

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Exit Offer Letter ("**Exit Offer Letter**") is sent to you as equity shareholder(s) of **Jolly Board Limited**. You are advised to consult your Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer for any clarification about the action to be taken in this regard. Please refer '**Important Notes**' appearing on page no. 1 of this document.

EXIT OFFER LETTER

From

JOLLY EXPORTS PRIVATE LIMITED

Registered office: 501, Rewa Chambers, 31, Sir. Vithaldas Thackersey Marg, New Marine Lines, Mumbai – 400020, Maharashtra, **Tel No.:** +91-022-22078531, 22078532, 22078533, 22078534, **Fax No.:** +91-022-22069533

inviting you to tender your fully paid-up equity shares of ₹ 10/- each of Jolly Board Limited at the Exit Price of ₹ 1000 (Rupees One Thousand Only) per Share pursuant to Regulation 21 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("**Delisting Regulations**").

This Exit Offer Letter is being sent to you as a public shareholder of

JOLLY BOARD LIMITED


Registered office: 501, Rewa Chambers, 31, Sir. Vithaldas Thackersey Marg, New Marine Lines, Mumbai – 400020, Maharashtra, **Tel No.:** +91-022-22078531, 22078532, 22078533, 22078534, **Fax No.:** +91-022-22069533

Dear Shareholder(s) of Jolly Board Limited.....

This is an invitation to tender your equity shares in Jolly Board Limited ("**the Company**") in favour of Jolly Exports Pvt. Ltd. ("**Promoter / Acquirer**") at an Exit Price (as defined hereinafter) of ₹ 1000/- per equity share subject to the terms and conditions mentioned hereinafter ("**Exit Offer**").

Vide a public announcement dated May 06, 2013 published on May 07, 2013 ("**Original PA**") and Offer Letter dated May 06, 2013, the Promoter/Acquirer made an offer seeking to acquire up to 4,59,750 equity shares representing 10.11% of the paid-up equity share capital of the Company ("**Offer Shares**") from the public shareholders of the Company ("**Delisting Offer**") and to proceed with consequent delisting of the equity shares of the Company, in accordance with the Delisting Regulations from BSE Limited ("**BSE**"), being the stock exchange where the equity shares were listed. The public shareholders of the Company were invited to submit bids pursuant to a Reverse Book Building ("**RBB**") process made available through the electronic system of the BSE from May 27, 2013 to May 31, 2013 ("**Bid Period**"). Vide a public announcement published on June 06, 2013 ("**Post Offer PA**"), the Promoter/Acquirer accepted a price of ₹ 1000/- per Offer Share ("**Exit Price**"). Pursuant to the acquisition of the Offer Shares validly tendered by the public shareholders in the Delisting Offer, the Promoter/Acquirer currently holds 95.16% of the fully paid up equity share capital of the Company.

In accordance with Regulation 21 of the Delisting Regulations, the Promoter / Acquirer hereby provides a final exit opportunity to remaining public shareholders who have not tendered their shares in the Delisting Offer / whose tender of Offer Shares had been rejected in the Delisting Offer ("**Residual Shareholders**"), to participate in the acquisition process for a period of one year from the date of delisting. Residual Shareholders will be able to tender their equity shares in favour of the Promoter / Acquirer at the Exit Price of ₹ 1000/- per equity share, at any time from September 11, 2013 till September 10, 2014 (the "**Exit Period**"), on the terms and subject to the conditions set out in this Exit Offer Letter and the Public Announcement made by the Promoter/ Acquirer in terms of the Delisting Regulations. This Exit Offer Letter has been dispatched to all Residual Shareholders of the Company.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
<p>KEYNOTE</p> <p>KEYNOTE CORPORATE SERVICES LTD. The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028 Tel.: +91-022-30266000 Fax: +91-022-30266088 E-mail: mbd@keynoteindia.net Website: www.keynoteindia.net SEBI Registration No.: INM 000003606 AIBI Registration No: AIBI/040 Contact Person: Mr. Janardhan Wagle</p>	<p align="center"></p> <p>SHAREX DYNAMIC (INDIA) PVT. LIMITED Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072 Tel: +91 22 2851 5606 / 2851 5644 / 2851 6338 Fax: +91 22 2851 2885 E-mail: sharexindia@vsnl.com Website: www.sharexindia.com SEBI Registration No.: INR000002102 Contact Person : Mr. B S. Baliga</p>
Exit Price	₹ 1000 per equity share
Exit Period Opens	Wednesday, September 11, 2013
Exit Period Closes	Wednesday, September 10, 2014

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Activity Schedule

Sr. No	Activity	Date
1.	Public Announcement	Monday, September 02, 2013
2.	Discontinuation of Trading in the scrip	Tuesday, September 03, 2013
3.	Dispatch of Exit Offer Letter	Saturday, September 07, 2013
4.	Delisting of the Scrip from the Exchanges	Wednesday, September 11, 2013
5.	Exit Period Opens	Wednesday, September 11, 2013
6.	Exit Period Closes	Wednesday, September 10, 2014

Note: Consideration will be paid to all valid applicants at a periodic interval of One (1) month for the full period of offer. Thus the applications submitted by shareholders upto the end of a particular month will be processed and accordingly payment would be made to applicants within 15 days of the subsequent month.

Important Notes

- Shareholders of Jolly Board Limited (“JBL”/“the Company”) are advised to consult their Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer for any clarification about the action to be taken in this regard.
- Following the closure of the Delisting Offer and in accordance with the Delisting Regulations, Jolly Board Limited applied for the delisting of its equity shares from the BSE on June 13, 2013 vide their letter of the same date. In terms of BSE notice No. 20130828-3 dated August 28, 2013 the trading in the equity shares of Jolly Board Limited will be discontinued w.e.f. Tuesday, September 03, 2013 (i.e. w.e.f. closing hours of trading on Monday September 02, 2013) and the scrip will be delisted from the Exchange records w.e.f Wednesday, September 11, 2013. **Delisting of the equity shares of the Company means that the equity shares of the Company cannot and will not be traded on the BSE.**

Please contact Sharex Dynamic (India) Private Limited (“Registrar to the Exit Offer”), if you require any clarification regarding the procedure for tendering your equity shares.

1. Procedure for tendering shares under the exit offer

1.1 Procedure for Residual Shareholders holding Shares in Dematerialised form

- 1.1.1 The Residual Shareholders holding equity shares in dematerialized form, who are desirous of tendering their equity shares in the Exit Offer must submit (a) the enclosed application form (“Application Form”) duly filled and signed, and (b) a counterfoil / photocopy of their depository participant instruction evidencing transfer of dematerialized equity shares as detailed in paragraph 1.1.2 below, by hand delivery or by registered post or courier (at their own risk and cost) with the envelope marked “JOLLY BOARD – EXIT OFFER” so as to reach to the Registrar to the Exit Offer at the addresses given. In case of non-receipt of the above-mentioned documents but receipt of equity shares in the Demat Escrow Account mentioned below, the Exit Offer would be deemed to have been accepted by the Residual Shareholder.

In case of non receipt of the Application Form, you may download the Application form and use the print out of the same. Soft copy of the Application Form will be made available on the website of the Registrar to the Offer i.e; Sharex Dynamic India Pvt. Ltd. at www.sharexindia.com. Further, the Exit Offer Letter along with the Application Form will be also made available on the website of the Company i.e; Jolly Board Limited and also on the website of Manager to the Offer i.e; Keynote Corporate Services Limited at www.jollyboard.com and www.keynoteindia.net, respectively.

- 1.1.2 The Residual Shareholders must transfer their dematerialised equity shares from their respective depository account, in **off-market mode**, to the Demat Escrow Account opened by the Registrar to the Exit Offer in the name and style of “JOLLY BOARD EXIT OFFER ESCROW A/C OPERATED BY SHAREX” (“Demat Escrow Account”), the details of which are as follows:

Depository	Central Depository Services (India) Limited
Demat Escrow Account Name	JOLLY BOARD EXIT OFFER ESCROW A/C OPERATED BY SHAREX
Name of Depository Participant	Keynote Capitals Limited
DP Identification Number	12024300
Client Identification Number	00080413
ISIN Number of the Scrip	INE532G01011

Please note that all such transfers should be in off-market mode. Failure to credit your dematerialised equity shares into the Demat Escrow Account may result in your tender being invalid.

- 1.1.3 Residual Shareholders who hold their equity shares in dematerialized form through National Securities Depository Limited (“NSDL”) will have to execute an inter depository delivery instruction for the purpose of crediting their equity shares in favour of the Demat Escrow Account. All transfers should be in off-market mode. It is the responsibility of the Residual Shareholders to ensure that their equity shares are credited in favour of the Demat Escrow Account and their Application Form reaches the Registrar to the Exit Offer on or before the expiry of the Exit Period.

1.1.4 The equity shares will be held in the Demat Escrow Account until the consideration payable has been dispatched to the eligible Residual Shareholders or the unaccepted equity shares are credited back to the Residual Shareholders' depository account.

1.1.5 If you are not a resident of India, please also submit along with your Application

1.1.6 Form, all the documents set out in paragraph 2 and 6 below.

1.2 Procedure for Residual Shareholders holding equity shares in physical form

1.2.1 All Residual Shareholders holding equity shares in the form of physical share certificates ("**Physical Shares**"), who wish to tender their Physical Shares, should complete the Application Form in accordance with the instructions given below (as applicable) and submit the same along with the following documents by hand delivery or by registered post / courier (at their own cost and risk) with the envelope marked "**JOLLY BOARD - EXIT OFFER**" so as to reach the Registrar to the Exit Offer at the addresses given below on or before September 10, 2014 (i.e. the last day of the Exit Period):

(a) the enclosed Application Form, duly completed and signed by the Residual Shareholder or all Residual Shareholders (in the case of joint holdings) whose name(s) appear on the share certificate(s), in the order in which such names appear on the share certificate(s);

(b) a valid share transfer deed enclosed with this Exit Offer Letter, duly signed by the registered Residual Shareholder or all registered Residual Shareholders (in the case of joint holdings) as transferor(s), in the same order and in accordance with the specimen signatures registered with the Company and duly witnessed;

(c) the original share certificate(s); and

(d) if the Residual Shareholder(s) are not resident in India, enclose the relevant documents set out in paragraph 2 and 6 below.

1.2.2 In case of Residual Shareholders resident in India, in the event of non-receipt of the duly completed Application Form, but receipt of original share certificate(s) and duly signed valid share transfer deed, the Exit Offer would be deemed to have been accepted by the resident Residual Shareholder.

1.2.3 The Registrar to the Exit Offer will hold in trust the share certificate(s) and the share transfer deed until the dispatch of the consideration payable or the unaccepted share certificates has/have been dispatched to the Residual Shareholder concerned.

1.3 It shall be the responsibility of the Residual Shareholders tendering in the Exit Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering in the Exit Offer, and the Promoter/ Acquirer shall take no responsibility for the same. The Residual Shareholders should attach a copy of any such approval to the Application Form, wherever applicable.

1.4 The equity shares to be acquired under the Exit Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto.

1.5 Residual Shareholders may tender their shares to the Registrar to the Exit Offer at the Exit Price at any time during the Exit Period. Residual Shareholders should ensure that their Application Form, together with the necessary enclosures is received by the Registrar to the Exit Offer on or before the last day of the Exit Period as per the details below:

SHAREX DYNAMIC (INDIA) PVT. LIMITED

Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai 400 072

Tel: +91 22 2851 5606 / 2851 5644 / 2851 6338

Fax: +91 22 2851 2885

E-mail: sharexindia@vsnl.com

Website: www.sharexindia.com

SEBI Registration No.: INR000002102

Contact Person : Mr. B S. Baliga

Mode of Delivery: Hand Delivery & Registered Post / Courier

- 1.6 In the event of any Residual Shareholder not receiving, or misplacing, their Exit Offer Letter, they may obtain a copy by writing to the Registrar to the Exit Offer, clearly marking the envelope **"JOLLY BOARD - EXIT OFFER"**

2. NON-RESIDENT SHAREHOLDERS

- 2.1 Residual Shareholders who are non-resident Indians, persons resident outside India, overseas corporate bodies ("**OCB**"), Foreign Institutional Investors ("**FI**"), etc. ("**Non-Resident Residual Shareholders**") will also need to enclose a copy of the original permission received by them from the Reserve Bank of India ("**RBI**") in relation to the acquisition of the equity shares. If the Equity Shares are held under the general permission of the RBI, Non-Resident Residual Shareholders should refer to such notification/circular pursuant to which the Equity Shares are held and state whether the Equity Shares are held on repatriable or non-repatriable basis.
- 2.2 If the shares are held under the general permission of the RBI, non-resident shareholders should furnish the declaration in Form FC-TRS duly signed for transfer of shares from Non-Resident to Resident.
- 2.3 It shall be the responsibility of the Non-Resident Residual Shareholders tendering the equity shares to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering in the Exit Offer, and the Promoter/Acquirer shall take no responsibility for the same. The Non-Resident Residual Shareholders should attach a copy of any such approval to the Application Form, wherever applicable.
- 2.4 If any of the documents referred to in paragraph 2.1, 2.2 and 2.3 above are not enclosed along with the Non-Resident Residual Shareholder's Application Form, such Non-Resident Residual Shareholder's tender of equity shares under the Exit Offer may be treated as invalid.

3. SETTLEMENT

- 3.1 Following fulfillment of the terms and conditions mentioned herein and the Exit Offer Letter, the consideration will be paid by the Promoter / Acquirer by way of Pay order or demand draft or by means of electronic funds transfer, wherever possible.

The Pay order or demand drafts will be dispatched to the relevant Residual Shareholders, at their own risk, by way of speed post/registered post. Upon receipt of duly filled valid Application Forms (together with necessary enclosures, if any) and receipt of the shares in the Demat Escrow Account mentioned hereinabove / receipt

of physical share certificates (along with duly filled in transfer deeds, as applicable) by the Registrar to the Exit Offer, the Registrar to the Exit Offer shall dispatch the Pay order or demand draft to Residual Shareholders and Keynote Corporate Services Limited ("**Manager to the Exit Offer**"), shall instruct the bank to make electronic funds transfer to the Residual Shareholders (as the case may be), who have validly tendered their shares in this Exit Offer.

Please note that in case of registered shareholders, the Offer shall be deemed to have been accepted upon receipt of the Share certificates and the duly completed Transfer Deed (in case of physical shares) or receipt of equity shares in the Demat Escrow Account (in case of dematerialized shares).

The Promoter / Acquirer will pay consideration to all the applicants whose duly filled valid Application Forms along with necessary documentation for tendering the equity shares, receipt of equity shares in the Demat Escrow Account / receipt of physical share certificates (along with duly filled in transfer deeds, as applicable) is received by the Registrar to the Offer at monthly intervals of for the full period of offer. Thus the applications submitted by shareholders upto the end of any particular month will be processed and accordingly payment would be made to applicants within 15 days of the immediate subsequent period. Residual Shareholders to whom the payments have been made shall be duly intimated by way of a letter/ intimation advice by the Registrar to the Exit Offer.

- 3.2 The Pay order /demand draft /electronic payment will be drawn in the name of the sole or first named Residual Shareholder (in case of joint holdings) as furnished in the Application Form along with the bank account number as provided in the Application Form. In case the bank account details are not provided, then the consideration will be paid to the sole/first named Residual Shareholder (at their own risk) without such details. Residual Shareholders who wish to receive their payment by means of electronic funds transfer should provide the IFSC code along with their bank account details. Please note that in such case, payment would be transferred electronically (at your risk) based on the bank account details provided by you.

4. OFFER PERIOD

The Residual Shareholders may tender their application to the Registrar to the Exit Offer at the Exit Price at any time during the Exit Period, except on Saturdays and Public holidays. The Residual Shareholders are required to ensure that their Application Form, together with the necessary enclosures, is received by the Registrar to the Exit Offer on or before September 10, 2014.

5. STATUTORY AND OTHER APPROVALS

- 5.1 In terms of RBI Circular No.: RBI/2011-12/247 [A.P. (DIR Series) Circular No. 43] dated November 04, 2011, prior approval of RBI is not required for transfer of shares from Non Resident to Resident pursuant to delisting offer, if the pricing of the shares is computed as per Delisting Regulations. In case equity shares are tendered by non-resident Indians on a non-repatriation basis, the sale consideration for shares accepted shall be credited to the NRO account of the tenderer. If the equity shares are tendered by OCBs, payment will be made to them only after receipt of necessary approvals from the RBI. To the best of the Promoter/Acquirer's knowledge, as on date, there are no other statutory or regulatory approvals required to acquire the shares of the Company. If any other statutory or regulatory approvals need to be obtained, the acquisition of shares by the Acquirer pursuant to the Exit Offer will be subject to such statutory or regulatory approvals.

5.2 The Promoter/Acquirer reserves the right not to proceed with the acquisition of the equity shares pursuant to the Exit Offer in the event the approval(s), if any, is/are not obtained, or conditions which the Acquirer considers in its sole discretion to be onerous are imposed in respect of such approval(s).

6. TAX TO BE DEDUCTED AT SOURCE

6.1 Tax to be deducted in case of Non-Resident Residual Shareholders

- 6.1.1 As per the provisions of section 195(1) of the Income Tax Act, 1961 (“IT Act”), any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at the prescribed rate (including applicable surcharge and education cess).
- 6.1.2 The consideration payable under the Exit Offer would be chargeable to tax as capital gains or business profits, as the case may be. Accordingly, the Promoter/Acquirer shall deduct tax at the prescribed rate (including applicable surcharge and education cess) on the gross consideration payable to the Non-Resident Residual Shareholders based on the information requested and submitted along with the Application Form.
- 6.1.3 In case of any ambiguity, incomplete or conflicting information or information not being provided to the Promoter /Acquirer by the Non-Resident Residual Shareholders, the tax shall be deducted at the maximum rate prescribed for such Non-Resident Residual Shareholder.
- 6.1.4 If the Non-Resident Residual Shareholder requires the Promoter/Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount for any reason, they would need to obtain a certificate from the Income Tax authorities either under section 195(3) or under section 197 of the IT Act, and submit the same to the Promoter/ Acquirer while submitting the Application Form. In absence of such certificate from the Income Tax authorities, the Promoter/Acquirer shall deduct tax on the gross consideration at the prescribed rate of tax.
- 6.1.5 For the purpose of computing the tax deduction at source, Non-Resident Residual Shareholders who wish to tender their equity shares must submit the following information along with the Application Form:
- i. Self attested copy of PAN card;
 - ii. Nil / Lower withholding tax certificate from the Indian Income Tax authorities u/s 195(3) or u/s 197 of the Indian IT Act, if applicable;
 - iii. Self attested declaration in respect of period of holding of shares (i.e. whether shares tendered are a long term capital asset or short term capital asset as defined under Indian IT Act). In case shares tendered comprise both long term capital asset and short term capital asset then break up of the same;
 - iv. Banker certificate certifying inward remittance;
 - v. SEBI Registration Certificate for FIIs and other categories (as applicable).

6.2 Withholding tax implication for Foreign Institutional Investors

- 6.2.1 As per the provisions of Section 196D(2) of the IT 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 and payable to a FII as defined in Section 115AD of the IT Act.
- 6.2.2 FIIs should certify the nature of its income arising from the sale of equity shares (whether capital gains or business profits). In absence of certification to the effect that the income from sale of shares is in the nature of capital gains, the Promoter /

Acquirer shall deduct tax at the prescribed rate under the IT Act, on the gross consideration payable. Should the FII submit a certificate from the Income Tax authorities along with the Application Form indicating the amount or rate of tax to be deducted, the Promoter/ Acquirer shall deduct tax in accordance with the same.

6.3 Tax to be deducted in case of Resident Residual Shareholders

- 6.3.1 In absence of any specific provision under the IT Act, the Promoter/Acquirer shall not deduct tax on the consideration payable to the Resident Residual Shareholders for acquisition of the equity shares.
- 6.3.2 The Resident Residual Shareholder claiming no tax is to be deducted, should submit along with the Application Form documentary evidence to support exemption from tax deduction or a No Objection Certificate from the Income Tax authorities indicating the rate at which tax is to be deducted by the Promoter / Acquirer or a self declaration in Form 15G or Form 15H as may be applicable.
- 6.3.3 In case of any ambiguity, incomplete or conflicting information or information not being provided to the Promoter / Acquirer by the above shareholders, the tax shall be deducted at the prescribed rates.
- 6.4 The Promoter/Acquirer shall issue a certificate in the prescribed form to the Residual Shareholders (resident and non-resident) who have been paid the consideration after deducting tax on the same certifying the amount of tax deducted and other prescribed particulars.
- 6.5 The tax deducted under the Exit Offer is not the final liability of the shareholders or in no way discharges the obligation of shareholders to disclose the amount received pursuant to the Exit Offer.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PROMOTER / ACQUIRER AND THE MANAGER TO THE OFFER DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

7. COMPLIANCE OFFICER

Mr. Mahesh Bhavsar, Company Secretary & Compliance Officer
Jolly Board Limited
501, Rewa Chambers, 31, Sir. Vithaldas Thackersey Marg,
New Marine Lines, Mumbai - 400020, Maharashtra
Tel No.: +91-022-22078531, 22078532, 22078533, 22078534,
Fax No.: +91-022-22069533
E-mail: mbhavsar@jollyboard.com.

8. GENERAL

Every Residual Shareholder who desires to avail the Exit Offer may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claims against the Promoter / Acquirer or the Company or the Manager to the Exit Offer or the Registrar to the Exit Offer, whatsoever by reason of any loss which may be suffered by such Residual Shareholder consequent to or in connection with the Exit Offer.

**By Order of the Board
For and on Behalf of Board of Directors of Jolly Exports Pvt. Limited**

Sd/-

Arjun Jolly
Director

Place: Mumbai
Date: August 30, 2013

If you require any clarification in connection with this Exit Offer Letter, you should consult the Registrar to the Exit Offer at:

SHAREX DYNAMIC (INDIA) PVT. LIMITED

Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai 400 072

Tel: +91 22 2851 5606 / 2851 5644 / 2851 6338

Fax: +91 22 2851 2885

E-mail: sharexindia@vsnl.com

Website: www.sharexindia.com

SEBI Registration No.: INR000002102

Contact Person : Mr. B S. Baliga