LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of **Bhagyashree Leasing and Finance Ltd.** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager / Registrar to the Offer. In case you have sold your equity shares in **Bhagyashree Leasing and Finance Ltd**, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

Mr. Vimalkumar K Jain,
Residing at: 11, Napier Road, Camp, Pune 411 001, (Tel. No. : +91-20-3052 8888, Fax No. +91-20-2635 3365)

Mr. Kewalkumar K Jain,
Residing at: 7, Kumar Castle, 1979, Convent Street, Pune 411 001. (Tel. No. : +91-20-3052 8888, Fax No. +91-20-2635 3365)

Late Mr. Inderkumar K Jain,
(represented by Mrs. Ranjana I Jain,)
Residing at : Kumar Elite, Bungalow No 10, Lane No 4,
CTS NO 110/111 Koregaon Park, Pune 411 001 (Tel. No.: +91-20-30528888, Fax No. +91-20-2635 3365)

Mr. Manish V Jain,
Residing at: 11, Napier Road, Camp, Pune 411 001 (Tel. No.: +91-20-3052 8888, Fax No. +91-20-2635 3365)

AND

Mr. Rajas V Jain,
Residing at : 901, Kumar Platinum, Wellesly Road,
Opp. Lal Deval Synagogue, Pune 411 001(Tel. No.: +91-20-3052 8888, Fax No. +91-20-2635 3365)

(HEREINAFTER COLLECTIVELY REFERRED TO AS 'ACQUIRERS')

MAKE A CASH OFFER AT Rs. 19.25 (RUPEES NINETEEN AND PAISE TWENTY FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES 10/- (TEN) EACH pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations), 1997 and subsequent amendments thereto (the 'SEBI (SAST) Regulations, 1997' or 'the Regulations')

TO ACQUIRE 7,00,020 FULLY PAID-UP EQUITY SHARES OF RS. 10/- EACH
representing 20% of Voting Equity Capital of

BHAGYASHREE LEASING AND FINANCE LIMITED ('Target Company' or 'BLFL')
Registered Office: 618, Arenja Corner , Plot No. 71,
Sector 17, Vashi, Navi Mumbai
(Tel: +91-22-2789 0036, Fax: +91-22-2789 4341)

Please Note:

1. This Offer is being made pursuant to regulation 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, 1997.
2. The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.
3. If the aggregate of the valid response exceeds 7,00,020 equity shares, the Acquirers shall accept shares equal to 7,00,020 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of SEBI (SAST) Regulations, 1997.
4. The Acquirers can revise the Offer Price upto 7 (seven) working days prior to the date of closure of the Offer (i.e.November 21, 2007)
5. If there is any upward revision in the Offer Price by the Acquirers till the last date of revision i.e. November 21, 2007, or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, 1997, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated July 9, 2007 had appeared. Such revised offer price would be payable for all the equity shares of Bhagyashree Leasing and Finance Limited, tendered anytime during the Offer and accepted under the Offer.
6. The procedure for acceptance is set out in Para 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
7. This is not a competitive bid
8. The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirers from non-resident persons under the Offer or such other statutory approval(s), if required to implement the Offer.
9. The Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India ('SEBI') http://www.sebi.gov.in
10. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the Registrar to the Offer before the close of business hours on November 27, 2007.**
11. **There is no competitive bid as on date of this Letter of Offer.**
12. **As the offer price cannot be revised during the period after November 21, 2007, 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.**

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

Collins Stewart Inga	**Manager to the Offer** Collins Stewart Inga Private Limited A-404, Neelam Centre, 4th Floor, Hind Cycle Road, Worli, Mumbai 400 030 Tel.: +91-22-2498 2919 / 2498 2927 Fax: +91-22- 2498 2956 Email: blflopenoffer@csin.co.in Contact Person : Mr. Ashwani Deedwania	INTIME SPECTRUM REGISTRY LIMITED	**Registrar to the Offer** Intime Spectrum Registry Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West) Mumbai - 400 078 Tel.: +91- 022-2536 3838 Fax.: +91 022- 2594 6969 Email isrl@intimespectrum.com Contact Person : Ms. Awani Punjani

OFFER OPENS: NOVEMBER 12, 2007 (MONDAY)	**OFFER CLOSES:** DECEMBER 1, 2007 (SATURDAY)

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

	Original Schedule		Revised Schedule	
Activity	**Date**	**Day**	**Date**	**Day**
Public Announcement Date	July 9, 2007	Monday	July 9, 2007	Monday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	July 20, 2007	Friday	July 20, 2007	Friday
Last date for a Competitive Bid	July 29, 2007	Sunday	July 29, 2007	Sunday
Last Date by which Letter of Offer will be posted to shareholders	August 16, 2007	Thursday	November 7, 2007	Wednesday
Date of Opening of the Offer	August 27, 2007	Monday	November 12, 2007	Monday
Last date for revising the Offer Price / Offer size	September 5, 2007	Wednesday	November 21, 2007	Wednesday
Last date of withdrawal of tendered application by the shareholders	September 11, 2007	Tuesday	November 27, 2007	Tuesday
Date of Closing of the Offer	September 15, 2007	Saturday	December 1, 2007	Saturday
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted demat Shares / Share Certificate(s) will be credited/ dispatched	September 29, 2007	Saturday	December 15, 2007	Saturday

RISK FACTORS

Given below are the risks related to the transaction, the proposed offer and the risks involved in getting associated with the Acquirers

i. Transfer of equity shares received from NRI shareholders, as mentioned in Para 8, under the offer is subject to receipt of RBI approval for the same.

ii. In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities as indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of BLFL whose equity shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, 1997,SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. November 27, 2007 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

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

iv. The Acquirers make no assurance with respect to the financial performance of Bhagyashree Leasing and Finance Limited. The Acquirers also make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in Bhagyashree Leasing and Finance Limited.

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

1 DEFINITION

Acquirers	Mr. Vimalkumar K Jain, Mr. Kewalkumar K Jain, Mr. Manish V Jain , Mr. Rajas V Jain and Late Mr. Inderkumar K Jain, (represented by Mrs. Ranjana I Jain, wife of Late Mr. Inderkumar K Jain)
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Corrigendum PA	Corrigendum Public Announcement dated November 6, 2007 made by the Acquirers
DP	Depository Participant
Depositories	NSDL and CDSL
DSE	Delhi Stock Exchange Association Ltd.
Date of Public Announcement	Monday, July 9, 2007
EGM	Extraordinary General Meeting
FEMA	Foreign Exchange Management Act, 1999
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance/ FOA	Form of Acceptance-cum- Acknowledgement
FOW	Form of Withdrawal
FY	Financial Year
Letter of Offer / LOF	This Letter of Offer
Ltd.	Limited
Manager/ Manager to the Offer	Collins Stewart Inga Private Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer	Open Offer for the acquisition of 7,00,020 fully paid-up equity shares of the face value of Rs. 10/- each of Bhagyashree Leasing and Finance Limited at a price of Rs. 19.25 per fully paid-up equity share
Offer price	Rs. 19.25 (Rupees Nineteen and Paisa Twenty Five only) per fully paid-up share of Rs. 10/- each
Offer size	Rs.1,34,75,385 (Rupees One Crore Thirty Four Lacs Seventy Five Thousand Three Hundred and Eighty Five Only)
Other Sellers	Isabelle Traders Ltd. and G.S. Auto Leasing Limited
Persons eligible to participate in the offer	All members (registered and unregistered) of Shares of BLFL except (a) the Acquirers and (b) Sellers
Promoter Sellers	Anil K Malhotra, Naresh K Malhotra, Madhu Malhotra, Seema Malhotra, Parkash Wanti, Anil K. Malhotra (HUF), Naresh K. Malhotra(HUF), B.L. Malhotra & Sons (HUF), Shivalik Securities Limited and Chandrika Traders Ltd.
Public Announcement / PA	Announcement dated July 9, 2007 made by the Acquirers
RBI	Reserve Bank of India
Registrar to the Offer	Intime Spectrum Registry Ltd.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992
SEBI Guidelines	Securities & Exchange Board of India (Disclosures & Investors Protection), Guidelines 2000 & subsequent amendments thereto.
SEBI Takeover Code or Regulations or SEBI (SAST) Regulations, 1997	Securities & Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 1997 & subsequent amendments thereto.
Sellers	Promoter Sellers and Other Sellers
Share(s)/ Equity shares	Fully paid equity shares of face value of Rs. 10 each of BLFL.
SPAs	Share Purchase Agreements – SPA -1, SPA-2 and SPA-3 dated July 4, 2007entered into between the Acquirers and Sellers.
Specified Date	July 20, 2007
Target Company / BLFL	Bhagyasree Leasing and Finance Ltd.

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 BHAGYASHREE LEASING AND FINANCE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY.

IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, COLLINS STEWART INGA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 19, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 The Offer to the Shareholders of BLFL is hereby made by the Acquirers in accordance with Regulation 10, Regulation 12 and other applicable provisions of the SEBI Takeover Code for the purposes of substantial acquisition of shares / voting rights and change in control of the Target Company as disclosed under para 3.1.2 of this Letter of Offer.

3.1.2 The Acquirers have entered into 3 Share Purchase Agreements ('SPAs') on July 4, 2007 viz. (i) SPA – 1 with Promoter Sellers (ii) SPA – 2 and SPA- 3 with Other Sellers, to acquire an aggregate of 17,66,500 (Seventeen Lakhs Sixty Six Thousand Five Hundred) ('Transaction Shares') fully paid-up equity shares of Rs. 10/- each, representing 50.47% of the equity share capital of the Target Company in the manner specified in Clause 3.1.3 of this Letter of Offer, at a price of Rs. 18/- per equity share payable in cash, aggregating to Rs. 3,17,97,000/- (Rupees Three Crores Seventeen Lakhs Ninety Seven Thousand only).

3.1.3 The Promoter Sellers and Other Sellers have agreed to sell and the Acquirers have agreed to acquire 17,66,500 (Seventeen Lakh Sixty Six Thousand Five Hundred) fully paid-up equity shares vide the above-mentioned SPAs, details of which are as under :

(A) Details of Transaction shares are as under:

S. No	Names, Address, Telephone No. and Fax No. of the Sellers	No. of Equity Shares	% of present paid-up Capital
	Promoter Sellers (SPA-1)		
1.	Mr. Anil K Malhotra 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No. : 0161-2542500	4,51,100	12.89
2.	Mr. Naresh K Malhotra 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No.: 0161-2401071, Fax No.: 0161-2542500	2,00,000	5.71
3.	Ms. Madhu Malhotra 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No.: 0161-2542500	50,000	1.43

4.	Ms. Seema Malhotra 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No. : 0161-2542500	20,000	0.57
5.	Ms. Parkash Wanti 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No. : 0161-2542500	10,000	0.29
6.	Anil K Malhotra (HUF) 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No.: 0161-2542500	10,000	0.29
7.	Naresh K Malhotra (HUF) 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No. : 0161-2542500	10,000	0.29
8.	B L Malhotra & Sons (HUF) 9A, Rose Enclave, College Road, Ludhiana, Punjab - 141001 Tel No. : 0161-2401071, Fax No. : 0161-2542500	1,03,900	2.97
9.	Shivalik Securities Ltd. 678, Sector 69, Mohali, Punjab - 160069 Tel No. : 0172-2231637, Fax No. : 0172-2231637	1,70,000	4.85
10.	Chandrika Traders Ltd. 37, Shankar Markat, Cannaught Place, New Delhi. - 110008 Tel No. : 011-23414909, Fax No.: 011-23414909	75,000	2.14
	Total I	**11,00,000**	**31.43**
	Other Sellers		
1.	Isabella Traders Ltd. (SPA-2) 101, Padma Palace, 86, Nehru Place New Delhi - 110019 Tel No. : 011-26443775, Fax no. : 011-26443775	5,18,000	14.80
2.	G.S. Auto Leasing Limited (SPA-3) 1304, Padma Tower –I, Rajendra Place, New Delhi - 110008 Tel No. : 011-664040311, Fax no. : 011-25765974	1,48,500	4.24
	Total II	**6,66,500**	**19.04**
	Total I+II	**17,66,500**	**50.47**

(B) The Transaction Shares are proposed to be acquired by the Acquirers in the following manner:

S. No.	**Names of the Acquirers**	**No. of Equity Shares**	**% of present paid-up Capital**
1.	Vimalkumar K Jain	4,82,000	13.77
2.	Kewalkumar K Jain	4,82,000	13.77
3.	Late Inderkumar K Jain (represented by Mrs. Ranjana I Jain)	4,82,000	13.77
4.	Manish V Jain	1,60,250	4.58
5.	Rajas V Jain	1,60,250	4.58
	Total	**17,66,500**	**50.47**

3.1.4 Neither the Acquirers nor the Target Company nor the Sellers have been prohibited under Section 11B or any other regulations made under the SEBI Act.

3.1.5 Conditions precedent to Completion of the SPAs :

The Purchase of the Transaction Shares by the Acquirers is subject to the fulfillment by the Sellers of the following conditions precedent:

i) All corporate approvals of such of the Sellers as is corporate (namely, an appropriate resolution by the Board and EGM of each corporate and suitable letters, if any,) being obtained and certified copies thereof being submitted to the Acquirers.

ii) The approvals, if any, of the authorities being obtained by the Sellers at their own cost and such approvals being unconditional or if subject to conditions, the conditions are not unusual or onerous and certified copies thereof being submitted to the Acquirers.

iii) This SPA is subject to the compliance of the provisions of the SEBI (SAST) Regulations, 1997. In case of non-compliance of any provisions of the SEBI (SAST) Regulations, 1997 the said SPA shall not be acted upon by the Sellers or the Acquirers.

3.1.6 Upon completion of the acquisition of Transaction Shares by the Acquirers pursuant to SPA -1, entered into with the Promoters of the Target Company; there shall be a change in control of the Target Company and the management of the Target Company would rest with the Acquirers.

3.1.7 After completion of all formalities relating to the acquisition and after complying with formalities required by the Regulations, the Board of Directors might be reconstituted to include nominee(s) of Acquirer.

3.2 Details of the Offer

3.2.1 The Public Announcement dated July 9, 2007 and Corrigendum Public Announcement dated November 6, 2007 was made in the following newspapers on July 9, 2007and November 6, 2007, in accordance with Regulation 15 of the Regulations.

Newspaper	Language	Edition
Business Standard	English	All Editions
Pratahkal	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

(The Public Announcement is available on the SEBI website: www.sebi.gov.in)

3.2.2 The Acquirers are making an open offer to the equity shareholders of BLFL to acquire 7,00,020 fully paid up equity shares of Rs.10/- each representing 20% of the fully expanded voting equity capital of the Target Company at a price of Rs. 19.25 (Rupees Nineteen and Paisa Twenty Five Only) per equity share of the Target Company (the 'Offer Price'), payable in cash, in terms of regulation 20 of the Regulations (the 'Offer' or 'Open Offer').

3.2.3 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. Acquirers will acquire all the shares that are validly tendered in terms of the Offer, upto a maximum of 7,00,020 shares at the Offer Price.

3.2.4 This is not a Competitive Bid.

3.2.5 The Manager to the Offer does not hold any equity shares in the Target Company, as on the date of the Public Announcement and has not acquired any equity shares of the Target Company since the date of PA upto the date of this Letter of Offer.

3.2.6 The Acquirers do not hold any equity shares as on the date of public announcement and have not acquired any equity shares during the 12 months period preceding the date of Public Announcement. Also the Acquirers have not acquired any equity shares of BLFL from the date of the Public Announcement upto the date of Letter of Offer.

3.2.7 The Acquirers may purchase additional shares of BLFL from the open market and / or through negotiations or otherwise, after the date of the PA in accordance with regulation 20(7) of the Regulations and details of such acquisition, if any, will be disclosed by the Acquirers within 24 hours of such acquisition to the Stock Exchanges, wherever equity shares of BLFL are listed and to the manager to the offer in terms of regulations 22 (17) of the Regulations.

3.2.8 No separate consideration has been paid or would be paid by the Acquirers, other than as mentioned in clause 3.1.2, to the Sellers for any of the above covenants or any other covenants mentioned in the SPA.

3.2.9 To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirers. The equity shares tendered in the Offer by the Shareholders of BLFL shall be 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.

3.2.10 In case there is any upward revision in the offer price of Equity Shares / No of Equity Shares by the Acquirers in accordance with regulation 26 of the Regulations not later than November 21, 2007 i.e. upto seven working days prior to the date of closure of the Offer or incase of withdrawal of the Offer by the shareholders in accordance with regulation 22(5A) of the Regulations, the same would be informed by way of Public Announcement in the newspapers and the same revised price would be payable by the Acquirers to all the shareholders who tendered their equity shares at any time during the offer and which are valid and accepted by the Acquirers under the Offer.

3.2.11 This Offer is being made to all Shareholders of BLFL except the parties to the SPAs.

3.3 Object of the Acquisition / Offer

3.3.1 This Offer to the shareholders of BLFL is being made pursuant to regulation 10 and regulation 12 of the Regulations for substantial acquisition of Equity Shares of BLFL accompanied by change in the control / management.

3.3.2 The Acquirers currently do not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

3.3.3 The Acquirers through BLFL intend to invest, incubate in corporate opportunities and also provide extensive insight and support on development of the existing business. The Acquirers would review various options to use the existing structure and converge their long term plans of building multiple revenue streams under BLFL. For this purpose, the Acquirers would suitably strengthen the Target Company with the requisite financial and human resources. The Acquirers will also impart support systems in the financial / human resources aspects for the existing business. The Acquirers reserve the right to modify the present structure in a manner which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws. The Acquirers may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

4 BACKGROUND OF THE ACQUIRERS

4.1 Details of the Acquirers

The Acquirers belong to the Kumar Properties Group of Pune, which is primarily engaged in the business of development of residential, commercial complexes and infrastructure projects and has also ventured in field of biotechnology. No other persons / individuals/ entities are acting in concert with the Acquirers for the purpose of this offer.

Mr. Vimalkumar K Jain, son of Mr. Kesarimal Jain, aged 57 years is a Civil Engineer, residing at 11, Napier Road, Camp, Pune 411 001, Tel. No. : +91-20-3052 8888, Fax No. +91-20-2635 3365; he has an experience of 40 years in the field of construction of residential and commercial premises including infrastructure development projects, bio-technology and deals with matters related to purchase of land, properties and legal matters in this regard. The networth of Mr**. Vimalkumar K Jain** as on April 30, 2007, as certified by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants) Tel.: 020-24487800, Fax No. 020-24487900 vide certificate dated July 5, 2007, is Rs. 1018 lakhs (Rupees One Thousand Eighteen Lakhs Only).

Late Mr. Inderkumar K Jain, son of Kesarimal Jain, aged 46 years is Bachelor of Law residing at Kumar Elite, Bungalow No 10, Lane No 4, CTS NO 110/111 Koregaon Park, Pune – 411001. He has an experience of 30 years in the field of construction of residential and commercial premises including infrastructure development projects. He also provides able direction in marketing and sales. The networth of Late **Mr. Inderkumar K Jain** as on April 30, 2007 as certified by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants) Tel.: 020-24487800, Fax No. 020-24487900 vide certificate dated July 5, 2007 is Rs. 1261 lakhs (Rupees One Thousand Two Hundred Sixty One Lakhs Only).

Mr. InderKumar K Jain, one of the acquirer has passed away in a tragic accident on September 27, 2007, therefore Mrs. Ranjana I Jain wife of Late Mr. Inderkumar K Jain, will act as his representative for the purpose of this open offer.

Mr. Kewalkumar K Jain, son of Mr. Kesarimal Jain, aged 49 years having degree of B.Com and MBA (Finance), residing at 7, Kumar Castle, 1979, Convent Street, Pune – 411001, Tel. No. : +91-20-30528888, Fax No. +91-20-26353365. He has an experience of 35 years in the field of construction of residential and commercial premises including infrastructure development projects and handles matters related to Project Finance, tax and Administration. The networth of **Mr. Kewalkumar K Jain** as on April 30, 2007, as certified by Mr. Nimit B. Gujrathi (Membership No 106810) partner of M/s. Ramesh Ramu and

Associates (Chartered Accountants) Tel.: 020-24487800, Fax No. 020-24487900 vide certificate dated July 5, 2007 is Rs. 1057 lakhs (Rupees One Thousand Fifty Seven Lakhs Only).

Mr. Manish V Jain, son of Mr. Vimalkumar Jain, aged 36 years having degree of B.Sc. and MBA, residing at 11, Napier Road, Camp, Pune 411 001, Tel. No. : +91-20-30528888, Fax No. +91-20-26353365. He has an experience of 14 years in the field of construction of residential and commercial premises including infrastructure development projects and bio-technology projects. The networth of **Mr. Manish V Jain** as on April 30, 2007, as certified by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants) Tel.: 020-24487800, Fax No. 020-24487900 vide certificate dated July 5, 2007, is Rs. 387 lakhs (Rupees Three Hundred Eighty Seven Lakhs Only).

Mr. Rajas V Jain, son of Mr. Vimalkumar Jain, aged 35 years is a Civil Engineer, residing at Flat 901, Kumar Platinum, Opp. Lal Devel Synagogue, Wellesly Road, Pune 411001, Tel. No. : +91-20-30528888, Fax No. +91-20-26353365. He has an experience of 12 years in the field of construction of residential and commercial premises including infrastructure development projects and is in charge of technical modality and complex constructions. The networth of **Mr. Rajas V Jain** as on April 30, 2007, as certified by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants) Tel.: 020-24487800, Fax No. 020-24487900 vide certificate dated July 5, 2007, is Rs. 863 lakhs (Rupees Eight Hundred Sixty Three Lakhs Only).

Mr. Vimalkumar K Jain, Late Mr. Inderkumar K Jain (represented by Mrs. Ranjana I Jain) and Mr. Kewalkumar K Jain are brothers and Mr. Manish V Jain and Mr. Rajas V Jain are sons of Mr. Vimalkumar Jain.

The Acquirers have not entered into any agreement amongst themselves for this offer / acquisition of shares.

4.2 The Compliance under Chapter II of SEBI (SAST) Regulations, 1997 is not applicable to the Acquirers since they do not hold any shares of BLFL except the Transaction Shares proposed to be acquired in terms of SPAs.

4.3 Neither the Acquirers nor any of their representatives are directors in any of the listed companies..

4.4 **Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code and Acquirers future plans for BLFL**

4.4.1 The Acquirers currently do not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

4.4.2 The Acquirers through BLFL intend to invest, incubate in corporate opportunities and also provide extensive insight and support on development of the existing business. The Acquirers would review various options to use the existing structure and converge their long term plans of building multiple revenue streams under BLFL. For this purpose, the Acquirers would suitably strengthen the Target Company with the requisite financial and human resources. The Acquirers will also impart support systems in the financial / human resources aspects for the existing business. The Acquirers reserve the right to modify the present structure in a manner which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws. The Acquirers may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

4.5 The Acquirers have promoted entities which are engaged in various businesses. Brief details of the companies promoted by the Acquirers are as under:

1. **Canopus Builders Pvt. Ltd**., incorporated on March 15, 1993 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at Kumar Capital, 1st Floor, 2413 East Street, Pune 411001. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
   Brief financials based on Accounts for the last three years are given below:

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	-	14.88	14.60
Earning per share (Rs per share)		1,487.76	(28.00)
Total Income	-	31.50	-
Profit After Tax (PAT)	-	14.88	(0.28)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	100.00	1,587.76	1,559.76

2. **Fishers Health Resorts P Ltd.**, incorporated on October 11, 1995 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below:

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	1.63	2.10	4.40
Earning per share (Rs per share)	76.00	75.00	230.00
Total Income	3.00	3.50	3.50
Profit After Tax (PAT)	0.76	0.75	2.30
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	263.00	310.00	540.00

3. **Himmat Land Holdings P Ltd**, incorporated on June 13, 1994 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(22.41)	(25.71)	(32.67)
Earning per share (Rs per share)	(500.00)	(497.00)	(696.00)
Total Income	0.13	0.02	-
Profit After Tax (PAT)	(5.00)	(4.97)	(6.96)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(2,141.00)	(2,471.00)	(3,167.00)

4. **Hitesh Real Estate Developers P Ltd**, incorporated on December 11, 1991 under the Companies Act, 1956, is engaged in the Construction business. Subsequently, the name of the Company was changed to Pranay Properties & Estates P Ltd with effect from October 7, 2003.The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(4.22)	(4.80)	(5.87)
Earning per share (Rs per share)	(63.00)	(88.00)	(107.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.63)	(0.88)	(1.07)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(322.00)	(380.00)	(487.00)

5. **Kewal Properties & Estates P. Ltd.**, incorporated on March 6, 1992 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(8.22)	(8.42)	(8.84)
Earning per share (Rs per share)	(14.00)	(31.00)	(42.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.14)	(0.31)	(0.42)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(722.00)	(742.00)	(784.00)

6. **Inder Real Estate Developers P. Ltd.**, incorporated on March 6, 1992 under the Companies Act, 1956, is engaged in the Construction business. Subsequently, the name of the Company was changed to Madhu Properties & Estates P Ltd with effect from October 17, 2003.The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	1.90	1.73	1.71
Earning per share (Rs per share)	(12.00)	(25.00)	(2.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.12)	(0.25)	(0.02)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	290.00	273.00	271.00

7. **Kumar Kering Properties P Ltd.**, incorporated on December 20, 1988 under the Companies Act, 1956, is engaged in the Construction business. Subsequently, the name of the Company was changed to Lalit Builders P Ltd with effect from August 25, 2003.The Registered office of the company is situated at 783 Bhawani Peth, Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	41.44	45.87	45.73
Earning per share (Rs per share)	(14.00)	(26.00)	(14.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.14)	(0.26)	(0.14)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	4,244.00	4,687.00	4,673.00

8. **Kumar & Potnis Properties P Ltd.**, incorporated on February 28, 2001 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 6, Ekta Park, Law College Road Pune 411 004. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	229.34	289.81	-
Earning per share (Rs per share)	10,966.00	6,047.00	-
Total Income	487.75	375.54	-
Profit After Tax (PAT)	109.66	60.47	
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	23,034.00	29,081.00	100.00

9. **Kewal Real Estate Developers P Ltd.**, incorporated on April 20, 1994 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(24.09)	3.85	(4.52)
Earning per share (Rs per share)	(2,020.00)	4,173.00	(837.00)
Total Income	-	76.76	-
Profit After Tax (PAT)	(20.20)	41.73	(8.37)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(2,309.00)	485.00	(352.00)

10. **Bhawani Peth Properties & Estates P Ltd.**, incorporated on February 25, 1986 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	10.81	8.80	4.48
Earning per share (Rs per share)	(152.00)	(303.00)	(432.00)
Total Income	-	-	-
Profit After Tax (PAT)	(1.52)	(3.03)	(4.32)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	1,181.00	980.00	548.00

11. **Kumar Heritage Homes P Ltd.**, incorporated on March 7, 2000 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at Kumar Capital, 1st Floor, 2413 East Street, Pune 411001. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/-each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(0.28)	(0.35)	(2.65)
Earning per share (Rs per share)	(9.00)	(11.00)	(230.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.09)	(0.11)	(2.30)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	72.00	65.00	(165.00)

12. **Rajas Jain Developers P Ltd.**, incorporated on April 6, 2000 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at Kumar Capital, 1st Floor, 2413 East Street, Pune 411001. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(0.49)	(0.62)	(1.02)
Earning per share (Rs per share)	(19.00)	(20.00)	(40.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.19)	(0.20)	(0.40)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	51.00	38.00	(2.00)

13. **Kevin Developers P Ltd**, incorporated on March 10, 1986 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,205,000/- divided into 12050 shares of 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the Last Three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	12.04	12.04	12.04
Reserves (excl. revaluation reserves)	19.90	14.30	12.92
Earning per share (Rs per share)	(0.58)	(0.58)	(11.46)
Total Income	12.54	3.60	-
Profit After Tax (PAT)	(0.07)	(0.07)	(1.38)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	265.28	218.77	207.31

14. **Ranjan Real Estates Developers P Ltd.**, incorporated on March 6, 1992 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 51,00,000/- divided into 51000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	50.02	50.02	50.02
Reserves (excl. revaluation reserves)	8.80	8.66	8.64
Earning per share (Rs per share)	(0.26)	(0.40)	(0.04)
Total Income	-	-	-
Profit After Tax (PAT)	(0.13)	(0.20)	(0.02)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	117.59	117.31	117.27

15. **Datta Resorts P Ltd.**, incorporated on March 27, 1989 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the Last Three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	0.01	1.00	1.00
Reserves (excl. revaluation reserves)	(10.90)	(10.96)	(11.13)
Earning per share (Rs per share)	(14.00)	(9.00)	(17.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.14)	(0.09)	(0.17)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(1,089.50)	(996.00)	(1,013.00)

16. **Apoorva Properties & Estates P Ltd.**, incorporated on December 11, 1992 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	1,033.45	1,318.40	1,182.78
Earning per share (Rs per share)	38,317.00	28,192.00	(1,433.00)
Total Income	930.12	1,075.23	-
Profit After Tax (PAT)	383.17	281.92	(14.33)
NAV per share in Rs. (Equity Shares of Rs. 100/-Each)	103,445.00	131,940.00	118,378.00

17. **Prakruti Constructions P Ltd.**, incorporated on December 24, 1993 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	301.01	297.50	284.15
Earning per share (Rs per share)	10903.00	(1035.00)	(1335.00)
Total Income	382.90	0.03	0.00
Profit After Tax (PAT)	109.03	(10.35)	(13.35)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	30201.00	29850.00	28515.00

18. **Ved Real Estate P Ltd.**, incorporated on April 20, 1994 under the Companies Act, 1956, is engaged in the Construction business. Subsequently, the name of the Company was changed to Pranay Real Estate Developers P Ltd with effect from August 25, 2003The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	22.92	102.81	93.93
Earning per share (Rs per share)	3,077.00	8,723.00	318.00
Total Income	303.75	630.78	11.17
Profit After Tax (PAT)	30.77	87.23	3.18
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	2,392.00	10,381.00	9,493.00

19. **Vishwavimal Estate P Ltd.**, incorporated on February 14, 1989 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	10.06	11.29	10.05
Earning per share (Rs per share)	(165.00)	183.00	(124.00)
Total Income	0.00	65.53	0.00
Profit After Tax (PAT)	(1.65)	1.83	(1.24)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	1106.00	1229.00	1105.00

20. **Rashmi Real Estate Developers P Ltd**., incorporated on February 26, 1992 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
    Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	14.20	13.36	13.30
Earning per share (Rs per share)	518.00	(63.00)	(6.00)
Total Income	16.05	-	-
Profit After Tax (PAT)	5.18	(0.63)	(0.06)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	1,520.00	1,436.00	1,430.00

21. **Shatrunjay Chemicals P Ltd**, incorporated on April 20, 1994 under the Companies Act, 1956, is engaged in the manufacturing and dealing of all kinds of perfumes, skin oil, deodorants. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
    Brief financials based on Accounts for the last three years are given below :

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	0.67	(0.06)	(0.08)
Earning per share (Rs per share)	91.00	(73.00)	(2.00)
Total Income	2.57	-	-
Profit After Tax (PAT)	0.91	(0.73)	(0.02)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	167.00	94.00	92.00

22. **Sukumar Township Development P. Ltd.**, incorporated on March 15, 1993 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
    Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(52.78)	(52.93)	(54.22)
Earning per share (Rs per share)	(27.00)	(23.00)	(129.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.27)	(0.23)	(1.29)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	(5,178.00)	(5,193.00)	(5,322.00)

23. **Himmat Builders P Ltd.**, incorporated on December 1, 1988 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the Last Three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(3.37)	2.36	3.03
Earning per share (Rs per share)	6.00	572.00	67.00
Total Income	0.21	6.64	0.94
Profit After Tax (PAT)	0.06	5.72	0.67
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	(237.00)	336.00	403.00

24. **Kubera Estates P Ltd.**, incorporated on December 1, 1988 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1,000 shares of 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(2.12)	0.96	3.43
Earning per share (Rs per share)	84.00	476.00	318.00
Total Income	2.81	7.75	5.50
Profit After Tax (PAT)	0.84	4.76	3.18
NAV per share in Rs. (Equity Shares of Rs. 100/-Each)	(112.00)	196.00	443.00

25. **Ketki Real Estate Developers P Ltd.**, incorporated on April 20, 1994 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 3,80,00,000/- divided into 380000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	300.00
Reserves (excl. revaluation reserves)	0.15	(0.02)	3,551.28
Earning per share (Rs per share)	(5.00)	(21.00)	15,718.00
Total Income	0.15	-	157.18
Profit After Tax (PAT)	(0.05)	(0.21)	157.18
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	115.00	98.00	385,128.00

26. **Trisama Constructions P Ltd.**, incorporated on August 4, 1997 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at Kumar Capital, 1st Floor, 2413 East Street, Pune 411001. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 10000 shares of Rs. 10/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(1.11)	(1.59)	(8.40)
Earning per share (Rs per share)	(2.10)	(7.20)	(68.10)
Total Income	-	-	-
Profit After Tax (PAT)	(0.21)	(0.72)	(6.81)
NAV per share in Rs. (Equity Shares of Rs.10/- Each)	(1.10)	(5.90)	(74.00)

27. **Vimal Builders P Ltd.**, incorporated on June 1, 1982 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	2.51	2.30	2.21
Earning per share (Rs per share)	(8.00)	(32.00)	(9.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.08)	(0.32)	(0.09)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	351.00	330.00	321.00

28. **Parasmani Constructions P Ltd.**, incorporated on November 16, 1994 under the Companies Act, 1956, is engaged in the Construction bussiness. The name of the Company was changed to Dhanshree Land Developers P Ltd. with effect from April 28, 2005. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 5,00,000/- divided into 5000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	5.00	5.00	5.00
Reserves (excl. revaluation reserves)	-	-	-
Earning per share (Rs per share)	-	-	-
Total Income	-	-	-
Profit After Tax (PAT)	-	-	-
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	100.00	100.00	100.00

29. **Viraj Projects P Ltd.**, incorporated on August 2, 2005 under the Companies Act, 1956, is engaged in the infrastructure development. The Registered office of the company is situated at 306,Siddharth Towers, Sangam Press Road, Kothrud, Pune - 411 038. The Authorised Capital of the Company is Rs. 5,00,000/- divided into 5000 shares of Rs. 100/-each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	-	5.00	5.00
Reserves (excl. revaluation reserves)	-	-	-
Earning per share (Rs per share)	-	-	-
Total Income	-	-	-
Profit After Tax (PAT)	-	-	-
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	-	100.00	100.00

30. **Pauravi Estate Development P Ltd.**, incorporated on March 15, 1993 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/-each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(0.38)	(0.51)	(0.55)
Earning per share (Rs per share)	(10.00)	(19.00)	(4.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.10)	(0.19)	(0.04)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	62.00	49.00	45.00

31. **Kumar Properties P Ltd.**, incorporated on March 3, 2000 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(143.49)	(49.11)	(78.17)
Earning per share (Rs per share)	(10,723.00)	9,438.00	(2,906.00)
Total Income	-	1,265.44	14.45
Profit After Tax (PAT)	(107.23)	94.38	(29.06)
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	(14,249.00)	(4,811.00)	(7,717.00)

32. **Prakruti Tissue Culture P Ltd.**, incorporated on December 24, 1993 under the Companies Act, 1956, is engaged in the business of advance technology and methods for growth of plants flowers and roots. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(3.03)	(3.18)	(3.28)
Earning per share (Rs per share)	(16.00)	(15.00)	(10.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.16)	(0.15)	(0.10)
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	(203.00)	(218.00)	(228.00)

33. **Kumar Agro Products P Ltd.**, incorporated on December 11, 1991 under the Companies Act, 1956, is engaged in cultivating plants, flowers, fruits, algae for agro based industry. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	(29.33)	(32.74)	(39.56)
Earning per share (Rs per share)	(543.00)	(514.00)	(682.00)
Total Income	-	-	-
Profit After Tax (PAT)	(5.43)	(5.14)	(6.82)
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	(2,833.00)	(3,174.00)	(3,856.00)

34. **Karmakshetra Builders P Ltd.**, incorporated on December 22, 1988 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	5.61	2.94	0.47
Earning per share (Rs per share)	(27.00)	(101.00)	(247.00)
Total Income	0.19	-	-
Profit After Tax (PAT)	(0.27)	(1.01)	(2.47)
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	661.00	394.00	147.00

35. **Kumar Intermediates P Ltd.**, incorporated on November 15, 1991 under the Companies Act, 1956, is engaged in manufacturing and dealers in all kinds of chemical inter mediates dyes industrial enamels etc.. The Registered office of the company is situated at 102, Krishna Chambers, 59, New Marine Lines Mumbai 400 020. The Authorised Capital of the Company is Rs. 1,00,000/- divided into 1000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	64.11	63.54	63.52
Earning per share (Rs per share)	(83.00)	(56.00)	(2.00)
Total Income	-	-	-
Profit After Tax (PAT)	(0.83)	(0.56)	(0.02)
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	6,511.00	6,454.00	6,452.00

36. **K F Bioplants P Ltd.**, incorporated on March 14, 1997 under the Companies Act, 1956, is engaged in the business of Floriculture & Tissue Culture producing flower plants. Subsequently, the name of the Company was changed to Kumar Florist Gerbera P Ltd with effect from April 08, 2003.The Registered office of the company is situated at 102, Kumar Capital, 1st Floor, 2413 East Street, Pune 411001. The Authorised Capital of the Company is Rs. 30,000,000/- divided into 1100000 Equity shares of 10/- each and 1900000 of preference shares of Rs. 10/-. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the last three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	110.00	110.00	110.00
Reserves (excl. revaluation reserves)	987.89	1,469.17	1,884.23
Earning per share (Rs per share)	21.69	24.20	38.70
Total Income	1,172.15	1,491.12	2,244.99
Profit After Tax (PAT)	238.64	266.16	425.74
NAV per share in Rs. (Equity Shares of Rs.10/- Each)	99.81	143.56	181.29

37. **Kamdar Construction P Ltd.**, incorporated on March 17, 2001 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 783, Bhawani Peth Pune 411 042. The Authorised Capital of the Company is Rs. 10,000,000/- divided into 100000 shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the Last Three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	47.20	292.12	706.00
Earning per share (Rs per share)	4,732.00	24,528.40	41,387.00
Total Income	1,449.28	4,796.69	7,326.00
Profit After Tax (PAT)	47.32	245.28	413.87
NAV per share in Rs. (Equity Shares of Rs.100/- Each)	4,820.00	29,312.00	70,700.00

38. **Pegasus Properties P Ltd.**, incorporated on January 2, 2007 under the Companies Act, 1956, is engaged in the Construction business. The Registered office of the company is situated at 102, Krishna Chambers, New Marine Lines, Mumbai 400 020 . The Authorised Capital of the Company is Rs. 2,000,000,000/- divided into 17,943,388 shares of Rs. 100/- each and 2,056,612 Preference shares of Rs. 100/- each. Issued and Paid up capital of the Company is Rs. 1,644,927,200/- divided into 14,416,472 shares of Rs. 100/- each and 2,032,800 Preference shares of Rs. 100/- each. The Company is not Sick industrial Company. The shares of the Company are not listed on any stock exchange.
Brief financials based on Accounts for the Last Three years are given below :

(Rs. In Lacs)

For the year ended	March 31, 2005	March 31, 2006	March 31, 2007
Months	12	12	12
Type	Audited	Audited	Certified
Paid up Equity Share Capital	-	-	14,416.47
Reserves (excl. revaluation reserves)	-	-	(56.74)
Earning per share (Rs per share)	-	-	(0.00)
Total Income	-	-	57.17
Profit After Tax (PAT)	-	-	(56.74)
NAV per share in Rs. (Equity Shares of Rs. 100/- Each)	-	-	99.61

5. OPTION IN TERMS OF REGULATION 21(2), IF APPLICABLE

The offer after assuming full acceptance will not result in the public shareholding falling below 25% of the voting capital of the Target Company, which is the minimum level required to be maintained as per provisions of clause 40 A of the Listing Agreement. Therefore, the provisions of regulation 21(2) of Regulations are not applicable.

6. **BACKGROUND OF THE TARGET COMPANY (BHAGYASHREE LEASING AND FINANCE LIMITED)**

6.1 Bhagyashree Leasing and Finance Limited was incorporated on 8th August, 1994 as a Private Limited Company in the name of Bhagyashree Leasing and Finance Private Limited. It was subsequently converted into a Public Limited Company with effect from 13th August, 1994 and was rechristened as 'Bhagyashree Leasing and Finance Limited'. The Registered office of BLFL is situated at 618, Arenja Corner, Plot No. 71, Sector 17, Vashi, Navi Mumbai, Tel No. :+91-22-2789 0036, Fax No.: +91-22-2789 4341.

6.2 BLFL is registered as a Non Banking Financial Company ('NBFC') with RBI as per the Certificate of Registration bearing No. 13.00859 dated May 26, 1998 issued under Section 45IA of the Reserve Bank of India Act, 1934

6.3 BLFL is presently engaged in the business of leasing, finance and investment in shares and securities, bills discounting etc. The issued, subscribed and paid-up capital of BLFL as on the date of this Letter of Offer comprises of 35,00,100 fully paid-up equity shares of Rs.10/- each aggregating to Rs.350 lakhs. There are no partly paid-up equity shares of the Target Company as at the date of this Letter of Offer. 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 shares under lock-in.

6.4 The Voting capital as on July 9, 2007 has been calculated as under:

Paid up Equity Shares of Target Company	No. of Equity Shares / Voting Rights	% of Equity Shares / Voting Rights
Fully paid up equity capital	35,00,100	100%
Partly paid up equity capital	Nil	Nil
Total Issued and paid up equity capital	35,00,100	100%
Total voting rights	35,00,100	100%

6.5 Build up of the Capital Structure of BLFL (as certified by BLFL)

Date of Allotment	No. of Shares issued (of Rs. 10/- each)	% of shares issued	Cumulative Number of Shares	Mode of allotment	Identity of allottee	Status of Compliances
August 08, 1994	20	0.00%	20	At the time of incorporation	Promoter	Complied with relevant provisions
August 16, 1994	50	0.00%	70	At the time of incorporation	Promoter	Complied with relevant provisions
March 22, 1995	8,99,930	25.72%	30,00,100	IPO	Promoter	Complied with relevant provisions
March 22, 1995	21,00,100	60.00%		IPO	Public	Complied with relevant provisions
September 12, 2001	5,00,000	14.28%	35,00,100	Preferential	Promoter	Complied with relevant provisions

6.6 Out of the total paid-up Capital of 35,00,100 equity shares of Rs. 10/- each., only 30,00,100 fully paid-up equity shares of Rs. 10/- each are listed on Bombay Stock Exchange Limited, ('BSE') and Delhi Stock Exchange Association Ltd. ('DSE').

6.7 The details and reasons for non listing of 5,00,000 equity shares issued to the Promoters of preferential basis in September 2001 are as under:

a) BLFL has made an application to BSE for obtaining Listing approval of the said shares vide letter dated October 31, 2001.

b) In response to the abovementioned application, BSE vide its letter dated November 5, 2001 advised BLFL to submit certain documents / information in order to process the application.

c) Since BLFL did not submit requisite documents and information, BSE has vide its letter dated February 5, 2002 issued a show cause notice to BLFL and solicited reasons for not rejecting the listing application and not initiate proceedings for withdrawing admissions for dealing in the securities.

d) BLFL has made a submission vide its letter dated March 9, 2002 for the show cause notice. In response to this letter, BSE has once again advised vide its letter dated March 11, 2002 to submit the pending information and documents for listing approval, failing which, BLFL was required to make a fresh application for obtaining the said approval for listing.

e) BLFL initiated the process for getting the in-principle approval for listing the shares on BSE in the year 2006, for which BSE vide its letter dated December 21, 2006 has advised BLFL to furnish all the information once again.

f) BLFL has submitted the information and documents required vide its letter dated January 8, 2007 and is awaiting the approval. Since then there has been no communication between BLFL and BSE in this matter.

g) BLFL has not made any application to DSE for listing these shares.

6.8 BLFL has not paid the listing fees of DSE since 1997.

6.9 There has been no suspension of trading of listed equity shares of BLFL in the BSE and DSE.

6.10 At the Annual General Meeting of the BLFL held on 30th September, 2005 consent of the members was accorded for delisting of Equity Shares of the Company from the DSE. However, application for delisting has not been made.

6.11 Trading in electronic mode (through NSDL & CDSL) is mandatory for Equity shares of BLFL. There was no trade executed on BSE on the specified date (July 20 2007).

6.12 The Target Company had not complied with the provisions of Chapter II of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 for the years 1997 to 2002 and in this regard, through the SEBI Regularization Scheme, 2002 has regularized the aforesaid non-compliance. The Target Company has been regular in complying with the requirements of Chapter II of SEBI (Substantial Acquisition of Shares and Takeover) Regulations since then.

6.13 The sellers, promoters and other major shareholders have complied with the provisions of Chapter II of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 for the years 1997 to till date.

6.14 BLFL has complied with all the listing requirements except for non-listing of 5,00,000 equity Shares issued on preferential basis and non payment of the listing fees of DSE since 1997. BLFL, vide its letter dated July 4, 2007 has certified that it has not been penalized on account of default of compliance of listing agreement formalities either by BSE or DSE, where its shares are currently listed.

6.15 The Board of Directors of the Target Company as on the date of Public Announcement is as under :

Name (Designation)	Date of Birth (Age)	Date of appointment	Qualification	Residential Address	Experience	Directorship in other Companies
Ravi Sharma Director	38 years	15.04.2003	B.Com.	H. No. B-XII 403, Kucha Harnam Dass, Ludhiana-141003	16 years in the field of Taxation and accounts	Fidelity Commodity Traders Limited
Ravinder Gupta Director	49 years	19.11.1999	M.Com.	1812, Pavitter Nagar, Near Gogi Market, Guru Nanak Dev Nagar, Haibowal Kalan, Ludhiana - 141001	22 years in the Field of Taxation	----------
Sukvider Singh Director	30 years	08.01.1999	Graduate	H. No. 2529, Mohalla Phool Chakkar, Ropar – 140001	7 years in the Field of Securities Market	---------
Anil Kumar Director	35 years	08.01.1999	B.A.	H. No. 2004, New Kundan Puri, Civil Lines Ludhiana – 141001	12 years in the field of Securities Market	---------

None of the directors on the Board of the Target Company are either representatives of the Acquirers or have any interest in any of the Acquirers.

6.16 There are no mergers / demergers / spin offs during last 3 years involving the Target Company.

6.17 The audited financial highlights of BLFL for the last three years and the unaudited financials statements for the period ended on February 20, 2007 as certified by the statutory auditors are as follows:

Rs. lakhs

For the period / year ended **Income Statement**	**February 20, 2007 Certified**	**March 31, 2006 Audited**	**March 31, 2005 Audited**	**March 31, 2004 Audited**
Income from operations and Other Income	7.69	3.81	2.22	7.48
Total Income	**7.69**	**3.81**	**2.22**	**7.48**
PBDIT	6.21	2.59	0.99	5.63
Depreciation	0.10	0.13	0.16	0.16
Bank Charges and interest	0.35	0.90	0.41	2.24
Profit / (Loss) before Tax	**5.76**	**1.56**	**0.28**	**3.23**
Provision for Tax				
- Current	0.00	0.53	0.11	0.04
- Deferred	0.00	0.01	(0.64)	0.76
Profit / (Loss) after Tax	**5.76**	**1.03**	**0.81**	**2.43**
Balance Sheet as at	**February 20, 2007**	**March 31, 2006**	**March 31, 2005**	**March 31, 2004**
Paid-up Equity Share Capital	350.01	350.01	350.01	350.01
Reserves & Surplus (excl. Revaluation Reserves)	19.18	13.70	12.99	12.14
Total	**369.19**	**363.71**	**363.00**	**363.72**

Application of funds				
Net fixed assets	3.95	4.05	4.19	4.35
Investments	480.00	458.32	385.40	339.23
Net current assets	(113.82)	(97.72)	(25.67)	19.99
Deferred Tax (Net)	(0.94)	(0.94)	(0.92)	----
Misc. Expenditure	**---**	**---**	**---**	0.15
Total	**369.19**	**363.71**	**363.00**	**363.72**
Other Financial Data				
Dividend (%)	-----	----	----	----
Networth (Rs. lakhs)	369.19	363.71	362.99	363.72
Earning Per Share (Rs.)	0.18*	0.02	0.02	0.09
Return on Networth (%)	1.75%*	0.28	0.23%	0.88%
Book Value Per Share (Rs.)	10.55	10.39	10.37	10.39

*Annualised

Source: Annual Reports of BLFL for the years 2005-06, 2004-05, 2003-2004 and Certified Accounts as on 20th February, 2007

6.18 Reasons for rise and fall in Income and Profit after Tax during the last three years

Financial year ended March 31, 2005

Income for the financial year ended March 31, 2005 is Rs. 2,22,798/- as against Rs. 7,48,599/- for FY 2004. Profit after Tax (PAT) for the financial year ended March 31, 2005 is Rs. 81,732/- as against the PAT for previous financial year ended 31st March, 2004 of Rs. 2,43,172/-. This fall in Income and PAT for F.Y. 2005 is mainly on account of no dividend being declared by the companies in which the investments were held and also on account of decline in the income from trading of shares and securities.

Financial year ended March 31, 2006

Income for the financial year ended on March 31, 2006 is Rs. 3,81,158/- as against Rs. 2,22,798/- for the financial year 2005. Profit after Tax (PAT) for the financial year ended March 31, 2006 is Rs. 1,00,838/- as against the PAT for previous financial year ended 31st March, 2005 of Rs. 81,732/-. This rise in Income and PAT is attributable to better realization from investments sold during FY 2006.

For the Period ended February 20, 2007

Income for the period ended February, 2007 is Rs. 7,69,653/- as against the Income for previous financial year ended March 31, 2006 of Rs. 3,81,158/-. Profit after Tax (PAT) for the period ended February, 2007 is Rs. 5,75,464/- as against the PAT for previous financial year ended 31st March, 2006 of Rs. 1,00,838/-. This rise in Income and PAT attributable to better realization from investments sold during the period.

6.19 No investigations, proceedings, or inquiries are pending against BLFL by the Securities and Exchange Board of India, any recognized stock exchange, or any other regulatory authority, in relation to the securities of BLFL or trading therein or otherwise. BLFL is in compliance with the listing agreements entered into with the Stock Exchanges except for non payment of listing fees to DSE since 1997.

6.20 Pre and Post- Offer share holding pattern (as on the date of this letter of offer) of BLFL is as follows:

Sr. No.	Shareholder Category	Shareholding & voting right prior to the acquisition and offer		Shares / voting rights agreed to be acquired which triggered the Open Offer		Shares/ Voting rights to be acquired in the Open offer (Assuming full acceptance)		Shareholding/ Voting rights after the agreement / acquisition and offer	
		A	%	B	%	C	%	D = A+B+C	%
1)	**Promoter Group**								
a	**Parties to the agreement**	1,100,000	31.43	(1,100,000)	(31.43)	-	-	-	-
b	**Promoters other than (a) above**	236,170	6.75	NIL	NIL	NIL**	NIL	NIL*	NIL*
	Total (a + b)	**1,336,170**	**38.18**	**(1,100,000)**	**(31.43)**	**-**	**-**	**-**	**-**
2)	**Acquirers**								
	Vimalkumar K Jain	-	-	482,000	13.77	190,900	5.45	672,900	19.23
	Kewalkumar K Jain	-	-	482,000	13.77	190,900	5.45	672,900	19.23
	Inderkumar K Jain	-	-	482,000	13.77	190,900	5.45	672,900	19.23
	Manish V Jain	-	-	160,250	4.58	63,660	1.82	223,910	6.40
	Rajas V Jain	-	-	160,250	4.58	63,660	1.82	223,910	6.40
	Total (2)	**-**	**-**	**1,766,500**	**50.47**	**700,020**	**20.00**	**2,466,520**	**70.47**
3)	Parties to the agreement other than 1(a) and 2	666,500	19.04	(666,500)	(19.04)	-	-	-	-
	Total (3)	**666,500**	**19.04**	**(666,500)**	**(19.04)**	**-**	**-**	**-**	**-**
4)	**Public (other than parties to agreement and Acquirers)**								
a	Banks / FIIs / SFIs / M. F. /FIs	-	-	-	-	(700,020)	(20.00)	1,033,580	29.53
b	Others	1,497,430	42.78	-	-				
	Total (a + b)	**1,497,430**	**42.78**	**-**	**-**	**(700,020)**	**(20.00)**	**1,033,580**	**29.53**
	Grand Total (1+2+3+4)	**3,500,100**	**100.00**	**-**	**-**	**-**	**-**	**3,500,100**	**100.00**

* The Holding of erstwhile promoter group will be included in the public category after the completion of the offer formalities due to change in control

**the promoters other than mentioned in SPAs may participate in the Open Offer

Note :

1. No shares of the Target Company have been purchased by the Acquirers after the Public announcement till the date of this Letter of Offer.
2. Shareholding pattern as on June 30, 2007 is as per the data provided by the Target Company.
3. As on the Specified Date (July 20, 2007) the total number of shareholders of BLFL is 223____

6.21 Since the SEBI (SAST) Regulations, 1997 came into effect, details of shares acquired / sold by promoter group is given below. The Promoter group has complied with the applicable provisions of Chapter II of the Regulations without any delay:

Period / Year	Mode of acquisition	*Shares acquired Number & (%)	*Shares sold Number & (%)	*Cumulative shares Number & (%)	Status of Compliance
1996 -97	Op. as on initial disclosure	1,320,000 (43.99%)		1,320,000 (43.99%)	N.A.
2001 – 02	Preferential Shares	5,00,000 (14.28%)		1,820,000 (52%)	Complied
2005 – 06	Open Market Sale / off-market sale		5,00,130 (14.28%)	1,319,870 (37.71%)	Complied
2005 – 06	Open Market Purchase / off-market purchase	1,75,000 (4.99%)		1,494,870 (42.71%)	Complied
2006 – 07	Sold in the market		1,200 (0.03%)	1,493,670 (42.67%)	N.A.
upto 30th June, 2007	Interse transfer (April 11, 2007)	516,000 (14.74%)	516,000 (14.74%)	1,493,670 (42.67%)	Complied
upto 30th June, 2007	Sold in the Market		159,200 (4.54%)	1,334,470 (38.13%)	N.A.
upto 30th June, 2007	Purchase from the Market	1700 (0.05%)		1336170 (38.18%)	N.A.

*Percentages have been computed based on the changes in the issued and paid-up capital.

6.22 The status of Corporate Governance, is as follows:
BLFL has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreement with the Stock Exchanges from time to time. No penal action has been initiated by the Stock Exchanges or SEBI against BLFL.

6.23 Details of Pending Litigation

There is no pending litigation by and / or against the BLFL.

6.24 Details of the Compliance Officer of BLFL:
Mr. Ravi Sharma
403, Field Ganj, Street Harnam Dass,
Ludhiana, Punjab.
Mobile No.: +91 98889 03373
Email: ravishare@sify.com

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of BLFL are currently listed on Bombay Stock Exchange Limited, Mumbai ('BSE') and Delhi Stock Exchange Association Limited, Delhi ('DSE') except 5,00,000 equity Shares issued on preferential basis for which the application for listing is made by the Target Company to BSE, approval is awaited.

7.1.2 At the Annual General Meeting of BLFL held on 30th September, 2005 consent of the members was accorded for delisting of Equity Shares of the Company from the DSE. However, application for delisting has not been made.

7.1.3 The annualised trading turnover during the preceding six calendar months ended June, 2007 in each of the Stock Exchanges where the shares are listed is as follows:

Name of Stock Exchange	Total number of shares traded during the preceding six calendar months ended June 2007	Total number of listed shares	Annualized trading turnover (% of total listed shares)
BSE	6,78,900	30,00,100	45.26
DSE	Nil	30,00,100	Nil

(Source: www.bseindia.com)

Based on the above information, the equity shares of BLFL are frequently traded on BSE (Source: www.bseindia.com) and are infrequently traded on DSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

7.1.4 In accordance with regulation 20(4) and 20(5) of the Regulations, the Offer price of Rs. 19.25 per equity share is higher of the following parameters

a)	Proposed acquisition price under the SPAs	Rs. 18/- per equity share
b)	Highest price paid by the Acquirers for acquisition of any equity share of BLFL during the 6 months period preceding the date of the PA	Not Applicable
c)	Average of weekly high and low of the closing prices of the equity shares of BLFL during the 26 weeks preceding the date of PA (On BSE).	Rs. 19.23
d)	Average of daily high and low of the equity shares of BLFL during the 2 weeks preceding the date of PA (On BSE)	Nil
e)	Other parameters with reference to the Target Company for	Period ended Feb. 20, 2007
	Return on Net worth (%)	1.75%*
	Book Value (Rs.)	10.55
	Earnings Per Share (Rs.)	0.18*
	Price / Earnings (PE) Ratio based on Offer Price**	106.94

*(Annualised)

(Source : Certified Accounts)
*** The Target Company is operating in the Industry category 'Finance and Investment' with an Industry PE of 21.3 [Source: 'Capital Market'* Vol. XXII/04, Apr. 23- May 06, 2007*]. The industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies, which have varied and different businesses compared to BLFL and also vary widely in terms of financial parameters with BLFL.*

Mr. Ramesh Ramu (Membership No. 40983) of M/s. Ramesh Ramu & Associate, Chartered Accountants, having its address 30 Prestige Point, 1st Floor, 283 Shukrawar Peth, Pune - 411002, Tel.: 020-24487800, Fax No. 020-24487900 vide report dated July 5, 2007, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the value of the equity shares of BLFL is Rs. 4.80/- per share.

7.1.5 The computation of average price in terms of regulation 20 (4) (c) of the Regulations is as below:
The average price for the 26 weeks preceding the date of the PA (July 9, 2007) is shown in table below:

Week	From	To	Closing price at BSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
1	08.01.2007	14.01.2007	Nil	Nil	Nil	Nil
2	15.01.2007	21.01.2007	Nil	Nil	Nil	Nil
3	22.01.2007	28.01.2007	Nil	Nil	Nil	Nil
4	29.01.2007	04.02.2007	Nil	Nil	Nil	Nil
5	05.02.2007	11.02.2007	Nil	Nil	Nil	Nil
6	12.02.2007	18.02.2007	Nil	Nil	Nil	Nil
7	19.02.2007	25.02.2007	Nil	Nil	Nil	Nil
8	26.02.2007	04.03.2007	Nil	Nil	Nil	Nil
9	05.03.2007	11.03.2007	Nil	Nil	Nil	Nil
10	12.03.2007	18.03.2007	13	13	13	100
11	19.03.2007	25.03.2007	14.33	13.65	13.99	200
12	26.03.2007	01.04.2007	17.39	15.04	16.22	400
13	02.04.2007	08.04.2007	18.15	18	18.08	154600
14	09.04.2007	15.04.2007	18.80	18	18.40	520100
15	16.04.2007	22.04.2007	20.65	19.70	20.18	2000
16	23.04.2007	29.04.2007	23.80	21.65	22.73	1200
17	30.04.2007	06.05.2007	24.95	24.95	24.95	100
18	07.05.2007	13.05.2007	26.15	24.85	25.50	200
19	14.05.2007	20.05.2007	Nil	Nil	Nil	Nil
20	21.05.2007	27.05.2007	Nil	Nil	Nil	Nil
21	28.05.2007	03.06.2007	Nil	Nil	Nil	Nil
22	04.06.2007	10.06.2007	Nil	Nil	Nil	Nil
23	11.06.2007	17.06.2007	Nil	Nil	Nil	Nil
24	18.06.2007	24.06.2007	Nil	Nil	Nil	Nil
25	25.06.2007	01.07.2007	Nil	Nil	Nil	Nil
26	02.07.2007	08.7.2007	Nil	Nil	Nil	Nil
	Average				**19.23**	

(Source : www.bseindia.com)

The average of the daily high and low of the price of equity shares of BLFL during the 2 weeks (25.06.07 to 8.07.07) preceding the date of the PA (July 9, 2007) is Nil.

7.1.6 The Offer Price of Rs. 19.25 per share offered by Acquirers to the shareholders of BLFL under the proposed Open Offer is justified in terms of regulations 20(4) and 20(5) of the Regulations. In the opinion of the Manager to the Offer, the Offer Price is justified.

7.1.7 The Acquirers are permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer. If the Acquirers acquire equity shares of BLFL after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.1.8 To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirers. The Equity Shares will be acquired by the Acquirers, 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.

7.2 Financial Arrangements

7.2.1 The total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be Rs. Rs. 1,34,75,385/- (Rupees One Crore Thirty Four Lakhs Seventy Five Thousand Three Hundred and Eighty Five Only) i.e. consideration payable for acquisition of 7,00,020 fully paid-up equity shares of BLFL at Offer Price of Rs. 19.25 per equity share.

7.2.2 In accordance with the provisions of Regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirers, have created an escrow account with HDFC Bank, Fort Branch, Maneckji Wadia Building, Ground Floor, N. M. Marg, Mumbai - 400 023 and deposited therein cash of Rs. 34,00,000/- (Rupees Thirty Four Lacs Only) being more than 25% of the maximum consideration payable under the offer. In accordance with the SEBI (SAST) Regulations, 1997 the authority has been given to the Manager to the Offer to operate the escrow account.

7.2.3 Mr. Nimit Gujrathi (Membership No. 106810) of M/s. Ramesh Ramu & Associates, Chartered Accountants, 30 Prestige Point, 1st Floor, 283 Shukrawar Peth, Pune - 411 002, Tel.: 020-24487800, Fax No. 020-24487900, has certified vide certificate dated July 5, 2007 that Acquirers have adequate personal resources to meet the financial requirements of the Open Offer.

7.2.4 The Acquirers have made firm financial arrangements for the consideration payable as per the Regulations for the acquisition of equity shares under the Offer. For this purpose, the Acquirers intend to utilize personal resources.

7.2.5 The Manager to the Offer has satisfied itself that the Acquirers have the ability 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.

8. TERMS AND CONDITIONS OF OFFER

8.1.1 The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirers from non-resident persons under the Offer.

8.1.2 To the best of knowledge and belief of the Acquirers, as of the date of this Letter of Offer, there are no other statutory approvals or approval from lenders required, for the acquisition of equity shares tendered pursuant to this Offer. The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer. The Acquirers will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 27 of the SEBI Takeover Code.

8.1.3 In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

8.1.4 Other terms

8.1.4.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance cum Acknowledgement (‘Form of Acceptance’), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form only) will be mailed to the shareholders of BLFL whose names appear on the register of members of BLFL and to the Beneficial Owners of the equity shares of BLFL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on July 20, 2007,(the 'Specified Date').

8.1.4.2 All owners of shares, registered or unregistered (except the Acquirers and Sellers), are eligible to participate in the Offer, at any time before the closure of the Offer, as per the procedure set out in Para 9 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity is required from the unregistered owners. No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will be mailed to the Acquirers.

8.1.4.3 Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) is expected to be available on SEBI's website (http:// www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

8.1.4.4 The Offer is not subject to any minimum level of acceptance.

8.1.4.5 Any Shares of BLFL that are the subject matter of litigation or are held in abeyance due to the restriction from Court/ Forum/ ITO attachment etc. wherein the shareholder(s) may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case directions/orders of the court/ forum/ITO etc. permitting transfer of these shares are not received together with the equity shares tendered under the Offer.

8.1.4.6 The acceptance of the Offer made by the Acquirers is entirely at the discretion of the shareholders of the Target Company. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.1.4.7 Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.

8.1.4.8 Equity shares tendered in the Offer by the shareholders of BLFL shall be free from lien, charges and encumbrances of any kind whatsoever.

8.1.4.9 The instructions and provisions contained in the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal constitute an integral part of the terms of this Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders who hold equity shares of BLFL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and transfer deed(s) duly signed to the Registrars to the Offer at the following address, so as to reach on or before the closure of the Offer, i.e. December 1, 2007 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

Name & Address of Collection Centre	Contact Person	Mode of Delivery	Tel. No.	Fax No.
Intime Spectrum Registry Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West) Mumbai - 400 078 Email isrl@intimespectrum.com	Awani Punjani	Post / Hand Delivery	022-25963838	022- 25946969

All registered owners can send the Form of Acceptance duly completed and signed in accordance with the instructions contained therein to the Registrars to the Offer at the collection center mentioned above, on or before the closure of the Offer, i.e. December 1, 2007. The documents can be tendered at the above centre between Monday to Friday from 10.30 am to 12.30 pm and 1.30 p.m. to 4.30 p.m. and on Saturdays from 10.00 am to 1.00 pm. The Centre will be closed on Sundays and any other Public holidays.

9.2 Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

9.2.1 For equity shares 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 deed / 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 BLFL and duly witnessed at the appropriate place.
  In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

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 deed(s) as received from the market. The details of the buyer should be left blank failing which the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.
- All other requirements for valid transfer will be precondition for acceptance.

9.2.2 For Equity shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by DP in favour of the special depository account.
  In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding Shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

9.2.3 The Registrars to the Offer, Intime Spectrum Registry Limited, has opened a special depository account with Stock Holding Corporation of India Limited. Beneficial Owners and shareholders holding equity shares of BLFL in the dematerialised form, will be required to send their Form of Acceptance to the Registrars to the Offer, as mentioned in paragraph 10.3, on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instructions in ‘Off-market’ mode, duly acknowledged by the Depository Participant (‘DP’), in favour of ‘ISRL - BLFL Open Offer Escrow Account ’ and filled in with the details given below:

DP Name	Stock Holding Corporation of India Limited
DP ID Number	IN301330
Client ID Number	20099904
ISIN	INE655F01012
Market	Off- Market
Depository	National Securities Depository Ltd.

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in Central Depository Services Limited (‘CDSL’) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL.

9.2.4 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to)

- Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.3 The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer. **They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.** The above-mentioned documents can be sent by hand delivery on all days except Sundays and public holidays.

9.4 The minimum marketable lot for the purposes of acceptance, for both physical and demat shares, would be one share.

9.5 In case of unregistered owners or shareholders who have not received the Letter of Offer, may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer. In the case of beneficial owners, they may send the 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, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in the “Off-market” mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

The application should be signed by all the shareholders as per the registration details available with BLFL and should be sent to the Registrar to the Offer in an envelope clearly marked ‘Bhagyashree Leasing and Finance Ltd. – Open Offer’.

Shareholders of BLFL who have sent their equity shares for transfer should submit, Form of Acceptance duly completed and signed, copy of the letter sent to BLFL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

In case of non-receipt of the Letter of Offer / Form of Acceptance-cum-Acknowledgement / Form of Withdrawal, the eligible shareholders may obtain a copy of the same from the collection centre mentioned above on providing suitable documentary evidence of acquisition of shares of BLFL. The Letter of Offer and Form of Acceptance-cum- Acknowledgment will be available on SEBI’s website: http://www.sebi.gov.in from the Offer opening date. The eligible shareholders, desirous of participating in the Offer, can download these documents from the SEBI’s website and apply on the same.

9.6 Non-Resident shareholders should submit copy of the permission received from Reserve Bank of India for acquisition of the shares of BLFL. In case of its non-submission, Acquirers reserve their right to reject the shares tendered in the Offer

9.7 In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 22(12) of the SEBI Takeover Code.

In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below so as to reach the Registrar to the Offer on or before November 27, 2007

Kindly follow the detailed instructions given below with respect to withdrawal:

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with BLFL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings so as to reach the Registrar to the Offer at the collection centre mentioned above on or before November 27, 2007. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.
b) The withdrawal option can be exercised by submitting the Form of Withdrawal attached to this Letter of Offer, duly completed together with Acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
c) In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
   i. In case of physical shares: Name, address, distinctive numbers, folio number and number of shares tendered / withdrawn.
   ii. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "Off market" mode or counterfoil of the delivery instruction in "Off market" mode, duly acknowledged by the DP in favour of the special depository account.
d) Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with BLFL and duly witnessed at the appropriate place.
e) The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ credited to the special depository account.
f) The intimation of returned shares to the shareholders will be at the address as per the records of BLFL or the Depositories as the case may be.
g) 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 BLFL.
h) Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum-Acknowledgement will stand revised to that effect.
i) Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.8 In case the number of shares tendered for sale by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirers shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement

It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP accounts. Shareholders should ensure that their depository accounts are maintained till the offer formalities are completed.

9.9 The consideration to those shareholders whose Shares or share certificates and/or other documents are found complete, valid and in order will be paid by crossed account payee cheques/demand drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. The Acquirers are required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment so that same can be incorporated in the cheque / demand draft/pay order.

9.10 The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of BLFL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are dispatched/ returned.

9.11 If the number of equity shares offered by the shareholders are more than the Offer Size of 7,00,020 shares, then the acquisition from each shareholder will be, in consultation with the Manager to the Offer, as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The equity shares of BLFL are compulsorily traded in dematerialised form and the minimum marketable lot for the purpose of acceptance, for both physical and demat will be one equity share.

9.12 The Acquirers are permitted to revise the Offer Price of shares / No. of equity shares upwards. Such upward revision will be made in accordance with regulation 26 of the Regulations, not later than November 21, 2007, which is 7 (seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirers. The same would be informed by way of Public Announcement in the same newspapers where the Public Announcement appeared.

9.13 The Acquirers and BLFL 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 or any other regulation made thereunder.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of BLFL at the office of the Manager to the Offer, Collins Stewart Inga Private Limited, A – 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai – 400 030 from 10.30 a.m. to 1.00 p.m. on any day except Saturdays, Sundays and public holidays from the date of opening of the Offer until the Offer closes.

a) Copy of Public Announcement as published in the newspapers on July 9, 2007.

b) Copy of Share Purchase Agreements dated July 4, 2007 (SPA-1, SPA-2 and SPA -3)

c) The Networth certificate of Mr. Vimalkumar K Jain dated July 5, 2007 by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants).

d) The Networth certificate of Mr. Kewalkumar K Jain dated July 5, 2007 by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants)

e) The Networth certificate of Late Mr. Inderkumar K Jain (Represented by Mrs. Ranjana I Jain) dated July 5, 2007 by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants)

f) The Networth certificate of Mr. Manish V Jain dated July 5, 2007 by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants)

g) The Networth certificate of Mr. Rajas V Jain dated July 5, 2007 by Mr. Nimit B. Gujrathi (Membership No. 106810) partner of M/s. Ramesh Ramu and Associates (Chartered Accountants).

h) Certificate of Incorporation and Memorandum and Articles of Association of BLFL.

i) Annual Reports of BLFL for the financial years ended 2004, 2005, 2006 and certified accounts for the period ended February 20,2007.

j) Copy of the letter issued by HDFC Bank, Mumbai confirming deposit of Rs. 34,00,000/- (Rupees Thirty Four Lacs only) in terms of the Escrow requirements.

k) Copy of code of conduct dated July 4, 2007 between Collins Stewart Inga Private Limited, the Manager to the Offer and the Acquirers.

l) Copy of confirmation regarding opening of Special Depository Account in the name and Style of 'ISRL - BLFL Open Offer Escrow Account'

m) Valuation certificate dated July 5, 2007, for fair value of equity shares of BLFL by M/s. M/s. Ramesh Ramu and Associates, Chartered Accountants, Pune.

n) Letter No. CFD/DCR/TO/SA/105053/07 dated October 1, 2007 received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

o) Consent Letter CFD/DCR/TO/SA/107428/07 dated October 29, 2007 received from Securities and Exchange Board of India to include the name of Mrs. Ranjana I Jain in place of Late Mr. Inderkumar K Jain for the purpose of this Offer.

11 DECLARATION BY THE ACQUIRERS

The Acquirers, accept responsibility for the information contained in this Letter of Offer and for their obligations under the SEBI Takeover Code and subsequent amendments made thereto. The Acquirers are severally and jointly responsible for fulfillment of their obligations in terms of the SEBI Takeover Code.

Sd/-	**Sd/-**
(Vimalkumar K. Jain)	**(Kewalkumar K. Jain)**
Sd/-	**Sd/-**
(Manish V. Jain)	**(Rajas V. Jain)**

Sd/-

(Ranjana Inderkumar Jain)

(For Late Mr. Inderkumar K. Jain)

Place: Mumbai
Date: November 6, 2007

Encl:

1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance cum acknowledgement with enclosures to Intime Spectrum Registry Limited at the collection center as mentioned in the Letter of Offer)

From :
Folio No. / DP ID No. / Client ID No.:

OFFER OPENS ON	**November 12, 2007 (Monday)**
OFFER CLOSES ON	**December 1, 2007 (Saturday)**

Name :
Full Address :

Tel No. : **Fax No. :** **E-mail :**

To
The Acquirers:
Mr. Vimalkumar K Jain,
Late Mr. Inderkumar K Jain(Represented by his wife Mrs. Ranjana I Jain),
Mr. Kewalkumar K Jain,
Mr. Manish V Jain
and Mr. Rajas V Jain

(C/o Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078
Tel: (+91 22) 2596 3838, Fax: (+91 22) 2594 6969

Dear Sir,

Sub. : Open Offer to acquire up to 700020 fully paid-up equity shares of Rs.10/- each, representing 20.00 % voting equity capital (as defined in the Letter of Offer), of Bhagyashree Leasing and Finance Limited ("BLFL"/"Target company") by the Acquirers at a price of Rs. 19.25 (Rupees Nineteen and Paise Twenty Five Only) per fully paid up equity share (Offer Price) payable in cash.

I/We refer to the Letter of Offer dated November 6, 2007 for acquiring the equity shares held by me/us in **Bhagyashree Leasing and Finance Limited** I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

☐ **SHARES IN DEMATERIALIZED FORM**

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

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

I/We have executed an off-market transaction for crediting the shares to the special depository account via
☐ A delivery instruction from my account with NSDL
☐ An inter-depository delivery instruction from my account with CDSL

DP Name	Stock Holding Corporation of India Limited
DP ID Number	IN301330
Client ID Number	20099904
Beneficiary Account Name	ISRL - BLFL Open Offer Escrow Account
ISIN	INE655F01012
Market	Off- Market
Depository	National Securities Depository Ltd.

I/We note and understand that the shares would lie in the special depository account until the time the Acquirers dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

☐ **SHARES IN PHYSICAL FORM**

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

Sr. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No. of shares
			From	To	
1.					
2.					
3.					
4.					
				Total number of shares	

(In case the space provided is inadequate, please attach a separate sheet with details.)

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirers dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:
I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ RBI approvals for acquiring shares of **Bhagyashree Leasing and Finance Limited** hereby tendered in the Offer.

I/We confirm that the equity shares of **Bhagyashree Leasing and Finance Limited** which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.
I/We authorize the Acquirers to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.
I/We authorize the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UPC as may be applicable at my/our risk, the draft/cheque, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below

Yours faithfully,
Signed and Delivered

	Full Name(s) of the shareholders	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder____

Place:
Date:

Bank Details
So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in demat form, the Bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the draft/cheque will be issued with the said Bank particulars, and not any details provided herein.

Name of the Bank		Branch	
Account Number		Savings/Current/(Others: please specify)	

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Acknowledgement Slip

Received from Mr. /Ms._ ____________________ residing at _______________________________________ a Form of Acceptance cum Acknowledgement for ________ shares along with:

☐ copy of depository instruction slip from DP ID ___________ Client ID _____________

☐ ___________ Share certificate(s) ______________ transfer deed(s) under folio number(s) ____________

for accepting the Offer made by the Acquirers.

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Intime Spectrum Registry Limited
(Unit: **Bhagyashree Leasing and Finance Limited**)
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078
Tel.: +91- 022-25363838
Fax.: +91 022- 25946969
Email isrl@intimespectrum.com
Contact Person : Ms. Awani Punjani

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS OR TO THE MANAGER TO THE OFFER

General Instructions

(1) **In case of shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in **Bhagyashree Leasing and Finance Limited**, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(2) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(3) **Non-resident shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in **Bhagyashree Leasing and Finance Limited**.

(4) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(5) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

    (a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.
    (b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
    (c) No Objection Certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED PROCEDURES FOR ACCEPTANCE AND SETTLEMENT ON PAGE 30 OF THIS LETTER OF OFFER.

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FORM OF WITHDRAWAL

From
Folio No. /DP ID No./Client ID No.:

OFFER OPENS ON	**November 12, 2007 (Monday)**
LAST DATE OF WITHDRAWAL	**November 27, 2007 (Tuesday)**
OFFER CLOSES ON	**December 1, 2007 (Saturday)**

Name :
Full Address :

Tel No. : **Fax No. :** **E-mail :**

To
The Acquirers:
Mr. Vimalkumar K Jain,
Late Mr. Inderkumar K Jain(Represented by his wife Mrs. Ranjana I Jain),
Mr. Kewalkumar K Jain,
Mr. Manish V Jain
and Mr. Rajas V Jain

(C/o Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078
Tel: (+91 22) 2596 3838, Fax: (+91 22) 2594 6969)

Dear Sir,

Sub. : Open Offer to acquire up to 700020 fully paid-up equity shares of Rs.10/- each, representing 20.00 % voting equity capital (as defined in the Letter of Offer), of Bhagyashree Leasing and Finance Limited ("BLFL"/"Target company") by the Acquirers at a price of Rs. 19.25 (Rupees Nineteen and Paise Twenty Five Only) per fully paid up equity share (Offer Price) payable in cash.

I/We refer to the Letter of Offer dated November 6, 2007 for acquiring the equity shares held by me/us in **Bhagyashree Leasing and Finance Limited**. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein

I / We hereby consent unconditionally and irrevocably to withdraw my / our shares from the Offer and I / we further authorize the Acquirers to return to me / us, the tendered Share Certificate(s) / Share(s) at my / our sole risk.

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

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. **November 27, 2007 (Tuesday)**

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

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

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

S.No	**Ledger Folio No(s)**	**Certificate No(s)**	**Distinctive No(s)**		**No. of shares**
			From	**To**	
1					
2					
3					
4					
5					
				Total number of shares	

(In case the space provided is inadequate, please attach a separate sheet with details.)

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the ‘ISRL - BLFL Open Offer Escrow Account ’. Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

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

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

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

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

Yours faithfully,
Signed and Delivered

	Full Name(s) of the Shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder____

Place:
Date:

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Acknowledgement Slip

Received from Mr. /Ms. ____________________ residing at _______________________________________ a Form of Withdrawal for ________ shares along with a copy of:

☐ Depository instruction slip from DP ID ___________ Client ID _____________

☐ Acknowledgement slip issued when depositing dematerialized shares

☐ Acknowledgement slip issued when depositing physical shares

for withdrawing from the Offer made by the Acquirers

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Intime Spectrum Registry Limited
(Unit: **Bhagyashree Leasing and Finance Limited**)
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078
Tel.: +91- 022-25363838
Fax.: +91 022- 25946969
Email isrl@intimespectrum.com
Contact Person : Ms. Awani Punjani

PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRERS OR TO THE MANAGER TO THE OFFER

General Instructions

(6) **In case of shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in the **Bhagyashree Leasing and Finance Limited**, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Counter Offer.

(7) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(8) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(9) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the withdrawal is being sent. Such documents may include (but not be limited to):

   (d) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.
   (e) Duly attested power of attorney if any person apart from the shareholder has signed withdrawal form or transfer deed(s).

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 30 OF THIS LETTER OF OFFER.

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