

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Equity Shareholder(s) of **Seahorse Hospitals Limited** (“Seahorse”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrars to the Offer. In case, you have sold your Equity Shares in Seahorse Hospitals Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the purchaser of the Equity Shares or the member of stock exchange through whom the said sale was effected.

CASH OFFER BY

SRI KAVERY MEDICAL CARE (TRICHY) PRIVATE LIMITED (“The Acquirer” / “KMC”)
having its registered office at No.1, K.C. Road, Tennur, Trichy - 620 017
Tel No: +91 431 402 2555 Fax: +91 431 274 2444, E mail : kmchospitals@hotmail.com
to the existing shareholders of

SEAHORSE HOSPITALS LIMITED (The “Target Company”/ “Seahorse”)

Registered Office: No. 6, Royal Road, Cantonment, Trichy - 620 001, Tamil Nadu, India.
(Tel No: +91 431 400 0661 Fax: +91 431 241 5402 E-mail: shl_try@yahoo.com; Website: www.seahorsehospitals.com)

TO ACQUIRE

up to 25,09,000 equity shares of Rs.10/- each representing 20% of the fully paid up equity share capital of the company at a price of Rs.10.00/- per fully paid-up equity share.

1. The Offer is being made by the Acquirer pursuant to Regulation 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
2. As on the date of this Letter of Offer, there are no approvals, statutory or otherwise required under the Companies Act, 1956, Monopolies and Restrictive Trade Practices Act, 1969 and or any other applicable laws and from any bank/ financial institutions for the said acquisition required to implement this Offer.
3. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same up to three working days (i.e. Thursday, April 24, 2008) prior to the date of the closure of the Offer (i.e. Wednesday, April 30, 2008)**
4. The Acquirers are permitted to revise the Offer Price of Equity Shares upward any time up to seven working days prior to the date of the closing of the Offer. If there is any upward revision in the Offer Price of Equity Shares by the Acquirers till the last date of revision viz., Monday, April 21, 2008 or in case of withdrawal of the Offer, the same would be informed by way of a Public Announcement in the newspapers mentioned in Clause 3.2.1 of this Letter of Offer and the same revised price would be payable by the Acquirers to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirers under the Offer.
5. The Offer is not subject to minimum level of acceptance.
6. The procedure for acceptance is set out in Clause 12 of this Letter of Offer.
7. **There has been no competitive bid.**
8. **As the Offer Price cannot be revised during seven working days prior to the date of closing of the Offer/bids, it would therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each offer/ bid and tender their acceptance accordingly.**
9. The Public Announcement, this Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) is also available on SEBI's website www.sebi.gov.in

MANAGER TO THE OFFER

REGISTRAR TO THE OFFER



Religare Capital Markets Limited
(SEBI Registration No.: INM000011062)
14, Mittal Chambers, Nariman Point
Mumbai - 400 021
Tel No. +91 22 4007 4800; Fax: +91 22 4007 4869
Email: seahorse.openoffer@religare.in
Website: www.religare.in
Contact Person: Mr. Ritesh Shroff



Cameo Corporate Services Limited
(SEBI Registration No.: INR 000003753)
Subramanian Building
No.1, Club House Road
Chennai - 600 002.
Tel. No.: +91 44 2846 0390; Fax No.: +91 44 2846 0129
E-mail: cameo@cameoindia.com
Website: www.cameoindia.com
Contact Person: Mr. R.D. Ramasamy

OFFER OPENS ON : Friday, April 11, 2008

OFFER CLOSES ON : Wednesday, April 30, 2008

Schedule of Major Activities of the Offer

Activity	Original day and date	Revised day and date
Public Announcement Date (PA)	Tuesday, February 12, 2008	Tuesday, February 12, 2008
Specified Date*	Friday, February 29, 2008	Friday, February 29, 2008
Last date for a competitive bid	Tuesday, March 04, 2008	Tuesday, March 04, 2008
Date by which Letter of Offer to be dispatched to shareholders	Tuesday, March 25, 2008	Monday, April 07, 2008
Date of opening of the Offer	Tuesday, April 01, 2008	Friday, April 11, 2008
Last date for upward revision of the Offer Price	Wednesday, April 09, 2008	Monday, April 21, 2008
Last date for withdrawing acceptance of the Offer	Tuesday, April 15, 2008	Thursday, April 24, 2008
Date of closing of the Offer	Monday, April 21, 2008	Wednesday, April 30, 2008
Last date of communicating rejection / acceptance and payment of consideration for accepted tenders and / or the unaccepted equity shares / share certificates will be dispatched / credited.	Monday, May 05, 2008	Wednesday, May 14, 2008

* Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the shares of the Target Company (except Acquirer and the Parties to the Share Purchase Agreement) are eligible to participate in the Offer anytime before the closing of the Offer.

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1. Definitions

Acquirer / KMC	Sri Kavery Medical Care (Trichy) Private Limited
Act	The Companies Act, 1956
Board	Board of Directors
BSE	Bombay Stock Exchange Limited
Business Hours	Monday to Friday- 10.00 am to 4.00 pm and Saturday : 10.00 a.m. to 12.00 noon(Closed on Sundays and public holidays)
Seahorse / Target Company / the Company	Seahorse Hospitals Limited
EPS	Earning Per Share
FEMA	The Foreign Exchange Management Act, 2000, and subsequent amendments thereof
FII(s)	Foreign Institutional Investors registered with SEBI
FOA or Form of Acceptance	Form of Acceptance-cum-Acknowledgement accompanying Letter of Offer
FOW or Form of Withdrawal	Form of Withdrawal accompanying Letter of Offer
Letter of Offer/ LOO	This Letter of Offer
Manager or Manager to the Offer or RELIGARE	Religare Capital Markets Limited
MSE	Madras Stock Exchange Limited
Negotiated Price	Rs. 9.08
NRI(s)	Non-Resident Indians
Non-Resident Shareholders	NRIs', OCBs' and FIIs' holding the Equity Shares of Seahorse
OCB(s)	Overseas Corporate Bodies
Offer or Open Offer	Open Offer to acquire 25,09,000 equity shares of Rs. 10/- each representing 20% of the fully paid up equity share capital of Seahorse at a price of Rs.10.00/- per share
Offer Period	From Friday, April 11, 2008 to Wednesday, April 30, 2008
Offer Price	Rs10.00/- per fully paid-up Equity Share of Rs.10/-each of Seahorse

Person eligible to participate in the Offer	Equity shareholders of Seahorse (other than the Acquirer and the Parties to the SPA) whose names appear on the Register of Members of Seahorse at the close of the business hours on Friday, February 29, 2008 (the "Specified Date") and also to those persons who own the shares at any time prior to the closure of the Offer, but are not the registered equity shareholders excluding the signatories to the Share Purchase Agreement
Public Announcement or PA	Public Announcement for the Open Offer issued on behalf of the Acquirer dated Tuesday, February 12, 2008
Registrars or Registrars to the Offer/ Cameo	Cameo Corporate Services Limited
RBI	Reserve Bank of India
RoNW	Return on Net Worth
The Regulations/SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, and subsequent amendments thereof.
SPA	Share Purchase Agreement dated Wednesday, February 6, 2008
Specified Date	Friday, February 29, 2008
Stock Exchanges	BSE and MSE

RISK FACTORS

Relating to the transaction

- The Acquirer makes no assurance with respect to the market price of the Shares during / after the Offer.
- Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

Risks involved in associating with the Acquirer

- The Acquirer proposes to acquire ownership and control of Target Company by the direct acquisition of 33.95% of fully paid up equity share capital of Target Company from the Promoter and Promoter Group of Target Company pursuant to the Share Purchase Agreement. The Acquirer makes no assurance with respect to the financial performance of the Target Company.

Relating to the proposed offer

- The equity shares of the target Company are not yet dematerialized.
- If the aggregate of the valid responses to the offer exceeds offer size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations.
- The Share Purchase Agreement (SPA) contains a clause that it is subject to the provisions of the Regulations and in case of non-compliance with any of the provisions of the Regulations, the Agreement(s) for such sale shall not be acted upon.
- The equity shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of Seahorse. Accordingly, Acquirer make no assurance with respect to the market price of the equity shares both during the Offer Period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder of Seahorse on whether to participate or not to participate in the Offer.
- In case of delay in the receipt of any statutory approvals, SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to shareholders who have validly tendered their shares, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.
- The transaction is subject to completion risks as would be applicable to similar transactions.

The risk factors set forth above pertain to the Offer and do not relate to the present or future business or operations of Seahorse or the Acquirer or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a shareholder in the Offer. The shareholders of Seahorse are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

2. Disclaimer Clause

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SEAHORSE HOSPITALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE COMPANY WHOSE EQUITY 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGER - RELIGARE CAPITAL MARKETS LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 25, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER”.

3. Details of the Offer

3.1. Background to the offer

- 3.1.1. This offer is being made by Sri Kavery Medical Care (Trichy) Private Limited (hereinafter referred to as "KMC"/"Acquirer") to the equity shareholders of Seahorse Hospitals Limited (hereinafter referred to as "Target Company"/ "Seahorse") pursuant to Regulation 10 & 12 of the SEBI (SAST) Regulations consequent to acquisition of voting rights and change in control.
- 3.1.2. KMC, a company incorporated under the Companies Act, 1956 and having its registered office at No.1, K C Road, Tennur, Trichy – 620 017 Tamil Nadu, India Tel No: +91-431-402 2555 Fax: +91-431-274 2444, E mail: kmchospitals@hotmail.com. KMC is engaged in the business of health care and running hospitals.
- 3.1.3. Seahorse Hospitals Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at No 6, Royal Road, Trichy 620 001, Tamil Nadu, India Tel No: +91-431-400 0661 Fax: +91 431 241 5402 E-mail: shl_try@yahoo.com, Seahorse is engaged in the business of health care and running hospitals.
- 3.1.4. The Acquirer does not hold any shares in the target company as on the date of Public Announcement. The Acquirer has entered into a Share Purchase Agreement (SPA) on Wednesday, February 6, 2008 with the Promoter & Promoter Group (therein and hereinafter collectively referred to as the "Sellers"), who currently hold total 42,61,935 fully paid equity shares of Rs. 10/- each representing 33.97% of the total issued and fully paid up equity share capital ("Equity Capital") of the target Company, to acquire 42,59,635 fully paid-up shares ("Sale Shares") at a price of Rs.9.08 per fully paid up equity share aggregating to consideration of Rs.3,86,77,486/- payable in cash as detailed below:

Name and Contact details of the Promoter & Promoter Group (Sellers)	No. of shares agrees to be acquired under the SPA	% of Paid up Capital	Consideration
Dr Ashok K. Gandhi 3 / 4, Temple Bells, 37 Kanhaiyalal Munshi Marg, Chowpatty, Mumbai – 400 007, Tel No: +91 22 2368 1559	125,450	1.00%	1,139,086
Ms. Nita Gandhi 3 / 4, Temple Bells, 37 Kanhaiyalal Munshi Marg, Chowpatty, Mumbai – 400 007, Tel No: +91 22 2368 1559	28,900	0.23%	262,412
Seahorse India Private Limited "Apsara Building", Third Floor, Colaba Causway, Mumbai-400 039 Tel No: +91 22 2288 4180	3,849,385	30.68%	34,952,416
Ashoni Financial Services Private Limited 3 / 4, Temple Bells, 37 Kanhaiyalal Munshi Marg, Chowpatty, Mumbai – 400 007, Tel No: +91 22 2368 1559	101,500	0.81%	921,620
Seahorse Shipping Agencies Private Limited "Seahorse House" Seahorse House, 30/32, Adi Marzban Street, Ballard Estate, Mumbai – 400 038 Tel No: +91 22 2563 3885	154,400	1.23%	1,401,952
Total	4,259,635	33.95%	38,677,486

- 3.1.5. The summary of the major terms of the Share Purchase Agreement are:
- 3.1.5.1. The Acquirer undertakes to take all steps necessary to proceed with open offer in accordance with law including SEBI (Substantial Acquisition of shares and Takeover) Regulations 1997. The Acquirer shall comply with the provisions of the Takeover Code and in case of non-compliance of any of the provisions of the Takeover Code, SPA shall not be acted upon
- 3.1.5.2. The Acquirer has deposited consideration in an Escrow Account and the Sellers have deposited the original share certificates for the Sale Shares. The deposit of both is acknowledged by Escrow Agent.

- 3.1.5.3. In terms of second proviso to Regulation 22(7) the Acquirer shall have the right to deposit 100% of the consideration payable in cash to be entitled to nominate a person to the Board of Directors of Seahorse, who shall be entitled to hold office as such forthwith from expiry of 21 days from the date of the PA at any time.
- 3.1.5.4. On the completion of the open offer the Escrow Agent shall deliver to the Acquirer the Sale Shares and transfer the consideration amount to the respective Sellers. On completion of the open offer, the Acquirer shall have absolute authority to reconstitute the Board of Directors of the Seahorse.
- 3.1.6. The Acquirer has not acquired any shares of the target company after the date of Public Announcement upto the date of the draft letter of offer.
- 3.1.7. The Equity Shares of Seahorse are listed on Bombay Stock Exchange Limited & Madras Stock Exchange Limited.
- 3.1.8. The Acquirer, Sellers or the Target Company has not been prohibited by SEBI from dealing in securities in terms of direction issued u/s. 11B of SEBI Act, 1992 or under any other regulation. No action has so far been taken by the Stock Exchanges or SEBI against Seahorse, its Directors or promoters.
- 3.1.9. The Acquirer shall change the composition of the Board of Directors of Seahorse on completion of the Open Offer.
- 3.1.10. As on the date of the Public Announcement, Religare Capital Markets Limited, the Manager to the Offer did not hold any shares of Seahorse and Religare Capital Markets Limited shall not deal in the shares of the Target Company during the period commencing from the date of its appointment in terms of Regulation 13 till the expiry of the fifteen days period from the date of Closure of the Offer.

3.2. The Offer

- 3.2.1. The PA, dated Tuesday, February 12, 2008 as per Regulation 15(1) of the Regulations, was made in the following newspapers:

Newspaper	Language	Edition
Business Standard	English	All Editions
Prathakal	Hindi	All Editions
Makkal Kural	Tamil	All Editions

A copy of the PA is also available on SEBI's website www.sebi.gov.in

- 3.2.2. The Acquirer is making an offer to the shareholders of Seahorse to acquire 25,09,000 fully paid-up Equity Shares of Rs. 10/- each of Seahorse ("Equity Shares"), representing 20% of the fully paid up equity share capital of Seahorse, at a price of Rs.10.00/- per fully paid-up Equity Share (the "Offer Price") payable in cash in terms of Regulations 20 and 21 of the Regulations (the "Offer" or "Open Offer"). The Offer is in accordance with Regulation 10 and 12 of the Regulations, consequent to the SPA referred to in Clause 3.1.4. There are no partly paid-up shares of Seahorse.
- 3.2.3. The Offer is not conditional on any minimum level of acceptance. i.e. the Acquirer will acquire all the Shares that are tendered in terms of the Offer up to 25,09,000 equity shares, subject to the conditions specified in the Public Announcement read together with the, Letter of Offer and Form of Acceptance-cum-Acknowledgement.
- 3.2.4. This is not a Competitive Bid.
- 3.2.5. The offer is in compliance with SEBI (SAST) Regulations 1997 and subsequent amendments thereof.
- 3.2.6. For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the Regulation 2(1)(e) of the Regulations.
- 3.2.7. The Acquirer has not entered into separate non-compete agreement as on date.
- 3.2.8. If there is any upward revision in the Offer Price of Equity Shares by the Acquirer till the last date of revision viz., Monday, April 21, 2008 or in case of withdrawal of the Offer, the same would be informed by way of a public announcement in the newspapers in which the original PA was published; and the same revised price would be payable by the Acquirer to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirer under the Offer.

The Offer is subject to the terms and condition set out herein in the letter of offer.

- 3.2.9. This Offer is subject to receipt of the statutory approvals mentioned in Clause 9 of this Letter of Offer. In terms of Regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

- 3.2.10. The Equity Shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer. The Equity Shares will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.11. The Acquirer have not acquired or sold any equity shares of Seahorse from the date of the PA upto the date of the draft letter of offer.
- 3.2.12. In terms of second proviso to Regulation 22(7) the Acquirer shall has the right to deposit 100% of the consideration payable in cash to be entitled to nominate a person to the Board of Directors of Seahorse, who shall be entitled to hold office as such forthwith from expiry of 21 days from the date of the Public Announcement at any time.

4. Rationale for the Acquisition and Offer

- 4.1 This Offer is being made in accordance with Regulation 10,12 and other applicable provisions of the Regulations and consequent to the SPA entered into by the Acquirer as explained in Clause 3.1.4 above, resulting in substantial acquisition of shares and voting rights in the Target Company and consequent change in control and composition Board of Directors of the Target Company
- 4.2 The acquisition of Equity Shares will enable the Acquirer to get the substantial ownership of the equity shares/voting rights accompanied with the control and management of the company. The Acquirer being in the same line of the business as the Target Company, the present acquisition of shares of Target Company would enable the Acquirer to scale up its business operation by adding additional beds, addition of more departments for specialization and enhanced opportunities in terms of business consolidation. The Acquirer would have an improved network in chosen specialty domain enabling better service delivery in the region post the acquisition. The Acquirer and Target Company do not have any conflict of interest.
- 4.3 As required under Regulation 16(ix) of the Regulations, The Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except as mentioned above and except in the ordinary course of business of the Target Company. Save and except as mentioned above, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the Shareholders of the Target Company, to the extent such approval is required by applicable laws.
- 4.4 The Acquirers have the right to appoint and reconstitute the Board of Directors of the Target Company upon the completion of the purchase of the Sale Shares under the SPA.
- 4.5 The Acquirer intends to scale up the business operations of the Target Company. The improvement in business operations of the Target Company could result in relative change in composition of income of Target Company and enhanced capacity utilization over a period of time resulting in lower dependence on outside financial support and may have an impact on the realized profits.

5. Background of the Acquirer

- 5.1. Sri Kavery Medical Care (Trichy) Private Limited ("KMC") was incorporated on November 26, 1997 under the Companies Act, 1956 as a Private Limited Company at Registrar of Companies, Chennai, Tamil Nadu with Registration No.U85110TN1997PTC039491. The registered office of the Company is situated at No1, K C Road, Tennur, Trichy – 620 017 Tamil Nadu, India Tel No: +91-431-402 2555 Fax: +91 431 274 2444, E mail: kmchospitals@hotmail.com
- 5.2. KMC is in business of running hospitals and healthcare institutions. Currently they are running a 200 bed multi speciality hospital, located at Trichy. The hospital has been providing high quality care with the state of the art technology, with a team of dedicated medical specialists and well trained paramedical personnel and is a complete and comprehensive one stop medical centre providing the best of medical care at an affordable cost to one and all
- 5.3. The authorised share capital of KMC is at Rs.8,00,00,000 consisting of Rs.80,00,000 equity shares of Rs.10/ - each against which the present paid up equity capital is Rs. 4,95,30,000 consisting of 49,53,000 equity shares of Rs.10 each.

Name of the Shareholders	No. of Shares Held	Percentage
Directors and Relatives	40,95,000	82.68
Others	8,58,000	17.32
Total	49,53,000	100.00

The Promoters of the KMC are (1) Dr. S. Chandrakumar (2) Dr. S. Manivannan (3) Dr. D. Senguttuvan (4) Dr. T. Krishnamurthy (5) Dr. T. Senthilkumar

5.4. Details of the Board of Directors

Sr. No	Name, Designation and Residential Address	Age, Qualifications and Experience	Date of Appointment
1	Dr. S Chandrakumar Managing Director B-1, Golden Galaxy Apartment, No 207, TVK Nagar, Puthur, Trichy 620017	Aged 42, MBBS and MD (Anesthesia). Dr. S Chandrakumar is a life member in Indian Medical Council and Indian Society of Anesthesiologists and an executive member of the healthcare sub committee in Confederation of Indian Industry. He is an Active participant in various social activities in this region and has experience of more than 15 years.	November 26, 1997
2	Dr. S Manivannan Executive Director No S – 1, Arjuna Apartments, Reynolds Road, Cantonment, Trichy 620 001	Aged 37, MBBS, MD and DNB (Anesthesia). Dr. S Manivannan is a life member in Indian Medical Council and was District secretary in Indian Society of Anaesthesiologists. He is having more than 10 years of experience.	September 30, 2000
3	Mr. K. Pari Director No 4D, Williams Road, Cantonment, Trichy 620 001	Aged 47, Mr K Pari is a reputed business person having experience of more than 20 years.	November 26, 1997
4	Dr A Meenakhi Sundari Director No 27, Warners, Road, Cantonment, Trichy – 620 001	Aged 51, MBBS, M.D and D.G.O. Dr A Meenakhi Sundari is specialist in infertility management, laparoscopy gynaecology surgeries and painless labour. She is having experience of more than 20 years.	November 26, 1997
5	Dr. D. Senguttuvan Director No.4, Rohini Visha Apartments, Thillai Nagar, Trichy 620 017	Aged 42, M.B.B.S. and D.C.H. Dr.D Senguttuvan is in charge of Pediatrics & Neonatology Department. He is having an experience of more than 15 years.	November 26, 1997
6	Dr. T. Krishnamurthy Director New No 25, Ganapathy Nagar, Thiruvanaikoil, Trichy 620 005	Aged 57, M.S. and M.Ch., (Plastic). Dr T Krishnamurthy was Tamil Nadu State President of Indian Plastic Surgeons Association. He has been practicing plastic surgery in Trichy for the past 20 years.	September 29, 1999
7	Dr. R. Vijayakumar Director Madhurapuri, Thuraiyur, Trichy – 621 010	Aged 42, M.B.B.S., D.F.M., Dip. Diabetics (Aus). Dr R Vijayakumar has experience of more than 15 years.	September 30, 2000
8	Mr. D. Selvaraj Director No. 69, Sri Durga Sreshta Apartments, Puthur, Officers Colony, Trichy – 620 017	Aged 64, is an engineer by qualificatio. Mr. D Selvaraj is overlooking the Administration of the Hospital and has total experience of more than 40 years.	September 29, 2007
9	Dr. T. Senthilkumar Director No 14 & 15, Vivekananda Nagar, Woraiyur Trichy 620 003.	Aged 46, M.S. and M Ch in Cardiac Surgery. Dr T Senthilkumar is a professor of Cardio Thoracic Surgery and examiner of BPT for the past 5 years. He had presented 8 Publications so far. He has 10 years of experience in the surgical field.	January 21, 2008

Note: None of the directors of KMC were on the Board of the Target Company as on the date of the PA.

5.5. The details of the Companies Promoted by KMC –

5.5.1. **Kavery Lab Services Private Limited**

Kavery Lab Services Private Limited (“KLSPL”) is a Private Limited Company incorporated under the Companies Act, 1956 on April 3, 2003. KLSPL’s registered office is situated at No1, K C Road, Tennur, Trichy – 620 017 Tamil Nadu, India Tel No: +91-431-402 2555 Fax: +91-431-274 2444. The Corporate Identification Number of KLSPL is U85195TN2003PTC050643. The Board of Directors comprises of Dr. S Chandrakumar (Managing Director), Dr. S Manivannan (Executive Director), Mr. K. Pari, Dr. A. Meenakhi Sundari, Dr. D Senguttuvan, Dr. T. Krishnamurthy, Dr. R. Vijayakumar, Mr. D. Selvaraj (Directors).

KLSPL is engaged in the business of providing health care and medical laboratory services and investigations.

The authorised share capital of the Company is Rs.50,00,000 (5,00,000 equity shares of the face value of Rs.10/- each) against which the paid up share capital is at 22,30,000 (2,23,000 equity shares of Rs.10/- each). Present Shareholding pattern of the Company is as under:

Name of the Shareholders	No. of Shares Held	Percentage
KMC	1,11,500	50.00
Directors of KMC	1,500	0.67
Others	1,10,000	49.33
Total	2,23,000	100.00

Brief financials are stated below:

(Rs in Lacs)

Particulars	December 31, 2007 Un-Audited [^]	March 31, 2007 Audited	March 31, 2006 Audited	March 31, 2005 Audited
Equity Share Capital	22.30	22.30	22.30	22.30
Reserves & Surplus (excluding revaluation reserves)	23.28	6.45	0.68	1.76
Misc Exp	(0.24)	(0.24)	(0.49)	(0.73)
Networth	45.34	28.51	22.49	23.33
Total Income	38.07	54.12	58.64	18.54
Profit After Tax	16.83	9.69	2.74	2.66
Earning per Share (EPS) (Rs)	7.54	4.34	1.23	1.19
Net Asset Value (NAV) per Share (Rs)	20.33	12.78	10.08	10.46
RoNW (%)	37.11	33.99	12.18	11.40

[^] The Un-Audited financials for the period ended December 31, 2007 are certified by Statutory Auditor Mr. V. Tharanitharan Chartered Accountant (Membership Number 24882)

The Company is not a Sick Industrial Undertaking.

5.5.2. **New Heart City Hospitals Private Limited**

New Heart City Hospitals Private Limited (“NHCHPL”) is a Private Limited Company incorporated under the Companies Act, 1956 on September 25, 2003. NHCHPL’s registered office is situated at No1, K C Road, Tennur, Trichy – 620 017 Tamil Nadu, India Tel No: +91-431- 402 2555 Fax: +91-431-274 2444. The Corporate Identification Number of NHCHPL is U85110TN2003PTC051657. The Board of Directors comprises of Dr M Chenniappan (Chairman), Dr T Senthilkumar (Medical Director), Dr. S Chandrakumar (Managing Director), Dr. S Manivannan, Dr. D. Senguttuvan, Dr. T. Krishnamurthy, Dr. N. Elango, Dr. G. Dominic Rodriguez and Dr. M. S. Ashraf (Directors).

NHCHPL is engaged in the business of running healthcare institutions and hospitals specializing in the treatment of cardiac diseases and imparting related training and education.

The authorised share capital of the Company is Rs.1,25,00,000 (12,50,000 equity shares of the face value of Rs.10/- each) against which the paid up share capital is at 1,15,00,000 (11,50,000 equity shares of Rs.10/- each). Present shareholding pattern of the Company is as under:

Name of the Shareholders	No. of Shares Held	Percentage	
KMC		5,57,500	50.00
Directors of KMC		95,000	8.52
Others		4,62,500	41.47
Total		11,15,000	100.00

Brief Financials are stated below:

(Rs in Lacs)

Particulars	December 31, 2007 Un-Audited	March 31, 2007 Audited	March 31, 2006 Audited	March 31, 2005 Audited
Equity Share Capital	111.50	111.50	111.50	111.50
Reserves & Surplus (excluding revaluation reserves)	51.76	3.84	(27.70)	(59.64)
Misc Exp	(0.26)	(0.26)	(0.53)	(0.79)
Networth	163.00	115.08	83.27	51.07
Total Income	309.08	393.31	313.70	168.61
Profit After Tax	47.02	44.59	31.93	(35.28)
Earning per Share (EPS) (Rs)	4.22	3.99	2.86	(3.16)
Net Asset Value (NAV) per Share (Rs)	14.62	10.34	7.47	4.58
RoNW (%)	28.84	38.65	38.34	(69.08)

^ The Un-Audited financials for the period ended December 31, 2007 are certified by Statutory Auditor Mr. V. Tharanitharan Chartered Accountant (Membership Number 24882)

The Company is not a Sick Industrial Undertaking.

- 5.6. The Financial Highlights of the Acquirer for three years as per the annual report and the unaudited results for the nine months ended December 31, 2007 as certified by Statutory Auditor Mr. V. Tharanitharan, Chartered Accountant (Membership Number 24882) are as under:

Profit & Loss Statement

(Rs in Lacs)

Particulars	December 31, 2007	March 31, 2007	March 31, 2006	March 31, 2005
Income from operations	1383.13	1434.15	1072.33	869.49
Other Income	54.34	89.29	72.22	37.38
Total Income	1437.47	1523.47	1144.59	906.87
Total Expenditure.	1001.90	1044.34	778.76	634.50
Profit Before Depreciation Interest and Tax	435.57	479.13	365.83	272.37
Depreciation	86.49	112.82	102.76	167.61
Interest	82.02	62.31	65.91	82.30
Profit Before Tax	267.06	303.98	197.16	22.46
Provision for Tax	90.77	105.72	62.01	1.91
Profit After Tax	176.29	198.27	135.15	20.55

Balance Sheet Statement

(Rs in Lacs)

Particulars	December 31, 2007	March 31, 2007	March 31, 2006	March 31, 2005
Sources of funds				
Paid up share capital	495.30	247.65	247.65	247.65
Reserves and Surplus (excluding revaluation reserves)	190.41	261.77	106.97	20.07
Loans				
Secured loans	320.37	372.74	406.65	480.62
Unsecured loans	583.48	296.68	184.81	283.55
Total	1589.56	1178.84	946.08	1031.89
Uses of funds				
Net fixed assets	1128.17	1130.21	859.31	910.81
Investments	66.90	66.90	66.90	66.90
Current Assets Loans And Advances	521.48	275.02	206.15	119.58
Less: Current Liabilities & Provisions	126.99	293.29	186.28	71.29
Net current assets	394.49	(18.27)	19.87	48.29
Profit & Loss Account	-	-	-	5.89
Total	1589.56	1178.84	946.08	1031.89
Networth	685.71	509.42	354.62	261.83

Other Financial Data

Particulars	December 31, 2007*	March 31, 2007	March 31, 2006	March 31, 2005
Dividend (%)	0.00	15.00	15.00	0.00
Earning Per Share (Rs)	3.56	8.01	5.46	0.83
Return on Networth (%)	25.71	38.92	38.11	7.84
Book Value Per Share (Rs)	13.84	20.57	14.32	10.57

* Not annualized

Note: The Company has allotted 24,76,500 equity shares of Rs.10/- each as bonus shares on October 1, 2007.

Significant Accounting Policies

There were no changes in the accounting policies of the Company for the last three years. The significant accounting policies followed by the Company are-

- Basis of Accounting: The accounts have been prepared on the basis of historical costs.
- Revenue Recognition: Income & Expenses are accounted on accrual basis.
- Inventories: Inventories are valued at lower of cost or market price.
- Depreciation: The Company has provided depreciation for all the assets using Written down Value method as per the Income-Tax Act, 1961.
- Fixed Assets: Fixed assets are recorded at historical cost less depreciation.
- As there was no timing difference provision for Deferred Tax Liability under AS-22 is not needed.

Contingent Liabilities:

There are no contingent liabilities.

Reason for rise / fall in the Total Income and PAT**FY 2007 over FY 2006**

Total income has gone up from Rs. 1144.59 lakhs in the FY 2006 to Rs. 1523.47 lakhs in FY 2007, which is an increase of 33%. This is mainly on account of increase in the in-patient revenues by 62%, and pharmacy sales by 22%. The PAT for the FY 2007 was Rs.198.27 lakhs against Rs.135.15 lakhs in FY 2006 representing an increase of 46.70% in line with the increase in the total income and decrease in the interest expenses and depreciation as a percentage of the total income.

FY 2006 over FY 2005

Total income has gone up from Rs. 906.87 lakhs in the FY 2005 to Rs. 1144.59 lakhs in FY 2006, which is an increase of 26.2%. This is mainly on account of increase in the hospital collections. The PAT for the FY 2006 was Rs. 135.15 lakhs against Rs.20.55 lakhs in FY 2005 representing an increase of 557.66% in line with the increase in the total income and decrease operating expenditure as a percentage of the total income, decrease in the interest expenses and depreciation.

- 5.7. The equity shares of KMC are not listed on any stock exchange whether in India or abroad.
- 5.8. The Acquirer and the parties to the SPA have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.
- 5.9. The Acquirer has not acquired any shares in the Target in the past and does not hold any equity shares as on the date of the PA except as stated above in 3.1.4
- 5.10. There are no Persons Acting in Concert with the Acquirer ("PAC") as per the provisions of Regulation 2(1) (e) of the Regulations taking part in the open offer.

6. Background of the Target Company

- 6.1. Seahorse was originally incorporated under the Companies Act, 1956 as Advanced Medical Care Private Limited on December 31, 1982 with the Registrar of Companies, Chennai at Tamil Nadu. The Company was converted into a Public Limited Company on July 15, 1988. The name of the Company was changed to Seahorse Hospitals Limited on March 21, 1995. The corporate Identification Number of Seahorse is L33111TN1982FLC009781. The registered office of the Company is situated at No 6, Royal Road, Cantonment, Trichy - 620 001, Tamil Nadu, India. Tel No: +91-431- 400 0661 Fax: +91 431 241 5402 E-mail: shl_try@yahoo.com
- 6.2. Seahorse made its initial public offer (IPO) in July, 1992 and got listed its shares on Bombay Stock Exchange Limited (BSE) and Madras Stock Exchange Limited (MSE). The Shares of Seahorse are infrequently traded on BSE and MSE.
- 6.3. Seahorse is in the business of running a super speciality hospital having 175 beds with team of dedicated specialists in disciplines like Neurosurgery, Cardiovascular & thoracic surgery, Orthopedics, Plastic and Reconstructive Surgery, Gynecology, Neonatology and Nephrology (including renal transplants) with the State of the Art facilities for treating the patients.
- 6.4. The authorized capital of Seahorse is Rs.25,00,00,000 comprising of 2,50,00,000 equity shares of Rs.10 each. It has an issued subscribed and fully paid up equity share capital of Rs.12,54,50,000 consisting of 1,25,45,000 equity shares of Rs.10/- each. There are no partly paid up equity shares in Seahorse. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures. etc., which are convertible into equity at any later date. There are no share under lock in. All the Equity Shares of Seahorse, are listed on BSE and MSE.
- 6.5. Share Capital Structure

Issued and paid-up Equity Share Capital	No. of Equity Shares (Face Value - Rs. 10/-) / Voting Rights	% of Equity Shares/ Voting Rights
Fully paid-up Equity Shares (a)	1,25,45,000	100%
Partly paid-up Equity Shares (b)	—	—
Total Issued and paid-up Equity Shares (a+b)	1,25,45,000	100%
Total	1,25,45,000	100%

6.6. The capital build-up of Seahorse since its inception is as follows:

Date of Allotment	Number of Shares Issued	Cumulative Number of Shares	% of Shares	Cumulative Paid up Capital	Mode of Allotment	Identity of the Allottee	Status of Compliance with SAST if any
31-Dec-82	180	180	100.00	18000	Subscription to MOA	Promoters	-
30-Sep-83	1,442	1,622	88.90	162200	Further Issue Capital	Promoters, friends and relatives	-
7-Jan-84	320	1,942	16.48	194200	Further Issue Capital	Promoters, friends and relatives	-
23-Feb-84	238	2,180	10.92	218000	Further Issue Capital	Promoters, friends and relatives	-
14-Jan-88	20	2,200	0.91	220000	Further Issue Capital	Promoters, friends and relatives	-
4-Jul-88	20	2,220	0.90	222000	Further Issue Capital	Promoters, friends and relatives	-
15-Dec-88	14,465	16,685	86.69	1668500	Further Issue Capital	Promoters, friends and relatives	-
31-Mar-89	2,460	19,145	12.85	1914500	Further Issue Capital	Promoters, friends and relatives	-
12-Jan-89	3,880	23,025	16.85	2302500	Further Issue Capital	Promoters, friends and relatives	-
21-Jun-89	16,729	39,754	42.08	3975400	Further Issue Capital	Promoters, friends and relatives	-
30-Sep-89	14,598	54,352	26.86	5435200	Further Issue Capital	Promoters, friends and relatives	-
16-Nov-89	5,648	60,000	9.41	6000000	Further Issue Capital	Promoters, friends and relatives	-
5-Feb-90	600,000	600,000	100.00	6000000	Split of Shares from FV of Rs.100/- to FV of Rs.10/- each	All Shareholders	-
7-Apr-90	1,800,000	2,400,000	75.00	24000000	Further Issue Capital	Ex Promoters, friends and relatives	-
30-Jun-90	800,000	3,200,000	25.00	32000000	Further Issue Capital	Financial Institutions	-
1-Jul-91	100,000	3,300,000	3.03	33000000	Further Issue Capital	Financial Institutions	-
9-Sep-92	9,245,000	12,545,000	73.69	125450000	Public Issue	Public / Promoters	-

All applicable laws, rules and regulations have been complied with by the Company for the above allotments.

- 6.7. The Company has made the relevant disclosures in compliance with Chapter II of SEBI (SAST) Regulations, 1997 and has however availed the SEBI Regularization Scheme 2002 by an application for Regularization of past non-compliances in March 2003. Also, The Target Company has delayed filing w.r.t. Regulation 8(3) under Chapter II for financial year ending 2006 and 2007 by 190 and 15 days respectively. SEBI may initiate actions against the Target Company at a later stage.
- 6.8. There are no penal actions have been initiated by the Stock Exchanges against Seahorse till date and trading of shares has not been suspended on any of the Stock Exchanges where the Company's shares are listed. As on the date of PA, there are no outstanding convertible instruments of Seahorse.
- 6.9. Seahorse has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, as amended or under any other regulation made under the SEBI Act.

6.10. As on the date of the PA, the Board of Directors of Seahorse are as under:

Sr. No	Name, Designation and Residential Address	Age, Qualification and Experience	Date of Appointment
1	Dr. Ashok K. Gandhi Non Executive Director, 3 / 4, Temple Bells, 37 Kanhaiyalal Munshi Marg, Chowpatty, Mumbai – 400 007	Aged 56, MBBS and MD. Dr. A K Gandhi has an experience of around 30 years	March 21,1994
2	Mr. A S Vardarajan Non Executive Independent Director,No.27, Teachers Colony, Adyar,Chennai – 600 020	Aged 54, B.Com and F.C.A. Mr. A. S. Vardarajan has 27 years of Experience	July 29,.2005
3	Captain V W Katre Non Executive Director,No 91, Krishna Bhuvan, Hindhu Colony, Sri Bal Chandra Road, Dadar, Mumbai – 400 014	Aged 65, BE. Captain V W Katre have an experience of around 30 years	March 21,1994
4	Captain A C Batra Non Executive Director,No 92, Maker Tower, “H” G D, Somani Marg, Cuffe Parade, Mumbai – 400 005	Aged 64, BE. Captain A C Batra have more than 26 years experience.	August 26, 1994
5	Captain S C Batra Non Executive Independent Director,No 91, Maker Tower, “H” G D, Somani Marg, Cuffe Parade, Mumbai – 400 005	Aged 62, BE. Captain S C Batra have around 30 years of experience	March 21,1994

Besides the above, in conformity with the provisions of section 269 of the Companies Act, 1956, the company has appointed Mr. S. Ramji as Manager w.e.f. May 29, 2007 and designated him as General Manager and Chief Executive Officer.

Note: There are no representatives of KMC (Acquirer) on the Board of Directors of Target Company.

6.11. There was no Merger/demerger/spin off in the last three years involving the target Company.

6.12. The financial highlights of Seahorse for the last three years as per the Annual Reports of the Company as audited by R. Sethuraman, Partner, Guru and Ram, Chartered Accountants (Membership No. 204017), Statutory Auditors of the Target Company and the Certified Un-audited nine months results for the period ended on December 31, 2007, dated January 30, 2008 are as below:

Financial Information:

Profit & Loss Statement

(Rs. in Lacs)

Particulars	December 31, 2007*	March 31, 2007	March 31, 2006	March 31, 2005
Income from operations	65.49	196.95	282.11	372.64
Other Income	3.38	10.70	0.68	2.23
Total Income	68.87	207.65	282.79	374.87
Total Expenditure	132.72	227.52	340.16	395.18
Profit Before Depreciation Interest and Tax	(63.85)	(19.87)	(57.37)	(20.31)
Depreciation	87.57	103.60	112.85	105.77
Interest	48.37	0.00	10.88	0.15
Profit Before Tax	(199.79)	(123.47)	(181.11)	(126.23)
Extraordinary Income (Add)	0.00	0.00	0.00	4543.56
Provision for Tax	0.36	0.56	1.05	0.00
Profit After Tax	(200.15)	(124.03)	(182.16)	4417.33

Balance Sheet Statement

(Rs in lacs)

Particulars	December 31, 2007*	March 31, 2007	March 31, 2006	March 31, 2005
Sources of funds				
Paid up share capital	1254.50	1254.50	1254.50	1254.50
Reserves and Surplus (excluding revaluation reserves)	301.82	301.82	301.82	301.82
Loans				
Secured loans	0.00	0.00	0.00	0.27
Unsecured loans	630.47	571.46	665.46	600.1
Total	2186.79	2127.78	2221.78	2156.69
Uses of funds				
Fixed Assets				
Net Fixed Assets	987.54	1076.13	1178.28	1298.03
Investments	0.00	0.00	0.00	0.00
Current Assets Loans And Advances	62.75	48.17	50.15	70.61
Less: Current Liabilities & Provisions	267.46	200.33	86.42	109.56
Net current assets	(204.71)	(152.16)	(36.27)	(38.94)
Profit & Loss Account	1403.96	1203.81	1079.77	897.61
Total	2186.79	2127.78	2221.78	2156.69

Other Financial Data

Particulars	December 31, 2007*	March 31, 2007	March 31, 2006	March 31, 2005
Dividend (%)	0.00	0.00	0.00	0.00
Earning Per Share (Rs)	(1.60)	(0.99)	(1.45)	35.21
Return on Networth (%)	N.A	(35.18)	(38.21)	6.71
Book Value Per Share (Rs)	1.21	2.81	3.80	5.25

*Certified Un-audited nine months Results

Significant Accounting Policies

- The Company accounts for its Income and Expenditure on accrual basis.
- Fixed Assets have been valued on historical cost less accumulated depreciation. Depreciation is provided under straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.
- The Stock of medicines and other consumables are valued at cost, ascertained on First in First Out (FIFO) Method.
- The Company has made arrangements with Life Insurance Corporation for effecting the gratuity payments to its employees
- The profit and loss account and the Balance Sheet comply with applicable Accounting Standards prescribed under section 211 3 (C) of the Companies Act, 1956.

Contingent Liabilities

The Company has received a show cause notice from Department of Customs demanding a sum of Rs.85,24,905/- towards customs duty on medical equipments imported by the Company during 1989 – 1993 and the said amount is not provided in the accounts as the company is taking appropriate legal steps to reply to the show cause notice.

Reason for rise / fall in the Total Income and PAT

The main reason for the fall in the turnover is due to severe competition offered by the number of smaller nursing homes offering the same type of services at a lesser cost due to smaller overheads, besides the exodus of experienced doctors, nurses and paramedical staff.

FY 2007 over FY 2006

Total income has come down from Rs. 282.79 lakhs in the FY 2006 to Rs.207.65 lakhs in FY 2007, which is a decrease of 26.57%. This is mainly on account of the reasons stated upon. The net loss for the FY 2007 was 124.03 lakhs against the net loss of Rs.182.16 lakhs in line with the change in the total income and expenditure.

FY 2006 over FY 2005

Total income has come down from Rs. 374.87 lakhs in the FY 2005 to Rs.282.79 lakhs in FY 2006, which is a decrease of 24.56%. This is also mainly on account of the reasons stated upon. The net loss for the FY 2006 was 182.16 lakhs against the net profit of Rs.4417.33 lakhs (consisting of extraordinary income of Rs. 4543.56 lakhs), even if the Company was making operational losses.

6.13. Pre and Post-Offer shareholding pattern of Seahorse, is as follows:

Shareholders category	Shareholding & voting rights prior to the Acquisition and offer		Shares & voting rights which acquired which triggered the regulation		Shares & voting rights to be acquired in open offer (Assuming Full Acceptance)		Shareholding & voting rights after the Acquisition and offer	
	A		B		C		D	
	No of shares	%	No of shares	%	No of shares	%	No of shares	%
1) Promoter Group								
a) Seller/ Parties to the SPA	4,261,935	33.97%						
2) Acquirer	0	0.00%	4,259,635	33.95%	2,509,000	20.00%	6,768,635	53.95%
3) Public (Other than parties to the SPA)								
a) Institutions / Mutual funds/ Banks	900	0.01%						
b) Bodies Corporate	229,500	1.83%						
c) Public	8,052,665	64.19%						
Total (a+b+c)	8,283,065	66.03%			(2,509,000)	-20.00%	5,776,365*	46.05%
Grand Total	12,545,000	100.00%	4,259,635	33.95%	0	0.00%	12,545,000	100.00%

* includes the remaining 2,300 equity shares of the sellers.

As on the specified date (i.e Friday, February 29, 2008) the total number of shareholders of Seahorse in the public category was 52767.

6.14. The promoters and the Company have complied with the disclosure norms of Chapter II of SEBI (SAST) Regulations. The details of the build up of Promoter and Promoter group shareholding is as under:

Build up of Promoter and Promoter group shareholding since inception as per Regulation 8 of SAST

Sr No	Date of acquisition / transfer	Name of the Allottee	Number of shares acquired /	Cumulative holding	Paid-up capital	% of share holding	Mode of acquisition / transfer	Compliance with SAST
1	15-Sep-94	Ms. Nita Gandhi	1,100	1,100	11,000	0.01%	Transfer	-
2	12-Oct-94	Ms. Nita Gandhi	1,100	2,200	22,000	0.02%	Transfer	-
3	20-Dec-94	Ms. Nita Gandhi	600	2,800	28,000	0.02%	Transfer	-
4	21-Dec-94	Dr Ashok K Gandhi	4,000	6,800	68,000	0.05%	Transfer	-
5	21-Jan-95	Dr Ashok K Gandhi	1,300	8,100	81,000	0.06%	Transfer	-
6	25-Feb-95	Seahorse India Pvt. Ltd.	371,500	379,600	3,796,000	3.03%	Transfer	-
7	25-Feb-95	Dr Ashok K Gandhi	83,400	463,000	4,630,000	3.69%	Transfer	-
8	25-Feb-95	Ms. Nita Gandhi	5,600	468,600	4,686,000	3.74%	Transfer	-
9	8-Mar-95	Ms. Nita Gandhi	100	468,700	4,687,000	3.74%	Transfer	-
10	28-Mar-95	Seahorse India Pvt. Ltd.	779,390	1,248,090	12,480,900	9.95%	Transfer	-

Sr No	Date of acquisition / transfer	Name of the Allottee	Number of shares acquired /	Cumulative holding	Paid-up capital	% of share holding	Mode of acquisition / transfer	Compliance with SAST
11	7-Apr-95	Seahorse India Pvt. Ltd.	626,095	1,874,185	18,741,850	14.94%	Transfer	-
12	7-Apr-95	Ms. Nita Gandhi	200	1,874,385	18,743,850	14.94%	Transfer	-
13	7-Apr-95	Ms. Nita Gandhi	1,900	1,876,285	18,762,850	14.96%	Transfer	-
14	15-Sep-95	Dr Ashok K Gandhi	100	1,876,385	18,763,850	14.96%	Transfer	-
15	25-Oct-95	Dr Ashok K Gandhi	26,400	1,902,785	19,027,850	15.17%	Transfer	-
16	25-Oct-95	Ms. Nita Gandhi	25,400	1,928,185	19,281,850	15.37%	Transfer	-
17	14-Nov-95	Seahorse India Pvt. Ltd.	111,210	2,039,395	20,393,950	16.26%	Transfer	-
18	14-Nov-95	Dr Ashok K Gandhi	2,850	2,042,245	20,422,450	16.28%	Transfer	-
19	6-Dec-95	Dr Ashok K Gandhi	100	2,042,345	20,423,450	16.28%	Transfer	-
20	27-Dec-95	Seahorse India Pvt. Ltd.	116,500	2,158,845	21,588,450	17.21%	Transfer	-
21	22-Jan-96	Seahorse India Pvt. Ltd.	1,500	2,160,345	21,603,450	17.22%	Transfer	-
22	22-Jan-96	Seahorse India Pvt. Ltd.	4,900	2,165,245	21,652,450	17.26%	Transfer	-
23	22-Jan-96	Ms. Nita Gandhi	2,700	2,167,945	21,679,450	17.28%	Transfer	-
24	15-Feb-96	Seahorse India Pvt. Ltd.	1,400	2,169,345	21,693,450	17.29%	Transfer	-
25	2-Apr-96	Seahorse India Pvt. Ltd.	310,000	2,479,345	24,793,450	19.76%	Transfer	-
26	2-Apr-96	Seahorse India Pvt. Ltd.	2,200	2,481,545	24,815,450	19.78%	Transfer	-
27	6-May-96	Seahorse India Pvt. Ltd.	2,700	2,484,245	24,842,450	19.80%	Transfer	-
28	6-May-96	Seahorse India Pvt. Ltd.	100	2,484,345	24,843,450	19.80%	Transfer	-
29	21-Jun-96	Seahorse India Pvt. Ltd.	100	2,484,445	24,844,450	19.80%	Transfer	-
30	21-Jun-96	Seahorse India Pvt. Ltd.	13,200	2,497,645	24,976,450	19.91%	Transfer	-
31	5-Aug-96	Seahorse India Pvt. Ltd.	4,200	2,501,845	25,018,450	19.94%	Transfer	-
32	24-Sep-96	Seahorse India Pvt. Ltd.	1,200	2,503,045	25,030,450	19.95%	Transfer	-
33	24-Sep-96	Dr Ashok K Gandhi	800	2,503,845	25,038,450	19.96%	Transfer	-
34	27-Sep-96	Seahorse India Pvt. Ltd.	22,000	2,525,845	25,258,450	20.13%	Transfer	-
35	27-Sep-96	Dr Ashok K Gandhi	1,200	2,527,045	25,270,450	20.14%	Transfer	-
36	13-Oct-96	Seahorse India Pvt. Ltd.	2,900	2,529,945	25,299,450	20.17%	Transfer	-
37	30-Oct-96	Seahorse India Pvt. Ltd.	2,700	2,532,645	25,326,450	20.19%	Transfer	-
38	30-Nov-96	Seahorse India Pvt. Ltd.	1,000	2,533,645	25,336,450	20.20%	Transfer	-
39	15-Feb-97	Dr Ashok K Gandhi	2,500	2,536,145	25,361,450	20.22%	Transfer	-
40	19-Feb-97	Seahorse India Pvt. Ltd.	26,190	2,562,335	25,623,350	20.43%	Transfer	-
41	19-Feb-97	Ashoni Financial Services Pvt. Ltd.	1,200	2,563,535	25,635,350	20.43%	Transfer	-
42	19-Feb-97	Ms. Nita Gandhi	(1,900)	2,561,635	25,616,350	20.42%	Transfer	-
43	25-Feb-97	Seahorse India Pvt. Ltd.	16,800	2,578,435	25,784,350	20.55%	Transfer	Balance Holding / Regulation 6 complied with; Delay 6141 days
44	15-Apr-97	Ashoni Financial Services Pvt. Ltd.	7,900	2,586,335	25,863,350	20.62%	Transfer	-
45	30-May-97	Ms. Nita Gandhi	1,700	2,588,035	25,880,350	20.63%	Transfer	-
46	2-Aug-97	Ashoni Financial Services Pvt. Ltd	23,500	2,611,535	26,115,350	20.82%	Transfer	-
47	21-Oct-97	Ashoni Financial Services Pvt. Ltd	1,800	2,613,335	26,133,350	20.83%	Transfer	-
48	21-Oct-97	Ashoni Financial Services Pvt. Ltd.	1,800	2,615,135	26,151,350	20.85%	Transfer	-
49	23-Oct-97	Ashoni Financial Services Pvt. Ltd.	12,300	2,627,435	26,274,350	20.94%	Transfer	-

Sr No	Date of acquisition / transfer	Name of the Allottee	Number of shares acquired /	Cumulative holding	Paid-up capital	% of share holding	Mode of acquisition / transfer	Compliance with SAST
50	23-Oct-97	Ashoni Financial Services Pvt. Ltd.	10,300	2,637,735	26,377,350	21.03%	Transfer	-
51	19-Dec-97	Ashoni Financial Services Pvt. Ltd.	20,400	2,658,135	26,581,350	21.19%	Transfer	-
52	25-Jan-98	Seahorse India Pvt. Ltd.	(16,800)	2,641,335	26,413,350	21.05%	Transfer	-
53	16-Mar-98	Ashoni Financial Services Pvt. Ltd.	1,400	2,642,735	26,427,350	21.07%	Transfer	-
54	7-Apr-99	Ashoni Financial Services Pvt. Ltd.	200	2,642,935	26,429,350	21.07%	Transfer	-
55	28-Apr-99	Ms. Nita Gandhi	(1,000)	2,641,935	26,419,350	21.06%	Transfer	-
56	16-May-99	Seahorse India Pvt. Ltd.	55,200	2,697,135	26,971,350	21.50%	Transfer	-
57	16-May-99	Dr Ashok K Gandhi	2,500	2,699,635	26,996,350	21.52%	Transfer	-
58	18-Jun-99	Seahorse India Pvt. Ltd.	35,900	2,735,535	27,355,350	21.81%	Transfer	-
59	31-Jul-99	Seahorse India Pvt. Ltd.	5,500	2,741,035	27,410,350	21.85%	Transfer	-
60	28-Aug-99	Seahorse India Pvt. Ltd.	2,200	2,743,235	27,432,350	21.87%	Transfer	-
61	6-Sep-99	Seahorse India Pvt. Ltd.	45,000	2,788,235	27,882,350	22.23%	Transfer	-
62	12-Oct-99	Seahorse India Pvt. Ltd.	55,000	2,843,235	28,432,350	22.66%	Transfer	-
63	19-Nov-99	Ashoni Financial Services Pvt. Ltd	20,200	2,863,435	28,634,350	22.83%	Transfer	-
64	19-Nov-99	Seahorse India Pvt. Ltd.	6,300	2,869,735	28,697,350	22.88%	Transfer	-
65	21-Dec-99	Seahorse India Pvt. Ltd.	4,000	2,873,735	28,737,350	22.91%	Transfer	-
66	5-Jan-00	Dr Ashok K Gandhi	(900)	2,872,835	28,728,350	22.90%	Transfer	-
67	28-Jan-00	Ashoni Financial Services Pvt. Ltd.	14,000	2,886,835	28,868,350	23.01%	Transfer	-
68	28-Jan-00	Seahorse India Pvt. Ltd.	14,600	2,901,435	29,014,350	23.13%	Transfer	-
69	29-Feb-00	Seahorse India Pvt. Ltd.	6,400	2,907,835	29,078,350	23.18%	Transfer	-
70	30-Sep-00	Dr Ashok K Gandhi	1,600	2,909,435	29,094,350	23.19%	Transfer	-
71	30-Sep-00	Ms. Nita Gandhi	(9,900)	2,899,535	28,995,350	23.11%	Transfer	-
72	29-Jan-01	Dr Ashok K Gandhi	(1,500)	2,898,035	28,980,350	23.10%	Transfer	-
73	22-Oct-01	Ashoni Financial Services Pvt. Ltd.	1,200	2,899,235	28,992,350	23.11%	Transfer	-
74	22-Oct-01	Seahorse Ship Agencies Pvt Ltd	149,400	3,048,635	30,486,350	24.30%	Transfer	-
75	22-Oct-01	Dr Ashok K Gandhi	100	3,048,735	30,487,350	24.30%	Transfer	-
76	22-Oct-01	Ms. Nita Gandhi	1,300	3,050,035	30,500,350	24.31%	Transfer	-
77	30-Nov-01	Dr Ashok K Gandhi	2,200	3,052,235	30,522,350	24.33%	Transfer	-
78	30-Nov-01	Seahorse Ship Agencies Pvt Ltd	3,100	3,055,335	30,553,350	24.36%	Transfer	-
79	31-May-02	Seahorse Ship Agencies Pvt Ltd	2,200	3,057,535	30,575,350	24.37%	Transfer	-
80	26-Jun-02	Seahorse Ship Agencies Pvt Ltd	(300)	3,057,235	30,572,350	24.37%	Transfer	-
81	26-Jun-02	Dr Ashok K Gandhi	2,300	3,059,535	30,595,350	24.39%	Transfer	-
82	25-Jan-03	Seahorse India Pvt. Ltd.	(9,390)	3,050,145	30,501,450	24.31%	Transfer	-
83	25-Jan-03	Dr Ashok K Gandhi	(2,300)	3,047,845	30,478,450	24.30%	Transfer	-
84	23-Feb-03	Seahorse India Pvt. Ltd.	10,390	3,058,235	30,582,350	24.38%	Transfer	-
85	23-Apr-03	Seahorse India Pvt. Ltd.	(300)	3,057,935	30,579,350	24.38%	Transfer	-
86	5-Jan-04	Seahorse India Pvt. Ltd.	(3,700)	3,054,235	30,542,350	24.35%	Transfer	-

Sr No	Date of acquisition / transfer	Name of the Allottee	Number of shares acquired /	Cumulative holding	Paid-up capital	% of share holding	Mode of acquisition / transfer	Compliance with SAST
87	5-Jan-04	Dr. Ashok K Gandhi	(600)	3,053,635	30,536,350	24.34%	Transfer	-
88	5-Jan-04	Ms. Nita Gandhi	500	3,054,135	30,541,350	24.35%	Transfer	-
89	20-Feb-05	Ashoni Financial Services Pvt. Ltd.	154,750	3,208,885	32,088,850	25.58%	Transfer	-
90	15-Jul-05	Seahorse India Pvt. Ltd.	(100)	3,208,785	32,087,850	25.58%	Transfer	-
91	15-Jul-05	Dr Ashok K Gandhi	(600)	3,208,185	32,081,850	25.57%	Transfer	-
92	15-Jul-05	Ms. Nita Gandhi	(500)	3,207,685	32,076,850	25.57%	Transfer	-
93	8-Nov-05	Ashoni Financial Services Pvt. Ltd.	(10,600)	3,197,085	31,970,850	25.48%	Transfer	-
94	23-Jan-06	Ashoni Financial Services Pvt. Ltd.	(400)	3,196,685	31,966,850	25.48%	Transfer	-
95	23-Jan-06	Seahorse India Pvt. Ltd.	(6,100)	3,190,585	31,905,850	25.43%	Transfer	-
96	20-May-06	Seahorse India Pvt. Ltd.	(200)	3,190,385	31,903,850	25.43%	Transfer	-
97	4-Sep-06	Seahorse India Pvt. Ltd.^	1,230,000	4,420,385	44,203,850	35.24%	Transfer	Exemption vide SEBI Order WTMO/39/CFD/08/2006 dated August 16, 2006
98	15-Sep-06	Ashoni Financial Services Pvt. Ltd.	(154,350)	4,266,035	42,660,350	34.01%	Transfer	-
99	28-Sep-06	Ashoni Financial Services Pvt. Ltd.	(4,100)	4,261,935	42,619,350	33.97%	Transfer	-

^Vide order no. WTMO/39/CFD/08/2006 dated August 16, 2006, SEBI had disposed the application allowing acquisition of 12,30,000 Equity Shares by Seahorse India Private Ltd in-terms of the OTS from Industrial Development Bank of India Ltd. (IDBI), ICICI Bank Ltd. and IFCI Ltd.

- 6.15. The Company has complied with the norms of the SEBI Guidelines on Corporate Governance as enumerated in Clause 49 of the listing agreements with stock exchanges.
- 6.16. Details of pending litigations/suits filed by or against Seahorse

There was no pending litigation involving or against Seahorse as of the date of the Public Announcement except the following:

Cases of civil nature filed against the Company:

Court	Gist of the case	Amount involved	Current Status
C.C No-586,587,588 U/S 62, 63,68 of Companies Act 1956 Chief Metropolitan Magistrate, Chennai	Alleged Misstatement of facts in the prospectus Issued by the company during IPO in June 1992.	N.Q.	Pending
A.P No-842/2001,161/2002, & 913/2002 State Consumer Forum, Chennai	Alleged Negligence in Medical Treatment – Appeal filed by the company against the judgement of District Consumer Forum, Thanjavur.	Rs. 5 lakh	Pending
F A 606/2006 State Consumer forum, Chennai	Alleged Incorrect Diagnosis of HIV - Appeal Filed by the company against Judgement of District Consumer Forum, Trichy	Rs. 1 lakh	Pending
CP 22/2005 Labour Court, Trichy	Case filed by an employee claiming back wages and increments for the period under suspension	Rs.0.77 lakh	Pending

Court	Gist of the case	Amount involved	Current Status
O.S. 170/2007 Principal Sub-Court, Trichy	Suit filed by a supplier for the recovery of alleged outstanding dues	Rs.1.76 lakh	Pending
O.S. 164/2006 Court of Subordinate Judge, Trichy	Case filed for eviction from land	N.Q.	Pending
O.P 43/2004 District Consumer Forum, Thanjavur	Alleged negligence in medical treatment	Rs.5 lakh	Pending

Cases of Statutory nature filed by the Company:

Court	Gist of the case	Amount involved	Current Status
O.S. 1275/2003 II District Munsiff Court Trichy	Case filed against Trichy Municipal Corporation for the abnormal revision of rent for Peremboke land occupied by the hospital, with the approval of Municipal Authorities.	N.Q.	Pending
W.M.P.No 26702/2001 High Court Chennai	Appeal filed by the Company against the demand notice received from the Customs department towards dues of Customs Duty in respect of Medical equipments imported by the hospital under CN 64/88 dt:1.3.1998	Rs.78.11 lakh	Interim Stay Order obtained; Pending for final order

6.17. The Name and Details of the Compliance Officer are as under:

Mr. R. Rangarajan

Financial Controller and Compliance Officer

Seahorse Hospitals Limited

Registered Office: No 6, Royal Road, Trichy 620 001

Tamil Nadu, India

Tel No: +91 431 400 0661, Fax: +91 431 241 5402 E-mail: shl_try@yahoo.com

Website: www.seahorsehospitals.com

7. Offer Price

7.1. Justification for the Offer Price

7.1.1. The Equity Shares of Seahorse are listed on BSE and MSE.

7.1.2. The annualized trading turnover in the equity shares of Seahorse in each of the above mentioned Stock Exchanges based on trading volume during August 2007 to January 2008 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total no. of shares traded during 6 calendar months preceding the month in which the PA is made	Total no. of listed shares	Annualized trading turnover (as % of total listed shares)
BSE	1900	1,25,45,000	0.03
MSE	Nil	1,25,45,000	Nil

Source: www.bseindia.com; MSE certificates dated Jan 25 and Feb 7, 2008

The Equity Shares of Seahorse are infrequently traded on both BSE and MSE within the meaning of explanation (i) to Regulation 20(5) of the Regulations. The Acquirers have neither acquired nor have been allotted any shares of the Target Company in the 12 months prior to the date of this PA.

- 7.1.3. In accordance with Regulations 20(5) of the Regulations, the Offer Price of Rs.10/- per share is highest among the following:

a.	Negotiated Price under the agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights.	Rs.9.08
b.	Highest Price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to February 12, 2008. (i.e. the date of PA)	Nil
c.	Other Parameters	
	Based on Audited Financials for the period ended 31 st March, 2007	
	Return on Networth (%)	Negative
	Book Value per share (Rs.)	Rs.2.81
	Earnings Per Share (Rs.)	Rs.(0.99)
	PE Ratio on Offer price	Nil
	Price/Earnings Ratio (Industry - Miscellaneous)*	28.60

*(Source: Capital Market Volume XXII/24 Jan 28 – Feb 10, 2008)

Mr. A. Rajasekaran, Partner, M/s. Guru & Ram, Chartered Accountants (Membership No.025549; Address: Shreyas, #26, Dr. Radhakrishnan Salai, 9th Street, Mylapore, Chennai 600 004; Tel. No.:+91 44 2847 4701/02; Fax No.: +91 44 2847 4703) have certified that the Fair Value Per Share of Seahorse, based on the valuation methodology as laid down by Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995, (83 Com case 30) would be Rs. 1.98 per share.

Considering the above parameters the Offer Price of Rs.10.00/- fully paid-up Equity Share of Seahorse is justified in terms of Regulation 20(11).

- 7.1.4. The Offer Price shall not be less than the highest price paid by the Acquirer for any acquisition of Equity Shares of Seahorse from the date of the Public Announcement upto 7 working days prior to the date of closing of the Offer (i.e. upto Monday, April 21, 2008).
- 7.1.5. The Acquirer have not acquired or sold any equity shares of Seahorse from the date of the PA upto the date of the Draft Letter of Offer.
- 7.1.6. There is no non-compete agreement.

8. Financial Arrangement for the Offer

- 8.1. The Acquirer, have made firm financial arrangements to meet the obligations in full under the offer and have confirmed the same vide their letter dated February 8, 2008. No borrowings from Banks / Financial Institutions is being made for the purpose. The sources of funds used for acquisition of shares through SPA are unsecured loans from promoters, directors and their relatives. The sources of funds for the offer would be internal accruals.
- 8.2. The maximum purchase consideration payable for the Offer for the acquisition of 25,09,000 equity shares (assuming full acceptance of the offer), being 20.00% of the paid up equity share capital of Seahorse at Rs.10.00 per share is Rs.2,50,90,000 (Rupees Two Crores Fifty Lakhs Ninety Thousand Only).
- 8.3. In accordance with the provisions of Regulation 28(1) & 28(2) of the Regulations the Acquirer has established an Escrow Account under the name and title of SEAHORSE – ESCROW ACCOUNT – OPEN OFFER with Axis Bank Limited, Thillai Nagar, No. 75 E/1, Salai Road, Thillai Nagar, Trichy, 620018, Tamil Nadu, India and made a Cash deposit of Rs. 63,00,000/- (Rupees Sixty three lakhs Only) in the account being more than 25% of the total consideration payable in accordance with the Regulations. Religare, the Manager to the Offer has been solely authorized to operate and realize the value of Escrow in terms of the Regulations.
- 8.4. Mr. P.M.R Gowrisankar, Partner, M. Lakshman & Co., Chartered Accountants (Membership No.20231) (Address: Bharani Residency, No. 15, Vathukkara Street, Woraiyur, Trichy – 620003, Tel No: 0431 402 3887 / 402 3788; Email: trymlco@gmail.com) have certified vide their certificate dated February 8, 2008 that the Acquirer has adequate resources to meet the financial requirements of the Open Offer.
- 8.5. In case of a revision in the Offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with Regulation 28 of the Regulations.
- 8.6. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

9. Statutory /Other Approvals Required for the Offer

- 9.1. As of the date of this Letter of Offer to the best of the knowledge and belief of the Acquirer, no statutory approvals are required to acquire the equity shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such statutory approvals. In terms of Regulation 27 of the SEBI Takeover Code, the Acquirer will not proceed with the Offer in the event that such statutory approvals that are required for the Offer are refused.
- 9.2. The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the Offer Closing Date. It may be noted that in case the Acquirer is unable to make the payment of consideration to the shareholders who have accepted the Offer, within 15 (fifteen) days from the date of closure of the Offer, and such non-payment is due to non receipt of any of the statutory approvals, SEBI, if satisfied that the non receipt of the statutory approvals was not due to willful default or negligence on part of the Acquirer, has the power to grant an extension of time to the Acquirer for payment of consideration to the shareholders who have accepted the Offer provided the Acquirer agrees to pay interest to the shareholders for the delay beyond the above-mentioned period of 15 (fifteen) days at such rates as may be specified by SEBI under Regulation 22(12) of the SEBI Takeover Code. Further, if the delay occurs due to willful default or neglect or inaction or non-action of the Acquirer in obtaining the requisite statutory approvals, Regulation 22(13) of the SEBI Takeover Code shall be applicable.
- 9.3. The Acquirer does not require any approval from the banks or financial institutions for the offer.

10. Disclosure under Regulation 21(2)

Assuming full acceptance, the offer would not reduce the public shareholding of the Target Company below the minimum limit specified in the listing agreement with the Stock Exchange for the purpose of listing on a continuous basis. As per the listing agreement, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. Hence, Regulation 21(2) of the Regulations is not applicable.

11. Terms and Conditions of the Offer

11.1. Eligibility for accepting the Offer:

The Offer is being made to the equity shareholders of Seahorse (other than 'Acquirer' and the Parties to the SPA) whose names appear on the Register of the Members of Seahorse at the close of the business hours on Friday, February 29, 2008 (the 'Specified Date') and also to those persons who own the Equity Shares at any time prior to the closure of the Offer, but are not the registered equity shareholders.

- 11.2. Owners (registered or unregistered) of Shares of Target Company (except the Acquirer and the parties to the SPA) are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, number of Shares held, number of Shares offered, Distinctive numbers, Folio number, together with the original Share Certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares. No indemnity is required from the unregistered owners.

- 11.3. Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Locked in shares can be tendered in the open offer subject to applicable laws including the continuation of the lock-in in the hands of the Acquirer. The Manager to the Offer will ensure that there is no discrimination in the acceptance between locked in and non-locked in shares. Shares that are subject to any other charge, lien or encumbrance are liable to be rejected.

12. Procedure for Acceptance and Settlement of the Offer

12.1. Procedure for accepting the offer by eligible persons

The Acquirer has appointed Cameo Corporate Services Limited as Registrar to the Offer. Registrars have set up the following center to collect the acceptances being tendered in this offer:

Sr. No.	Collection Centre	Address of Collection Centre	Contact Person	Telephone No./ / Fax No	Mode of Delivery
1.	Chennai	Cameo Corporate Services Ltd. Subramanian Building No.1 Club House Road Chennai - 600 002	Ms. K. Sreepriya	Tel: 044-28460390 / 2846 0014 Fax: 044- 28460129	Post and Hand delivery
2.	Mumbai	Cameo Corporate Services Ltd. 304, Sai Sadan76-78, Mody Street, Fort Mumbai - 400 001	Mr. Prashant N. Sanil	Tel: 022-2264 4325 / 2264 2979 Fax: 022-2264 4325	Hand delivery only
3.	Kolkata	Cameo Corporate Services Ltd. C/o. C R M ServicesP-527, Raja Basanth Roi Road Kolkata - 700 029	Mr. Sanjiv Majumdar	Tel: 033-24664803	Hand delivery Only
4.	New Delhi	Cameo Corporate Services Ltd C/o. Sterling ServicesF-75, 1 st Floor, Bhagat Singh Market, Near Gole Market New Delhi - 110001	Mr. Sridhar	Tel: 011-4156 1305	Hand deliveryOnly
5.	Ahmedabad	Cameo Corporate Services Ltd. 101, Shat Dal Complex Opp. Bata Show Room Ashram Road Ahmedabad - 380009	Mr. M Balasubramanian	Tel: 093270 55153	Hand delivery only
6	Cochin	Cameo Corporate Services Limited, 1 st Floor, Easwer Bldg, Krishna Swami Road, Ernakulam, Cochin – 682 035	Mr. E V Vijesh Kumar	Tel: 0484 23699970/ 0995160180	Hand delivery only
7	Hyderabad	Cameo Corporate Services Limited, 2 nd Floor, 9-1-152 A, Sebastian Road, Secundarabad - 500003	Mr. A Ranjit Kumar.	Tel: 040 – 6453 7951/ 09866648267	Hand delivery only
8	Trichy	Cameo Corporate Services Ltd C/o. Sea Horse Hospitals Ltd. No.6, Royal RoadTrichy - 620 001	Mr. Rangarajan	Tel: 0431-400 0661	Hand Delivery only

The equity shareholders of Seahorse who qualify and who wish to avail of this Offer (hereinafter referred to as “Acceptor”) will have to deliver the relevant documents at the above mentioned address by hand delivery or registered post between 10.00 am to 4.00 pm on or before the closure of the Offer, Wednesday, April 30, 2008

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects, otherwise the same is liable to be rejected. All the Equity Shares of the Company are held in physical form:

Registered Shareholders should enclose

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Seahorse and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with Letter of Offer.

Unregistered Shareholders should enclose

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original broker contract note.
- Valid Share Transfer form(s) as received from the market.

The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirer as buyer will be filled upon verification of Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance. No indemnity is required from unregistered owners.

12.2. The Share Certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer, Acquirer or Seahorse.

12.3. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating acceptance of the Offer with Name; Address; Number of Shares held; Distinctive Number; Folio Number, Number of shares offered; along with documents as mentioned above, so as to reach the Registrar to the Offer on or before Closure of the Offer, i.e., not later than Wednesday, April 30, 2008 or the eligible persons can write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Closure of the Offer, i.e., not later than Wednesday, April 30, 2008. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website (www.sebi.gov.in), from the date of Opening of the Offer.

The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply using the same.

12.4. If the aggregate of the valid responses to the Offer exceeds the offer size of 25,09,000 fully paid-up equity shares of Seahorse (representing 20% of fully paid up equity share capital of Seahorse), then the Acquirer shall accept the shares received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

12.5. While tendering shares under the Offer, NRIs/OCBs/Foreign Shareholders will be required to submit the previous RBI Approvals (specific or general) that they may have obtained for acquiring shares of Seahorse. In case of previous RBI Approvals not being submitted, the Acquirer reserve the right to reject such shares tendered.

12.6. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of closure of the Offer, i.e., on or before Thursday, April 24, 2008. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer as per the mode of delivery indicated therein on or before Thursday, April 24, 2008. The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed with the Letter of Offer. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the Name; Address; Distinctive Numbers; Folio Number and Number of Shares tendered

12.7. Shareholders should enclose the following:

Registered Shareholders:

- Duly signed and completed Form of Withdrawal.
- Acknowledgement slip in Original / Copy of the submitted Form of Acceptance cum Acknowledgement in case delivered by Registered A.D.
- In case of partial withdrawal, valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Seahorse and duly witnessed at the appropriate place.

Unregistered Shareholders:

- Duly signed and completed Form of Withdrawal.
- Acknowledgement slip in Original / Copy of the submitted Form of Acceptance cum Acknowledgement in case delivered by Registered A.D.

12.8. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.

- 12.9. The intimation of returned shares to the Shareholders will be at the address as per the records of the Seahorse.
- 12.10. The Form of Withdrawal should be sent only to the Registrar to the Offer.
- 12.11. In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Seahorse.
- 12.12. Partial withdrawal of tendered shares can be done only by the registered shareholders. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.
- 12.13. In case of delay in receipt of statutory approvals, if any, SEBI has a power to grant extension of time to Acquirer for payment of consideration to shareholders, subject to Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by Acquirer in obtaining the requisite approvals, Regulation 22(13) of SEBI (SAST) Regulations will also become applicable.
- 12.14. Payment of consideration will be made by crossed account payee cheque / demand draft and sent by registered post, to those shareholders / unregistered owners and at their own risk, whose shares / share certificates and other documents are found in order and accepted by Acquirer. In case of joint registered holders, cheques / demand drafts will be drawn in the name of the sole / first named holder / unregistered owner and will be sent to him. It is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheque / demand draft.
- 12.15. Unaccepted or withdrawn share certificate(s), transfer form(s) and other documents, if any, will be returned by Registered Post at the shareholders' / unregistered owners' sole risk to the sole/first named shareholder / unregistered owner.

13. General

- 13.1. Acquirer can revise the price upwards upto seven working days prior to closure of the Offer i.e. on or before Monday, April 21, 2008 and revision if any in the Offer price would appear in the same newspapers where the Public Announcement has appeared. The same price would be paid to all shareholders who tender their shares in the Offer.
- 13.2. As the offer price can not be revised during 7 working days prior to the closing date of the offers /bids, it would, therefore be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
- 13.3. The Acquirer shall upto Wednesday, May 14, 2008 complete all procedure relating to the Offer including payment of consideration to the equity shareholders who have accepted the Offer and for the purpose open a Special Account as provided under Regulation 29 of SEBI (SAST) Regulations, 1997.
- 13.4. The instruction, authorization and provisions contained in the form of acceptance cum acknowledgement constitute part of the terms of the Offer.
- 13.5. The Registrar to the Offer will hold in trust the Share Certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form/s on behalf of the shareholders of Seahorse who have accepted the Offer, till the drafts / pay orders for the consideration and / or the unaccepted share certificates are dispatched / returned. Equity Shares not accepted under the offer will be sent to the shareholders/ applicants at their own risk by registered post.
- 13.6. Acquirer shall acquire the equity shares from the shareholders of Seahorse who have validly tendered the equity shares under the Offer (i.e. equity shares and other documents are in order and in accordance with the terms of the Offer) and remit the consideration in respect thereof on or before Wednesday, May 14, 2008 in cash by Account Payee Pay Order / Demand Draft. Any delay will attract interest in terms of Regulation 22(12) of SEBI (SAST) Regulations, 1997. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and consideration payable would be sent by Registered Post.
- 13.7. The equity shares of Seahorse are in the physical form as the Target Company has not opted for dematerializing its equity shares and the marketable lot is 100 (hundred) equity shares. Where the number of shares offered for sale by the shareholders is more than the Offer size, the Acquirer shall accept the shares received on a proportionate basis in consultation with the Manager to the Offer in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. Shares not accepted under the Offer will be sent to the shareholders / applicants at their sole risk by Registered Post.
- 13.8. For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer / Manager to the Offer at the address mentioned on the cover page of the Letter of Offer.
- 13.9. Acquirer would be responsible for ensuring compliance with the Regulations.
- 13.10. Compliance Officer

Mr. R Rangarajan

Financial Controller and Compliance Officer
Seahorse Hospitals Limited

Registered Office: No 6, Royal Road, Trichy 620 001 Tamil Nadu, India

Tel No: +91-431 4000661, Fax: +91-431 2415402 E-mail:shl_try@yahoo.com

Website: www.seahorsehospitals.com

14. Documents for Inspection

The following documents will be available for inspection to the shareholders of Seahorse at the address of the Manager to the Offer Religare Capital Markets Limited, 14, Mittal Chambers, 1st Floor, Nariman Point, Mumbai - 400 021 . Tel: +91 22 4007 4800 Fax: No. +91 22 4007 4869 E-mail: seahorse.openoffer@religare.in, from 10.00 a.m. to 4.00 p.m. on any working day until the Offer closes.

- a. Copy of Public Announcement published in the newspapers dated Tuesday, February 12, 2008.
- b. Share Purchase Agreement dated Wednesday, February 6, 2008
- c. Undertaking from KMC dated on Friday, February 8, 2008 confirming the necessary financial arrangements for meeting the obligations under the Offer.
- d. Copy of Certificate dated Friday, February 8, 2008 from Mr. P.M.R Gowrisankar, Partner, M. Lakshman & Co., Chartered Accountants (Membership No.20231) (Address: Bharani Residency, No. 15, Vathukkara Street, Woraiyur, Trichy – 620003, Tel No: 0431-4023 887 / 4023788; email: trymico@gmail.com), certifying about the adequacy of resources of Acquirer in fulfilling the obligations of the offer.
- e. Certificate of Incorporation and Memorandum and Articles of Association of Seahorse.
- f. Certificate of Incorporation and Memorandum and Articles of Association of KMC.
- g. Annual Reports of Seahorse for the financial years ended 2005, 2006 and 2007 and certified Un-audited results for the nine months ended December 31, 2007, dated January 30, 2008.
- h. Annual Reports of KMC for the financial years ended 2005, 2006 and 2007 and certified Un-audited results for the nine months ended December 31, 2007
- i. Confirmation from Axis Bank Limited, Thillai Nagar, No. 75 E/1, Salai Road, Thillai Nagar, Trichy, 620018, Tamil Nadu, India for the cash deposit of Rs. 63,00,000/- (Rupees Sixty three lakhs Only) in the account being more than 25% of the total consideration payable in accordance with the Regulations in Escrow Account under the name and title of SEAHORSE – ESCROW ACCOUNT – OPEN OFFER .
- j. Copy of MOU dated Wednesday, February 6, 2008 between Religare Capital Markets Limited, the Manager to the Offer and the Acquirer.
- k. Letter No. CFD/DCR/TO/SS/121692/2008 dated March 28, 2008 received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

15. Declaration by the Acquirer

The Acquirer and its Directors accepts full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal.

The Acquirer and its Directors shall be, severally and jointly, responsible for ensuring compliance with the SEBI (SAST) Regulations and for its obligations laid down in the SEBI (SAST) Regulations. All information contained in this document is as of the date of the Public Announcement, unless stated otherwise.

Acquirer

Place: Trichy

Date: Monday, March 31, 2008

Enclosed:

- a. Form of Acceptance-cum-Acknowledgement
- b. Form of Withdrawal
- c. Transfer Deed for shareholders in physical form.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

OFFER OPEN ON	FRIDAY, APRIL 11, 2008
OFFER CLOSES ON	WEDNESDAY, APRIL 30, 2008

From
Folio No. Sr. No.

Name : _____

Address : _____

Tel. No. : _____ Fax No. : _____ E-Mail : _____

To,
Seahorse Hospitals Limited
C/o. Cameo Corporate Services Limited
Subramanian Building No.1
Club House Road, Chennai 600 002.
Tel. No.: +91 44 28460390; Fax No.: +91 44 2846 0129

Dear Sir,
Sub: Open Offer for purchase of 25,09,000 equity shares of Seahorse Hospitals Limited representing 20% of the Equity Voting Capital at a price of Rs. 10.00/- (Rupees Ten only) per share by Sri Kavery Medical Care (Trichy) Private Limited (hereinafter referred to as 'Acquirer')
I/We refer to the Letter of Offer dated March 31, 2008 for acquiring the equity shares held by me/us in Seahorse Hospitals 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 hold the following shares in physical form and accept the Offer and enclose the original share certificate (s) and duly signed transfer deed (s) in respect of my/our shares as detailed below:

TEAR HERE

S. No.	Certificate Number	Distinctive No. (s)		No of Shares
		From	To	
1				
2				
3				
Total No. of Equity Shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

I / We confirm that the equity shares of Seahorse Hospitals Limited, which are being tendered by me / us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.
I / We note and understand that the original share certificate(s) and valid share transfer deed(s) will be held in trust for me / us by the Registrar to the offer until the Acquirer makes payment of the purchase consideration mentioned in the Letter of Offer.
I / We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

----- TEAR ALONG THIS LINE -----

ACKNOWLEDGEMENT RECEIPT

Folio No. Serial No.
Received from Mr./Ms./Mrs. _____
Address _____
Number of certificate(s) enclosed _____ Certificate Number(s) _____
Total number of share(s) enclosed _____

Signature of official and date of receipt	Stamp of Registrars to the Offer

I/We note and understand that the original share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pay the purchase consideration as mentioned in the Letter of Offer.

I/We authorize the Acquirer to accept the shares so Offered which they may decide to accept in consultation with the Registrar to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, equity share certificate(s) in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorize the Acquirer or the Registrar to the Offer to send by Registered Post (under UCP if less than Rs. 1,500/-) the draft / cheques in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered:

	Full Name(s)	Signature
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

Address of First/Sole Shareholder

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

Name of the Bank _____
Branch _____
Account Number _____ Savings/Current/NRE/NRO/ Others (Please pecify)_____

Business Hours : Monday to Friday: 10.00 a.m. to 4.00 p.m.

Saturday : 10.00 a.m. to 12.00 noon

Holidays : Sundays and Bank Holidays

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

Place :

Date :

----- TEAR ALONG THIS LINE -----

Note: All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address:

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building No.1
Club House Road, Chennai 600 002.
Tel. No.: +91 44 28460390; Fax No.: +91 44 2846 0129
E-mail: cameo@cameoindia.com
Website: www.cameoindia.com
Contact Person: Mr. R.D. Ramasamy

INSTRUCTIONS

1. Shareholders should enclose the following:
 - a. Registered shareholders should enclose -
 - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
 - Original Share Certificate(s)
 - Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Seahorse Hospitals Limited and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.

The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirers as buyer will be filled by the Acquirers upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.
 - b. Unregistered owners should enclose-
 - Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
 - Original Share Certificate(s)
 - Original broker contract note
 - Valid Share Transfer form(s) as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.
2. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to **Cameo Corporate Services Limited**, the Registrar to the Offer at Chennai and not to Religare Capital Markets Limited, the Manager to the Offer, the Acquirers, or Target Company.
3. Non-resident shareholders should enclose a copy of the permission received from RBI for the equity shares held by them in Seahorse Hospitals Limited. If the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.
4. Non-resident shareholders should enclose No Objection Certificate / Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirers before remittance of consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.
5. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at the following address:

Seahorse Hospitals Limited
C/o. Cameo Corporate Services Limited
Subramanian Building No.1
Club House Road, Chennai 600 002.
Tel. No.: +91-44-28460390; Fax No.: +91-44-2846 0129
6. The Form of Acceptance-cum-Acknowledgement along with enclosure should be sent only to the Registrar to the Offer so as to reach the Registrar of the Offer on all days (excluding Sundays and Public holidays) during the business hours i.e. (Mondays to Fridays between 10.00 a.m. and 4.00 p.m. and on Saturdays between 10.00 a.m. and 12:00 noon).

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FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this Offer any time upto three working days prior to the date of closure of Offer. In case you wish to withdraw your acceptance please use this form.

OFFER OPENS ON	FRIDAY, APRIL 11, 2008
LAST DATE OF WITHDRAWAL	THURSDAY, APRIL 24, 2008
OFFER CLOSES ON	WEDNESDAY, APRIL 30, 2008

From
Folio No..... Sr. No. :

Name : _____

Address : _____

Tel. No. : _____ Fax No. : _____ E-Mail : _____

To,
Seahorse Hospitals Limited
C/o. Cameo Corporate Services Limited
Subramanian Building No.1
Club House Road, Chennai 600 002.
Tel. No.: +91-44-28460390; Fax No.: +91-44-2846 0129

Dear Sir,

Sub: Open Offer for purchase of 25,09,000 equity shares of Seahorse Hospitals Limited representing 20% of the Equity Voting Capital at a price of Rs. 10.00 (Rupees Ten only) per share by Sri Kavary Medical Care (Trichy) Private Limited (hereinafter referred to as 'Acquirer')

I/We refer to the Letter of Offer dated March 31, 2008 for acquiring the equity shares held by me/us in Seahorse Hospitals Limited.

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

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions as mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our equity shares from the Offer and I/We further authorize the Acquirer to return to me/us the tendered equity share certificate(s)/share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our equity shares from the Offer, no claim or liability shall lie against the Acquirer/Manager to the Offer/Registrar to the Offer.

I/We note that this form of withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal Thursday, April 24, 2008.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the equity shares and also for non-receipt of equity shares due to inaccurate/incomplete particulars/instructions.

I/We also note that and understand that the original share certificate(s), Share transfer deeds(s) and equity shares only on completion of verification of the documents, signatures carried out by the Registrar.

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) and the shares we withdraw are detailed below.

S. No.	Certificate No (s)	Distinctive Numbers		No of Shares
		From	To	
1				
2				
3				
Total No. of Equity Shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

----- TEAR ALONG THIS LINE -----

ACKNOWLEDGEMENT SLIP

Received from Mr/ Ms./Mrs. _____ Address _____

_____ Form of withdrawal in respect of _____

Number of Shares Certificate Number(s) _____

Signature of official and date of receipt	Stamp of Registrars to the Offer

Folio No.:

(Please enclose the photocopy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	Certificate No.	Distinctive No.		No. of Shares
		From	To	
	Tendered			
1.				
2.				
3.				
	Withdrawn			
1.				
2.				
3.				
Total Number of Equity Shares				

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by you and authorize you not to remit the consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirer to reject the shares so offered which it may decide in consultation with Registrar to the Offer and in terms of the Letter of Offer.

Yours faithfully,

Signed (.....)

	Full Name(s)	Signature(s)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

Place :

Date :

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

----- TEAR ALONG THIS LINE -----

Note : All future correspondence, if any, should be addressed to the Registrars to the Offer at the following address

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building No.1
Club House Road, Chennai 600 002.
Tel. No.: +91 44 28460390; Fax No.: +91 44 2846 0129
E-mail: cameo@cameoindia.com
Website: www.cameoindia.com;
Contact Person: Mr. R.D. Ramasamy