2,375,000	1.63	Business Purpose	Complied	-
ISG Traders Ltd.		Life Clothing Pvt. Ltd.	3,147,000	2.16	Business Purpose	Complied	-
ISG Traders Ltd.		Streamline Shipping Co. P. Ltd.	505,000	0.35	Business Purpose	Complied	-
ISG Traders Ltd.		Comfort Intech Ltd.	4,600,000	3.15	Business Purpose	Complied	-
ISG Traders Ltd.		Deva Lease & Finance Pvt. Ltd.	675,000	0.46	Business Purpose	Complied	500000 shares were earlier Invoked by pledgee but expected to be returned.
ISG Traders Ltd.		Pam Glatt Pharma Technologies Pvt. Ltd.	2,700	0.00	Business Purpose	Complied	-
ISG Traders Ltd.		Art Rubber Pvt. Ltd.	200,000	0.14	Business Purpose	Complied	-
ISG Traders Ltd.		SKS Fincap Pvt. Ltd.	595,000	0.41	Business Purpose	Complied	-
ISG Traders Ltd.		Pinkhem Investments Co.P.Ltd.	29,000	0.02	Business Purpose	Complied	Earlier Invoked by pledgee but expected to be returned.
ISG Traders Ltd.		Surana Ventures Ltd.	464,000	0.32	Pledge on behalf of Boydell Media P Ltd	Complied	-
ISG Traders Ltd.		Shrikant Real Estate Pvt. Ltd.	275,000	0.19	Business Purpose	Complied	-
ISG Traders Ltd.		Aquarius Financial Consultants Pvt. Ltd.	325,000	0.22	Business Purpose	Complied	-
ISG Traders Ltd.		Sahyadri Computers Pvt. Ltd.	5,000	0.00	Business Purpose	Complied	Invoked by pledgee but expected to be returned.
ISG Traders Ltd.		Bhagyanagar India Ltd.	950,000	0.65	Business Purpose	Complied	-
ISG Traders Ltd.		Tradelink Exim Pvt. Ltd.	5,000	0.00	Business Purpose	Complied	-
ISG Traders Ltd.		Landmark Credit & Insurance Managers Pvt. Ltd.	7,000	0.00	Business Purpose	Complied	Invoked by pledgee but expected to be returned.
ISG Traders Ltd.		Landmark Insurance Brokers Pvt. Ltd.	8,000	0.01	Business Purpose	Complied	Invoked by pledgee but expected to be returned.
ISG Traders Ltd.		Hanurang Vinimay Pvt. Ltd.	176,722	0.12	Business Purpose	Complied	Earlier Invoked by pledgee but expected to be returned.
ISG Traders Ltd.	Deva Lease & Finance Pvt. Ltd.	275,000	0.19	Pledge on behalf of Boydell Media P Ltd	Complied	-	
ISG Traders Ltd.	Bahubali Properties Pvt. Ltd.	400,000	0.27	Business Purpose	Complied	-	
ISG Traders Ltd.	YG Commercial Pvt. Ltd.	425,000	0.29	Business Purpose	Complied	-	
			44,354,976	30.38			

- The Preferential allotment and acquisition of Sale Shares is also subject to the receipt of unconditional approval of the Competition Commission of India. However, in view of the latest audited financials of the Target Company for the 15 months ended 30.06.2011 that have been approved by the Board of the Directors of the Target Company on 27.11.2011 i.e. after the date of Detailed Public Statement (DPS), read with the notification no. S.O. 482(E) dated 04.03.2011 by Government of India in exercise of powers conferred by clause (a) of Section 54 of the Competition Act 2002 and corrigendum dated 27.05.2011 bearing no. S.O. 1218(E), the provisions of section 5 of Competition Act 2002 are not applicable on the present transaction and hence this condition of the SSSPA becomes infructuous.
- Sellers shall cause the Target Company to fulfill all the conditions and consummate the preferential allotments including the revocation of suspension of the trading of the equity shares at NSE.  
In this respect, please note that NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has been resumed w.e.f. December 19, 2011. Further, the In-Principal approval for listing of new shares in terms of clause 24(a) of Listing Agreement from NSE was received on January 13, 2012. However, the same from BSE is awaited.

- 3.1.4. There is no Person Acting in Concert with the Acquirer.
- 3.1.5. There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in SSSPA.
- 3.1.6. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.
- 3.1.7. The Acquirer proposes to appoint its representatives on the board of the Target Company after the completion of all formalities relating to Open Offer under SEBI (SAST) Regulations, 2011 as it may deem fit.
- 3.1.8. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, BSE, NSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.

### 3.2. Details of the Proposed offer

- 3.2.1. In accordance with Regulation 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, the Acquirer has given a PA on November 15, 2011 to BSE, NSE and SEBI and DPS on November 22, 2011 which was published in the following newspapers.

Publication	Editions
Financial Express (English)	All Editions
Jansatta (Hindi)	All Editions
Aapal Mahanagar (Marathi)	Mumbai
Andhra Bhoomi (Telugu)	Hyderabad

The Detailed Public Statement is also available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in), BSE website at [www.bseindia.com](http://www.bseindia.com) and the website of Manager to the Offer [www.corporateprofessionals.com](http://www.corporateprofessionals.com).

- 3.2.2. The Acquirer intends to make an Open Offer in terms of the SEBI (SAST) Regulations, 2011 to the shareholders of ACL to acquire upto 76,315,328 (Seven Crore Sixty Three Lacs Fifteen Thousand Three Hundred and Twenty Eight) fully paid up Equity Shares of Rs. 10/- each representing 26% of the Expanded Paid up Equity Share Capital of ACL post preferential allotment approved by the meeting of Board of Directors of Target Company dated November 15, 2011 at a price of Rs. 12 (Rupees Twelve Only) per fully paid up equity share ("Offer Price"), payable in cash subject to the terms and conditions set out in the PA, DPS and this Letter of Offer.
- 3.2.3. There are no partly paid up shares in the Target Company.
- 3.2.4. This is not a competitive Bid.
- 3.2.5. The Offer is not subject to any minimum level of acceptance from the shareholders. The Acquirer will accept the equity shares of ACL those are tendered in valid form in terms of this offer upto a maximum of 76,315,328 (Seven Crore Sixty Three Lacs Fifteen Thousand Three Hundred and Twenty Eight) Equity Shares representing 26% of the Expanded Paid up Equity Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors of Target Company dated November 15, 2011.
- 3.2.6. The Acquirer has not acquired any shares of Target Company after the date of P.A. i.e. November 15, 2011 and upto the date of this LoF except the shares proposed to be acquired in terms of SSSPA dated November 15, 2011.
- 3.2.7. The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.8. Upon completion of the Offer, assuming full acceptances in the Offer, acquisition of Sale Shares and allotment pursuant to the Preferential Allotment under the

SSSPA, the Acquirer will hold 27,19,34,878 (Twenty Seven Crores Nineteen Lacs Thirty Four Thousand Eight Hundred Seventy Eight) Equity Shares constituting 92.646% of the Expanded Paid up Equity Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors of Target Company dated November 15, 2011. The Acquirer in terms of the provisions of the Clause 40A of the Listing Agreement will facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing as prescribed in the Listing Agreement entered with the Stock Exchange within the time period and manner permitted under Securities Contract (Regulation) Rules, 1957 in consultation with the Stock Exchange.

- 3.2.9. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

### 3.3. Object of the Acquisition/ Offer

- 3.3.1. The main object of this acquisition is to acquire the control over the management and affairs of the Target Company, mobilize funds by way of infusing equity capital to revive, restructure and to meet the operational requirements of the business of the Target Company.
- 3.3.2. The Target Company is going through financial difficulties and the operations of its plants have been lying closed for over sixteen months and it requires huge capital infusion and other assistance to revive and restructure its business. The Acquirer intends to revive and operationalize the existing plants of the Target Company. There will not be any adverse impact on the employment. Further, the Acquirer has no plans of relocating the manufacturing facilities of Target Company.

## 4. BACKGROUND OF THE ACQUIRER –JAYPEE DEVELOPMENT CORPORATION LIMITED

- 4.1. The Acquirer, Jaypee Development Corporation Limited ("JDCL") was incorporated on December 5, 2007 under the Companies Act, 1956 with the Registrar of Companies, Delhi & Haryana, as a public limited company and obtained its certificate of commencement of business on January 2, 2008. The registered office of JDCL is situated at 1095, Sector-A, Pocket - A, Vasant Kunj, New Delhi- 110070, Delhi, India. The name of JDCL has not changed since its incorporation.
- 4.2. JDCL is engaged in the business of providing Industrial Security and Medical Services to various companies engaged in the infrastructure development viz Power, Highways, Cement etc. JDCL is also engaged in the construction of various projects in the education sector and has also taken up the development of Real Estate projects in and around NCR of Delhi.
- 4.3. The Acquirer belongs to Jaypee Group and is a wholly owned subsidiary of Jaypee Infra Ventures (A Private Company with Unlimited Liability) (JIV). Mr. Jaiprakash Gaur and Mr. Manoj Gaur along with their family & associates are persons in control of JIV.
- 4.4. As on the date of LoF, the Acquirer does not hold any shares in the Target Company except the shares proposed to be acquired under SSSPA dated November 15, 2011 as mentioned in Para 3.1.2. above for which the acquirer has duly filed the disclosure under regulation 29 (1) of SEBI (SAST) Regulations, 2011 on November 17, 2011.

- 4.5. Shareholding pattern of JDCL as on the date of LoF is as under:

Sl. No.	Shareholder's Category	No. and Percentage of shares held
1	<b>Promoters</b>	
	Jaypee Infra Ventures (A Private Company with Unlimited Liability)	21,59,59,400 Equity Shares (100%)
	Shri Jaiprakash Gaur (Holding shares on behalf of JIV)	100 Equity Shares
	Shri Sarat Kumar Jain (Holding shares on behalf of JIV)	100 Equity Shares
	Shri Manoj Gaur (Holding shares on behalf of JIV)	100 Equity Shares
	Shri Sunil Kumar Sharma (Holding shares on behalf of JIV)	100 Equity Shares
	Shri Sunny Gaur (Holding shares on behalf of JIV)	100 Equity Shares
	Shri Sameer Gaur (Holding shares on behalf of JIV)	100 Equity Shares
	<b>Total of (1)</b>	<b>21,59,60,000 Equity Shares (100%)</b>
2	Fills/Mutual-Funds/FIs/Banks	Nil
3	Public	Nil
	<b>Total Paid Up Capital (1+2+3)</b>	<b>21,59,60,000 Equity Shares (100%)</b>

4.6. The details of Board of Directors of JDCL as on the date of LoF are as follows:

Name of the Director	Designation	DIN	Qualification and Experience	Date of Appointment
Shri Pawan Kumar Jain	Chairman Cum Managing Director	00023029	Post Graduate in Economics from Delhi University having over 36 years of experience in construction, finance, accounts and financial management etc.	21/06/2011
Shri Bal Krishna Taparia	Director	00019760	M.Com from Rajasthan University, Jaipur having over 41 years of experience in banking, corporate finance and the administrative sector.	20/02/2010
Shri Basant Kumar Goswami	Director	00003782	M.A. English from Delhi University and IAS having over 51 years of experience in various Departments of Government of India	20/02/2010
Shri Suresh Chandra Gupta	Director	01127801	BSc., Barch PG DIP.T & CP and over 38 years of experience in urban development planning	20/02/2010
Shri Dattaram Gopal Kadkade	Director	00013842	Degree in Civil Engineering from Pune University having over 50 years of experience in various fields of engineering construction including river valley projects.	20/02/2010
Smt. Rekha Dixit	Director	00913685	M.A. English from Delhi University having over 12 years of experience in procurement and supply management.	21/06/2011
Smt. Jhanvi Sharma	Whole-time Director	00206120	MBA from Delhi University having over 10 years of experience in finance and accounts.	01/01/2011
Smt. Nandita Gaur	Whole-time Director	00913756	B.A. (Hons) from Delhi University and Diploma in Interior Designing from U.K. having over 2 years of experience in real estate activities	01/01/2011

As on the date of this LoF, None of the directors of JDCL is on the board of the Target Company.

4.7. The Brief details of financials of Acquirer are given as under:

(Amount Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Half Year Ended 30.09.2011 (Audited)
Income from operations	NIL	6,723.45	10,025.04	5,902.09
Other Income	NIL	2.83	2.37	21.38
Total Income		6,726.28	10,027.41	5,923.47
Total Expenditure.	0.10	5,208.67	7,230.30	4,821.37
Profit Before Depreciation Interest and Tax	(0.10)	1,686.20	2,996.61	1,182.91
Depreciation	NIL	158.42	158.13	80.81
Interest	NIL	2.81	NIL	NIL
Profit Before Tax	(0.10)	1,524.97	2,838.48	1,102.10
Provision for Tax	NIL	440.91	908.49	342.98
Profit After Tax	(0.10)	1,084.06	1,929.98	759.12
Balance Sheet Statement	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Half Year Ended 30.09.2011 (Audited)
Sources of Funds				
Paid up share capital	5.00	9,096.00	9,096.00	21,596.00
Share Application Money	NIL	NIL	22,987.00	2,107.00
Reserves and Surplus (excluding revaluation reserves)	NIL	1,079.15	3,009.13	3,768.25
Secured loans	NIL	NIL	NIL	NIL
Unsecured loans	NIL	NIL	NIL	6,250.00
Deferred Tax Liability	NIL	2.09	1.87	6.57
Total	5.00	10,177.24	35,094.00	33,727.82
Uses of funds				
Net fixed assets	NIL	646.07	506.68	512.24
Investments	NIL	5,701.73	14,336.98	22,414.07
Deferred Tax Assets	NIL	281.18	322.47	384.19
Net current assets	0.09	3,548.26	19,927.87	10,417.32
Total miscellaneous expenditure not written off	4.91	NIL	NIL	NIL
Total	5.00	10,177.24	35,094.00	33,727.82
Other Financial Data	Year Ended 31.03.2009 (Audited)	Year Ended 31.03.2010 (Audited)	Year Ended 31.03.2011 (Audited)	Half Year Ended 30.09.2011 (Audited)
Dividend (%)	NIL	NIL	NIL	NIL
Earning Per Share (In Rs)	NIL	1.19	2.12	2.84
Networth (Rs. In Lacs)	NIL	10,175.15	12,105.13	25,364.25
Return on Networth (%)	Nil	10.65	15.94	2.99
Book Value Per Share	Nil	11.19	13.31	11.74

Source- As Certified by Mr. Rohit Mehra (Membership No.093910), Partner of R. Nagpal Associates, Chartered Accountants, having office at B-8/14, Vasant Vihar, New Delhi-110 057, Tel: 011-26146892, Fax: 011-26148150 vide his certificate dated November 15, 2011.

4.8. There are no contingent liabilities in JDCL.

4.9. The shares of the Acquirer are not listed on any stock exchange.

5. BACKGROUND OF THE TARGET COMPANY – ANDHRA CEMENTS LIMITED

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

5.1. Andhra Cements Limited was incorporated on December 9, 1936 under the Indian Companies Act, 1913 with the Registrar of Companies, Vizagapatam as The Andhra Cement Company Limited and obtained its certificate of commencement of business on February 5, 1937. Its name was subsequently changed to Andhra Cements Limited with effect from December 24, 1990 vide a fresh certificate of incorporation dated December 24, 1990 issued by the Registrar of Companies,

Andhra Pradesh. The registered office of ACL is situated at Durga Cement Works, Durgapuram, Guntur – 522414, Andhra Pradesh. The Company's main business is manufacturing & selling of all types of cement.

5.2. The promoter/promoter group of the Target Company consists of the Sellers and NRC Limited who collectively holds 57,119,550 (Five Crores Seventy One Lacs Nineteen Thousand Five Hundred Fifty) fully paid up equity shares in the Target Company as on the date of the Draft LOF constituting 39.12% of the paid up capital of the Target Company as on the date of Draft LoF.

Out of the abovementioned shares, 9,000,000 Equity Shares are held by 'NRC Limited'. These shares are not the part of SSSPA. These shares will be shifted in the public category on the completion of Open Offer as there will be change in Control of the Target Company. The post offer shareholding pattern as given in Para 5.10 of the LoF is prepared taking the shareholding of NRC Limited in non-promoter category. These shares were not included in the Sale Shares as

mentioned under SSSPA because NRC Limited is a declared Sick Company and is not in a position to alienate with any of its assets/investment. Acquirer has no intention to acquire these shares either under SSSPA or under the Offer.

5.3. Share capital structure of the Target Company as on the date of LoF is as follows-

Paid up Equity Shares of Target Company	No. of Shares/voting rights	% of shares/voting rights
Fully paid up equity shares	146,020,492 Equity Shares of Rs. 10 each	100
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	146,020,492 Equity Shares of Rs. 10 each	100
Total voting rights in Target company	146,020,492 Equity Shares of Rs. 10 each	100

5.4. The shares of the Target Company are presently listed on the BSE and the NSE. However, NSE vide its letter dated October 24, 2011 has suspended the trading in the shares of the Target Company w.e.f. November 3, 2011 due to non compliance with certain provisions of Listing Agreement and the erstwhile SEBI (SAST) Regulations, 1997. Now, NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has resumed with effect from December 19, 2011. Further, the Equity Shares of the Target Company were got delisted from Delhi Stock Exchange Association Ltd. w.e.f. December 11, 2004 and from Hyderabad Stock Exchange Limited with effect from March 31, 2004.

5.5. There are currently no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

5.6. As on the date of LoF, the composition of the Board of Directors of ACL is as under:

S.No.	Name and Address of Director	Designation	Date of Appointment
1.	Shri G.P. Goenka 'Devanaman', 17d, Alipore Road, Kolkata-700027, West Bengal, India	Chairman	01.06.1994
2.	Shri K.N. Bhandari 5 New Power House Road, Sector 7, Jodhpur-342003, Rajasthan, India	Independent Director	23.10.2007
3.	Shri A.L. Ananthanarayanan B - 171, Sainikpuri, Secunderabad-500094, Andhra Pradesh, India	Independent Director	29.07.2003
4.	Shri Sushil Chandra B-14(G.F), Saket, Gyan New Delhi-110017, Delhi, India	Independent Director	29.07.2003
5.	Shri R.K. Bhargava C-390, Defence Colony, New Delhi- 110024, Delhi, India	Independent Director	29.07.2006
6.	Shri Vinayak Mavinkurve A 1903, Mahindra Aminente. SV Road, Goregaon West Mumbai - 400062	Nominee IDFC	09.11.2011
7.	Shri Sain Ditta Mal Nagpal C-36, Sector-27, Noida-201301, Uttar Pradesh, India	Independent Director	15.11.2011
8.	Shri Radha Krishna Pandey L-277, Sarita Vihar, New Delhi-110044, Delhi, India	Independent Director	15.11.2011

None of the above Directors is representative of Acquirer.

5.7. There has been no merger/de-merger, spin off during last 3 years involving the Target Company.

5.8. ACL was incorporated on December 9, 1936 under the Indian Companies Act, 1913 with the Registrar of Companies, Vizagapatam as The Andhra Cement Company Limited and obtained its certificate of commencement of business on February 5, 1937. Its name was subsequently changed to Andhra Cements Limited with effect from December 24, 1990 vide a fresh certificate of incorporation dated December 24, 1990 issued by the Registrar of Companies, Andhra Pradesh.

5.9. The Target Company has extended its financial year to fifteen months ended June 30, 2011. The audited accounts of the Target Company for 15 months ended June 30, 2011 was adopted by the shareholders in Annual General Meeting of Target Company held on December 30, 2011.. Based on the audited standalone financial statements, the financial information of the Target Company for the financial year ended March 31, 2009, 2010 and June 30, 2011 are as follows:

(Amount Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2009 (Audited) 12 Months	Year Ended 31.03.2010 (Audited) 12 Months	Year Ended 30.06.2011 (Audited) 15 Months
Income from operations	36905.71	29457.18	6298.10
Other Income	351.51	1613.70	314.46
Increase/ (Decrease) in Stock	24.37	25.31	(445.52)
<b>Total Income</b>	<b>37281.59</b>	<b>31096.19</b>	<b>6167.04</b>
<b>Total Expenditure (Excluding Depreciation and Interest)</b>	<b>31786.83</b>	<b>29867.94</b>	<b>7817.10</b>
Profit Before Depreciation Interest and Tax	5494.76	1228.25	(1650.06)
Depreciation	111.13	123.15	127.94
Interest	660.80	565.51	1330.94
Relief and Concessions	(1375.48)	Nil	Nil
<b>Profit/ (Loss) Before Tax</b>	<b>6098.31</b>	<b>539.59</b>	<b>(3108.94)</b>
<b>Provision for Tax</b>	<b>2262.54</b>	<b>(4228.95)</b>	<b>(648.84)</b>
<b>Profit/ (Loss) After Tax</b>	<b>3835.77</b>	<b>4768.54</b>	<b>(2460.10)</b>
Balance Sheet Statement	Year Ended 31.03.2009 (Audited) 12 Months	Year Ended 31.03.2010 (Audited) 12 Months	Year Ended 30.06.2011 (Audited) 15 Months
<b>Sources of funds</b>			
Paid up share capital	13252.73	13902.73	14602.44
Reserves and Surplus (excluding revaluation reserves)	(6309.59)	(635.59)	( 2116.09)
Secured loans	29622.75	39202.34	40098.07
Unsecured loans	2543.99	1795.36	5842.37
Deferred Tax Liability (Net)	(3489.23)	(7718.19)	(8367.03)
<b>Total</b>	<b>35620.65</b>	<b>46546.65</b>	<b>50059.76</b>

Uses of funds			
Net fixed assets	26673.82	45990.11	54076.88
Investments	0.02	0.02	0.02
Net current assets	8946.81	556.52	(4017.14)
Total miscellaneous expenditure not written off	Nil	Nil	Nil
<b>Total</b>	<b>35620.65</b>	<b>46546.65</b>	<b>50059.76</b>
Other Financial Data	Year Ended 31.03.2009 (Audited) 12 Months	Year Ended 31.03.2010 (Audited) 12 Months	Year Ended 30.06.2011 (Audited) 15 Months
Dividend (%)	NIL	NIL	Nil
Earning Per Share (In Rs)(Basic)	2.94	3.57	(1.71)
Networth (Rs. In Lacs as at the last day of the period)	6943.14	13267.14	12486.33
Return on Networth (%)	55.24	35.94	(19.70)
Book Value Per Share (Rs.)	5.24	9.54	8.55

Source- As certified by Mr. R N Chaturvedi (Membership No.092087), Partner of Chaturvedi & Partners, Chartered Accountants, having office at 212A, Chiranjiv Tower, 43 Nehru Place, New Delhi-110019; Tel.: 01146654665 vide certificate dated November 28, 2011.

5.10. Pre and Post- Offer share holding pattern of the Target Company as on the date of Draft LoF is as follows:

Sr. No	Shareholder Category	Shareholding & Voting rights prior to the Agreement/acquisition and Offer (A)		Shares/voting rights agreed to be acquired Which triggered off the Regulations (B)		Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance) (C)		Shareholding/voting rights after the acquisition and Offer i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1	<b>Promoter Group</b>								
	a. Parties to agreement, if any	48,119,550	32.95	(48,119,550)	(32.95)	Nil	NA	Nil	NA
			16.394*		(16.394*)				
	b. Promoters other than (a) above	9,000,000^	6.16	Nil	NA	Nil	NA	Nil	NA
			3.066*						
	<b>Total 1 (a+b)</b>	<b>57,119,550</b>	<b>39.12</b>	<b>(48,119,550)</b>	<b>(32.95)</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>
			<b>19.460*</b>		<b>(16.394*)</b>				
2	<b>Acquirer</b>								
	Jaypee Development Corporation Limited	Nil	NA	48,119,550 (Sale Shares)	32.95	76,315,328	26.00*	271,934,878	92.646*
					16.394*				
		Nil	NA	147,500,000 (Preferential Allotment)	50.252*				
	<b>Total 2</b>	<b>Nil</b>	<b>NA</b>	<b>195,619,550</b>	<b>66.646*</b>	<b>76,315,328</b>	<b>26.00*</b>	<b>271,934,878</b>	<b>92.646*</b>
3	<b>Parties to the agreement other than 1(a) &amp; 2</b>	NA	NA	NA	NA	NA	NA	NA	NA
4	<b>Public (other than parties to agreement, acquirers &amp; PACs)</b>								
a.	FIs / MFs / FIIIs / Banks, SFIs (indicate names)	7,705,922	5.28	Nil	NA			21,585,614	7.35*
			2.63*			(76,315,328)	(26.00*)		
b.	Others	81,195,020	55.61	Nil	NA				
			27.66*						
	<b>Total (4)(a+b)</b>	<b>88,900,942</b>	<b>60.88</b>					<b>21,585,614</b>	<b>7.35*</b>
			<b>30.288*</b>						
	<b>Total (1+2+3+4)</b>	<b>146,020,492</b>	<b>100</b>					<b>293,520,492</b>	<b>100*</b>

Notes: The data within bracket indicates sale of equity shares.

The total number of shareholders as on December 31, 2011 were 55,645.

^Shifted in the Public Category. In this regard, please note that the balance 9,000,000 Equity Shares held by the Promoter Group are in the name of 'NRC Limited', one of the promoter group companies of the Target Company. These shares are not part of transaction. These shares will be shifted in the public category on the completion of Open Offer as there will be change in Control of the Target Company. The post offer share holding pattern is prepared taking the shareholding of NRC Limited in non-promoter category. These shares were not included in the Sale Shares as mentioned under SSSPA because NRC Limited is a declared Sick Company and is not in a position to alienate with any of its assets/investment. The Acquirer has no intention to acquire these shares either under SSSPA or under the Offer.

\*Percentage is calculated w.r.t. Expanded Paid up Equity Share Capital of the Target Company post preferential allotment approved by the meeting of Board of Directors of Target Company dated November 15, 2011.

5.11. During the Quarter ended March 2009 and June 2009, M/s ISG Traders Limited, one of the promoters of the Target Company, has acquired the shares on account of return of shares invoked by the pledgee in violation of the provisions of regulation 11 of erstwhile SEBI (SAST) Regulations, 1997. For the said alleged violation, SEBI may initiate action against M/s ISG Traders Limited, as it may think appropriate.

5.12. The Promoters of the Target Company have complied with the provisions of chapter II of erstwhile SEBI (SAST) Regulations, 1997 and chapter V of SEBI (SAST) Regulations, 2011, as may be applicable except the disclosures as under:

5.12.1. Regulation 8(1) and 8(2) of SEBI (SAST) Regulations, 1997 for the years 2001 to 2003;



5.12.2. Regulation 31(2) of SEBI (SAST) Regulations, 2011 (3 times) for the year 2011.

As regards the Target Company is concerned, it has also complied with Chapter II of erstwhile SEBI (SAST) Regulations, 1997 and chapter V of SEBI (SAST) Regulations, 2011, as may be applicable except the disclosures as under:

5.12.3. Regulation 8(3) of SEBI (SAST) Regulations, 1997 for the years 2001 to 2007;

5.12.4. Regulation 8A (4) of SEBI (SAST) Regulations, 1997 (4 times) for the year 2011.

For the above mentioned alleged non compliance, SEBI may initiate action against the promoters and the Target Company, as it may think appropriate.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

6.1.1. The Offer is made pursuant to the direct acquisition of shares of the Target Company by the Acquirer. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

6.1.2. The Equity Shares of the Target Company are listed on BSE and NSE (together referred to as "Stock Exchanges"). However, NSE vide its letter dated October 24, 2011 has suspended the trading in the Equity Shares of the Target Company w.e.f. November 3, 2011 due to non compliance with certain provisions of listing agreement and the erstwhile SEBI (SAST) Regulations, 1997. Now, NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has resumed with effect from December 19, 2011.

6.1.3. The annualized trading turnover in the Equity Shares of the Target Company in the above mentioned Stock Exchanges based on trading volume during the twelve calendar months prior to the month of PA (November 1, 2010 to October 31, 2011) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of DPS	Total No. of Equity Shares of the Target Company	Annualised Trading Turnover (as % of Total equity shares Listed)
BSE	31,255,307	146,020,492	21.40%
NSE	30,363,343	146,020,492	20.79%

(Source: www.bseindia.com, www.nseindia.com)

6.1.4. Based on the information available on the websites of the Stock Exchanges, the Equity Shares of the Target Company are frequently traded on the BSE and the NSE (within the meaning of definition "frequently traded shares" under clause (j) Sub-Regulation (1) and Regulation 2 of the SEBI (SAST) Regulations, 2011 and is most frequently traded on BSE. As on the date of DPS, the trading in equity shares of Target Company was suspended on NSE. Now, NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has resumed with effect from December 19, 2011.

6.1.5. The Offer Price of Rs. 12 per Equity Share is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011, being the highest of the following:

(a)	The negotiated and preferential allotment price under the SSSPA dated November 15, 2011	Rs. 12 per share
(b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any person acting in concert with him, during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during 26 weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period) The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of announcement of result of Postal Ballot under Section 81(1A) of the Companies Act, 1956 as traded on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period)	Rs. 9.86 per share  Rs.10.51 per share

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 12/- (Rupee Twelve Only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.6. Calculation of the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of public announcement

as traded on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period) as per Regulation 8 (2) (d) of the SEBI (SAST) Regulations, 2011 is as follows:

Date	WAP	No. of Shares	Price
12-Aug-11	9.9	14,150	140,085.00
16-Aug-11	9.25	51,308	474,599.00
17-Aug-11	9.01	50,016	450,644.16
18-Aug-11	8.91	14,995	133,605.45
19-Aug-11	8.56	40,166	343,820.96
22-Aug-11	8.72	26,553	231,542.16
23-Aug-11	8.96	13,000	116,480.00
24-Aug-11	9.25	13,966	129,185.50
25-Aug-11	9.2	14,684	135,092.80
26-Aug-11	9.23	12,712	117,331.76
29-Aug-11	8.86	27,532	243,933.52
30-Aug-11	9.02	4,151	37,442.02
02-Sep-11	9.18	33,665	309,044.70
05-Sep-11	9.27	20,399	189,098.73
06-Sep-11	9.1	3,386	30,812.60
07-Sep-11	9.3	41,945	390,088.50
08-Sep-11	9.43	13,557	127,842.51
09-Sep-11	9.53	30,729	292,847.37
12-Sep-11	9.43	7,583	71,507.69
13-Sep-11	9.65	7,001	67,559.65
14-Sep-11	9.95	44,856	446,317.20
15-Sep-11	10.48	21,090	221,023.20
16-Sep-11	11.07	76,910	851,393.70
19-Sep-11	11.63	72,583	844,140.29
20-Sep-11	11.93	104,780	1,250,025.40
21-Sep-11	11.25	37,032	416,610.00
22-Sep-11	10.87	9,469	102,928.03
23-Sep-11	10.34	14,494	149,867.96
26-Sep-11	10.03	17,016	170,670.48
27-Sep-11	9.99	59,532	594,724.68
28-Sep-11	10.02	19,919	199,588.38
29-Sep-11	10.38	11,304	117,335.52
30-Sep-11	10.75	15,707	168,850.25
03-Oct-11	10.11	7,426	75,076.86
04-Oct-11	9.71	21,841	212,076.11
05-Oct-11	9.23	68,727	634,350.21
07-Oct-11	9.37	21,703	203,357.11
10-Oct-11	9.2	16,513	151,919.60
11-Oct-11	9.17	31,635	290,092.95
12-Oct-11	9.22	8,652	79,771.44
13-Oct-11	9.26	9,965	92,275.90
14-Oct-11	9.34	11,766	109,894.44
17-Oct-11	9.22	21,963	202,498.86
18-Oct-11	9.04	37,462	338,656.48
19-Oct-11	9.03	33,409	301,683.27
20-Oct-11	8.97	23,421	210,086.37
21-Oct-11	9.01	12,882	116,066.82
24-Oct-11	9.26	19,822	183,551.72
25-Oct-11	8.94	181,484	1,622,466.96
26-Oct-11	8.53	40,808	348,092.24
28-Oct-11	8.33	259,869	2,164,708.77
31-Oct-11	8.53	307,047	2,619,110.91
01-Nov-11	8.37	576,076	4,821,756.12
02-Nov-11	8.91	97,988	873,073.08
03-Nov-11	9.48	272,301	2,581,413.48
04-Nov-11	9.95	107,192	1,066,560.40
08-Nov-11	10.44	124,887	1,303,820.28
09-Nov-11	10.96	117,392	1,286,616.32
11-Nov-11	11.5	145,178	1,669,547.00
14-Nov-11	11.88	803,381	9,544,166.28
	<b>Total</b>	<b>4,326,980</b>	<b>42,668,729.15</b>
	<b>Volume weighted average price</b>		<b>9.86</b>

6.1.7. Calculation of the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of Announcement of result of Postal Ballot under Section 81(1A) of the Companies Act, 1956 as the trigger date) as per Regulation 8 (2)(d) of the SEBI (SAST) Regulations, 2011 is as follows:

Date	WAP (1)	No. of Shares (2)	Volume WAP {(1) * (2)}
20-Sep-11	11.93	104780	1250025.4
21-Sep-11	11.25	37032	416610
22-Sep-11	10.87	9469	102928.03
23-Sep-11	10.34	14494	149867.96
26-Sep-11	10.03	17016	170670.48
27-Sep-11	9.99	59532	594724.68
28-Sep-11	10.02	19919	199588.38
29-Sep-11	10.38	11304	117335.52
30-Sep-11	10.75	15707	168850.25
03-Oct-11	10.11	7426	75076.86
04-Oct-11	9.71	21841	212076.11
05-Oct-11	9.23	68727	634350.21
07-Oct-11	9.37	21703	203357.11
10-Oct-11	9.20	16513	151919.6
11-Oct-11	9.17	31635	290092.95
12-Oct-11	9.22	8652	79771.44
13-Oct-11	9.26	9965	92275.9
14-Oct-11	9.34	11766	109894.44
17-Oct-11	9.22	21963	202498.86
18-Oct-11	9.04	37462	338656.48
19-Oct-11	9.03	33409	301683.27
20-Oct-11	8.97	23421	210086.37
21-Oct-11	9.01	12882	116066.82
24-Oct-11	9.26	19822	183551.72
25-Oct-11	8.94	181484	1622466.96
26-Oct-11	8.53	40808	348092.24
28-Oct-11	8.33	259869	2164708.77
31-Oct-11	8.53	307047	2619110.91
01-Nov-11	8.37	576076	4821756.12
02-Nov-11	8.91	97988	873073.08
03-Nov-11	9.48	272301	2581413.48
04-Nov-11	9.95	107192	1066560.4
08-Nov-11	10.44	124887	1303820.28
09-Nov-11	10.96	117392	1286616.32
11-Nov-11	11.50	145178	1669547
14-Nov-11	11.88	803381	9544166.28
15-Nov-11	10.41	493959	5142113.19
16-Nov-11	10.97	319929	3509621.13
17-Nov-11	11.09	480664	5330563.76
18-Nov-11	10.45	297614	3110066.3
21-Nov-11	10.74	256429	2754047.46
22-Nov-11	10.92	169502	1850961.84
23-Nov-11	10.87	233118	2533992.66
24-Nov-11	10.99	266481	2928626.19
25-Nov-11	11.11	175682	1951827.02
28-Nov-11	11.24	145203	1632081.72
29-Nov-11	11.29	110339	1245727.31
30-Nov-11	11.38	217296	2472828.48
01-Dec-11	11.37	109909	1249665.33
02-Dec-11	11.45	57742	661145.9
05-Dec-11	11.36	254916	2895845.76
07-Dec-11	11.39	133651	1522284.89
08-Dec-11	11.37	128345	1459282.65
09-Dec-11	11.37	114181	1298237.97
12-Dec-11	11.41	62602	714288.82
13-Dec-11	11.41	80225	915367.25
14-Dec-11	11.40	31983	364606.2
15-Dec-11	11.39	122630	1396755.7
16-Dec-11	11.40	30237	344701.8
19-Dec-11	11.39	151832	1729366.48
<b>Total</b>		<b>8114512</b>	<b>85287296.49</b>
<b>Volume Weighted Average Price</b>			<b>10.51</b>

6.1.8. The postal ballot process to seek approval for the Preferential Allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 was completed on December 20, 2011. As per the declared result, the Resolution for preferential allotment of upto 14.75 cr. Equity Shares at Rs.12.00 per equity share to the Acquirer was approved by the shareholders with requisite majority. Considering the date of announcement of result of Postal Ballot under Section 81(1A) of the Companies Act, 1956 as the trigger date, the Offer Price has been recalculated in terms of Regulation 8(2) of SEBI (SAST) Regulations, 2011. The recalculated minimum offer price came out to Rs.10.51 per equity share. Since the recalculated minimum offer price of Rs.10.51 per equity share is less than the Offer Price of Rs.12 per equity share, therefore, there is no requirement of upward revision of the Offer Price.

6.1.9. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

6.1.10. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, it shall not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

6.1.11. If the Acquirer acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.1.12. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

6.1.13. The Acquirer is permitted to revise the Offer Price upward at any time up to 3 working days prior to the commencement of the tendering period. If there is any such upward revision in the Offer Price by the Acquirer or in the case of withdrawal of offer, the same would be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the acquirer(s) for all the shares validly tendered anytime during the Offer.

6.1.14. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to the shareholders.

## 6.2. Financial Arrangement

6.2.1. The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 76,315,328 Equity Shares from the public shareholders of the Target Company at a Offer Price of Rs. 12 (Rupee Twelve Only) per Equity Share is Rs. 915,783,936/- (Rupees Ninety One Crores Fifty Seven Lacs Eighty Three Thousand Nine Hundred Thirty Six Only) (the "Maximum Consideration").

6.2.2. The Acquirer, the Manager to the Offer and Axis Bank Limited, a banking corporation incorporated under the laws of India and having one of its branch offices at Sector 18, Noida, have entered into an escrow agreement dated November 17, 2011 for the purpose of the Offer (the "Offer Escrow Agreement") in accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011. Pursuant to the Offer Escrow Agreement, the Acquirer has furnished a bank guarantee of an amount of Rs. 27 Crores (Rupees Twenty Seven Crores only) in favor of Manager to the Offer ("Bank Guarantee") which is in excess of 25% of the Maximum Consideration. The Manager to the Offer has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the regulations. The Bank Guarantee is valid upto April 15, 2012. The Acquirer undertakes that in case the offer process is not completed within the validity of Bank Guarantee, then the Bank Guarantee will be further extended at least upto 30th day from the date of completion of payment of Offer Consideration. Further, it is hereby confirm that the Axis Bank from whom the Bank Guarantee is sought is not an associate or group of the acquirer or Target Company.

6.2.3. The Acquirer has also deposited cash of an amount of Rs. 92 Lacs (Rupees Ninety Two Lacs Only) ("Security Deposit") (being in excess of 1% of the Maximum Consideration) in an escrow account opened with Axis Bank Limited, K 21, K 22 Sector 18, Noida, Uttar Pradesh-201301, India.

- 6.2.4. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5. The Acquirer has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The acquisition will be financed through internal resources and/or funds borrowed from domestic sources.
- 6.2.6. Mr. Joseph S. Quadros, Membership no. 089181, partner of R. Nagpal Associates, Chartered Accountants, having office at B-8/14, Vasant Vihar, New Delhi – 110 057, Tel No. 011-26146892 has vide his letter dated November 15, 2011 certified that the Acquirer has sufficient resources to meet the fund requirement for the takeover of Target Company.
- 6.2.7. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the Acquirer's obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations, 2011.

## 7. TERMS AND CONDITIONS OF THE OFFER

### 7.1. Operational terms and conditions

- 7.1.1. The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2. LoF will be dispatched to all the equity shareholders of ACL, whose names appear in its Register of Members on January 11, 2012, Wednesday, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such forms from the website.
- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4. of this LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2. **Locked in shares:** There are no locked in shares in the Target Company.

### 7.3. Persons eligible to participate in the Offer

Registered shareholders of ACL and unregistered shareholders who own the Equity Shares of ACL any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Subscription and Share Purchase Agreement dated November 15, 2011.

### 7.4. Statutory and other Approvals:

- 7.4.1. The Offer is subject to the Acquirer obtaining all necessary approvals including the approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 as amended from time to time and the rules and regulations made there under for the acquisition/transfer of Offer Shares tendered pursuant to this Offer, if required.
- 7.4.2. The Financial accounts of the Target Company for the 15 months ended 30.06.2011 have been approved by the Board of Directors of the Target Company on 27.11.2011 i.e. after the date of Detailed Public Statement (DPS). Thus as of now, in view of the latest audited financials of the Target Company read with the notification no. S.O. 482(E) dated 04.03.2011 by Government of India in exercise of powers conferred by clause (a) of Section 54 of the Competition Act 2002 and corrigendum dated 27.05.2011 bearing no. S.O. 1218(E), the provisions of section 5 of Competition Act 2002 are not applicable on the present transaction and hence does not require CCI approval under Section 6 of the said Act.
- 7.4.3. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 7.4.4. The Offer is subject to the compliance of the terms and conditions as mentioned under the SSSPA dated November 15, 2011, the approval of shareholders and BSE and NSE for the preferential allotment approved by the Board of Directors

of the Target Company on November 15, 2011 and the Sellers causing the Target Company to fulfill all terms and conditions to consummate the preferential allotment including the revocation of the suspension of trading of the Equity Shares of the Company on NSE. The pre-condition of approval of Competition Commission of India in the SSSPA becomes infructuous in view of the latest audited financials of the Target Company for the 15 months ended 30.06.2011 that have been approved by the Board of Directors of the Target Company on 27.11.2011 i.e. after the date of Detailed Public Statement (DPS), read with the notification no. S.O. 482(E) dated 04.03.2011 by Government of India in exercise of powers conferred by clause (a) of Section 54 of the Competition Act 2002 and corrigendum dated 27.05.2011 bearing no. S.O. 1218(E) and thereby the provisions of section 5 of Competition Act 2002 are not applicable on the present transaction requiring no approval thereof. Further, NSE vide its Press Release No.1 dated December 16, 2011 has revoked the suspension of trading of equity shares of the Target Company and the trading in the equity shares has been resumed w.e.f. December 19, 2011. Furthermore, the Postal Ballot process to seek approval for the preferential allotment in accordance with the provisions of Section 81(1A) of the Companies Act, 1956 was completed on December 20, 2011 and the resolution was approved by the shareholders with requisite majority. Moreover, the In-Principal approval for listing of new shares in terms of clause 24(a) of Listing Agreement from NSE was received on January 13, 2012. However, the same from BSE is awaited.

- 7.4.5. To the best of the knowledge and belief of the Acquirer, as on the date of this LoF, there are no other statutory approvals required to implement the Offer other than those mentioned above. If any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would also be subject to the receipt of such other statutory approvals.
- 7.4.6. In terms of Regulation 23 (1) of the SEBI (SAST) Regulations, if such Condition Precedents and other Conditions are not satisfactorily complied with, the Offer would stand withdrawn.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The following collection centre would be accepting the documents by Hand Delivery /Regd. Post/Courier as specified above, both in case of shares in physical and dematerialized form:

Name and Address of the Collection Centre	Working days and timings	Mode of delivery
M/s Alankit Assignments Limited Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055 <b>Contact Person:</b> Mr. Ashish Kumar <b>Ph.:</b> 011-42541952/42541234/23541234 <b>Fax:</b> 011-42541967/23552001 <b>Email:</b> jdcl.openoffer@alankit.com	During the Business Hours from Monday to Saturday	Regd. Post/ Courier Hand Delivery/

- 8.2. Shareholders who hold equity shares of the Target Company in physical form and wish to tender their equity share pursuant to the Offer will be required to submit the duly completed Form of Acceptance cum acknowledgement, original Share Certificate(s), valid Transfer Deed(s) duly signed and witnessed and other documents as may be specified in the LoF, to the Registrar to the Offer either by Registered Post/Courier, at their own risk or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. February 08, 2012, Wednesday
- 8.3. The Registrar to the Offer, **M/s Alankit Assignments Limited** has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares during the offer from eligible shareholders who hold equity shares in demat form.
- 8.4. For shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the LoF to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. February 08, 2012, Wednesday along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "**Jaypee Development Corporation Limited-Andhra Cements Limited-Securities Escrow Account**" ("**Depository Escrow Account**") filled in as per the instructions given below:

<b>DP Name</b>	<b>Alankit Assignments Limited</b>
<b>DP ID</b>	<b>IN300118</b>
<b>Client ID</b>	<b>11525531</b>
<b>Depository</b>	<b>National Securities Depository Limited ("NSDL")</b>

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

- 8.5. The shares and other relevant documents should not be sent to the Acquirer/ Target Company.
- 8.6. **In case of (a) shareholders who have not received the LoF, (b) unregistered shareholders, (c) owner of the shares who have sent the shares to the Target Company for transfer**, may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with ACL), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. February 08, 2012, Wednesday. Such shareholders can also obtain the LoF from the Registrar to the Open Offer by giving an application in writing to that effect.
- 8.7. In case of shareholders who have not received the LoF and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para 8.4. above, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. February 08, 2012, Wednesday. Such equity shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.
- 8.8. Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer i.e. February 08, 2012, Wednesday, else the application would be rejected.
- 8.9. No indemnity is needed from unregistered shareholders.
- 8.10. Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of ACL is 1{One} Equity Share.
- 8.11. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 8.12. The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques/ demand drafts/Electronic Clearance Service (ECS) where applicable including RTGS/NEFT. Such payments through account payee cheques/demand drafts will be sent by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.
- 8.13. Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares

held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

- 8.14. The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the Special Depository Account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned.

#### 9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at D-28, South Extn. Part-I, New Delhi-110049 from 10.30 A.M. to 1.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer:

- 9.1. Certificate of Incorporation, Memorandum & Articles of Association of JDCL.
- 9.2. Certificate dated November 15, 2011 issued by Mr. Joseph S. Quadros, Membership no. 089181, Partner of R. Nagpal Associates, Chartered Accountants, having office at B-8/14, Vasant Vihar, New Delhi – 110 057, Tel No. 011-26146892, certifying the adequacy of financial resources with the Acquirer to fulfill its part of open Offer obligations.
- 9.3. Audited Annual Reports of ACL for the years ended March 31, 2009, 2010 and June 30, 2011.
- 9.4. Audited Annual Reports of JDCL for the years ended March 31, 2009, 2010 and 2011.
- 9.5. Copy of Escrow Agreement between the Acquirer, Axis Bank and Manager to the Offer.
- 9.6. Certificate from Axis Bank confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 2011.
- 9.7. Copy of the Share Subscription & Share Purchase Agreement dated November 15, 2011.
- 9.8. Copy of Public Announcement, Published copy of the Detailed Public Statement, which appeared in the Newspapers on November 22, 2011, Issue Opening PA and any corrigendum to these.
- 9.9. A copy of the recommendation made by the Committee of Independent Directors (IDC) of ACL.
- 9.10. A copy of the observation letter dated January 19, 2012 received from SEBI.
- 9.11. Copy of agreement between the Acquirer and the Registrar to the issue.

#### 10. DECLARATION BY THE ACQUIRER

The Acquirer accepts full responsibility for the information contained in this LoF and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirer would be responsible for ensuring compliance with the concerned Regulations.

#### Jaypee Development Corporation Limited

#### (Authorised Signatory)

Place: New Delhi

Date: January 21, 2012

#### 11. ENCLOSURES

- 11.1. Form of Acceptance cum Acknowledgement
- 11.2. Blank Share Transfer Deed(s)

**FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT**  
(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**  
(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)

<b>OFFER OPENS ON</b>	:	<b>JANUARY 25, 2012, WEDNESDAY</b>
<b>OFFER CLOSSES ON</b>	:	<b>FEBRUARY 08, 2012, WEDNESDAY</b>
<b>Please read the Instructions overleaf before filling-in this Form of Acceptance</b>		

<b>FOR OFFICE USE ONLY</b>	
Acceptance Number	
Number of equity shares Offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

**From:**

Tel. No.:

Fax No.:

E-mail:

To,

M/s Jaypee Development Corporation Limited  
C/o Alankit Assignments Limited  
2E/21, Jhandewalan Extn,  
New Delhi-110055

Dear Sir/s,

**REG.: OPEN OFFER TO THE SHAREHOLDERS OF M/S ANDHRA CEMENTS LIMITED (ACL) BY M/S JAYPEE DEVELOPMENT CORPORATION LIMITED (ACQUIRER) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.**

I / we, refer to the Letter of Offer dated \_\_\_\_\_ for acquiring the equity shares held by me / us in **M/s Andhra Cements 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, unconditionally Offer to sell to the Acquirer the following equity shares in ACL held by me/ us at a price of Rs. 12/- (Rupees Twelve Only) per fully paid-up equity share.

**For shares held in physical form**

1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

<b>Ledger Folio No.....Number of share certificates attached.....Representing ..... equity shares</b>			
<b>Number of equity shares held in ACL</b>		<b>Number of equity shares Offered</b>	
<b>In figures</b>	<b>In words</b>	<b>In figures</b>	<b>In words</b>

<b>Sr. No.</b>	<b>Share Certificate No.</b>	<b>Distinctive Nos.</b>		<b>No. of equity shares</b>
		<b>From</b>	<b>To</b>	
1				
2				
3				
<b>Total No. of Equity Shares</b>				

**For shares held in Demat form:**

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

<b>DP Name</b>	<b>DP ID</b>	<b>Client ID</b>	<b>Beneficiary Name</b>	<b>No. of equity shares</b>

DP Name	: Alankit Assignments Limited
ID	: IN300118
Client ID	: 11525531
Depository	: National Securities Depository Limited ("NSDL")
Depository Escrow Account	: "Jaypee Development Corporation Limited-Andhra Cements Limited-Securities Escrow Account"

3. I / We confirm that the Equity Shares of ACL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
4. I / We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
5. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
6. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
7. I/We note and understand that the Shares would held in trust by the Registrar until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
8. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
9. I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with ACL:

**Name and complete address of the Sole/ First holder (in case of member(s), address as registered with ACL):**

.....

**Place:** ..... **Date:** .....

**Tel. No(s) :** ..... **Fax No.:**.....

**So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS**

Bank Account No.: ..... Type of Account:.....  
(Savings /Current /Other (please specify))

Name of the Bank: .....Name of the Branch and Address:.....

MICR Code of Bank..... IFCS Code of Bank.....

The Permanent Account Number (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

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

Yours faithfully,  
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

**Note:** In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

#### INSTRUCTIONS

- 1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- 2 The Form of Acceptance should be filled-up in English only.
- 3 Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
- 4 Mode of tendering the Equity Shares Pursuant to the Offer:**
  - I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of ACL.
  - II. Shareholders of ACL to whom this Offer is being made, are free to Offer his / her / their shareholding in ACL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

TEAR HERE

**ACKNOWLEDGEMENT SLIP**

**SHARES IN PHYSICAL FORM**

**OPEN OFFER TO THE SHAREHOLDERS OF M/S ANDHRA CEMENTS LIMITED (ACL) BY M/S JAYPEE DEVELOPMENT CORPORATION LIMITED (ACQUIRER) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.**

Received from Mr. / Ms.....

Ledger Folio No/ -----Number of certificates enclosed..... under the Letter of Offer dated \_\_\_\_\_, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1.				
2.				
3.				
<b>Total no. of Equity Shares</b>				

Authorised Signatory  
Date

Stamp

**Note:** All future correspondence, if any, should be addressed to **Registrar to the Offer**

**ALANKIT ASSIGNMENTS LIMITED**

(Unit: Andhra Cements Limited)

Alankit House, 2E/21, Jhandewalan Extn, New Delhi-110055

**Contact Person:** Mr. Ashish Kumar

**Ph.:** 011-42541952/ 42541234/ 23541234 **Fax:** 011-42541967/23552001

**Email:** jdcl.openoffer@alankit.com

**SEBI Regn. No.:** INR0000002532

**ACKNOWLEDGEMENT SLIP**

**SHARES IN DEMATERIALIZED FORM**

**OPEN OFFER TO THE SHAREHOLDERS OF M/S ANDHRA CEMENTS LIMITED (ACL) BY M/S JAYPEE DEVELOPMENT CORPORATION LIMITED (ACQUIRER) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.**

Received from Mr. / Ms. ....

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

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Client ID	: 11525531
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Depository Escrow Account	: "Jaypee Development Corporation Limited-Andhra Cements Limited-Securities Escrow Account"

Authorised Signatory  
Date:

Stamp

**Note:** All future correspondence, if any, should be addressed to **Registrar to the Offer**

**ALANKIT ASSIGNMENTS LIMITED**

Alankit House, 2E/21, Jhandewalan Extn, New Delhi-110055

(Unit: Andhra Cements Limited)

**Contact Person:** Mr. Ashish Kumar

**Ph.:** 011-42541952/ 42541234/ 23541234 **Fax:** 011-42541967/23552001

**Email:** jdcl.openoffer@alankit.com

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