LETTER OF OFFER

"THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION"

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

Open Offer

BY

MR. ANIRUDH BHUWALKA ('ACQUIRER')

residing at Flat No. 5B, Panhar, Abdul Gafar Khan Road, Worli Sea Face, Worli, Mumbai - 400 018;
Tel. No.: +91-22–3382 6000, Fax No.: +91-22–3382 6123

to acquire up to 63,700 (Sixty Three Thousand Seven Hundred) fully paid-up equity shares of face value of Rs. 10/- each representing 26% of fully paid-up equity share capital and voting capital

OF

FRONTIER LEASING AND FINANCE LIMITED ('TARGET COMPANY')

Registered Office: Peninsula Technopark Tower-1, 7^{th} Floor, Off Bandra-Kurla Complex, LBS Marg, Kurla (West), Mumbai – 400 070, Tel. No.: +91–22-6660 1100; Fax No.: +91-22-6666 9426

at a price of Rs. 149/- (Rupees One Hundred Forty Nine only) per fully paid-up equity shares of face value of Rs. 10/- each payable in cash pursuant to regulation 3(1), 4, 5(1) and 5(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ('SEBI (SAST) Regulations, 2011')

1. This Open Offer is being made by the Acquirer pursuant to regulation 3(1), 4, 5(1) and 5(2) of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights accompanied with change in control and management of the Target Company.
2. The Open Offer is not conditional upon any minimum level of acceptance in terms of SEBI (SAST) Regulations, 2011.
3. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations, 2011.
4. As on the date of this Letter of Offer, there are no statutory approval(s) required to acquire fully paid-up equity shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all statutory approval(s) as may be required and/or may subsequently become necessary to acquire at any later date.
5. If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. up to May 2, 2014 in terms of regulation 18 (4) SEBI (SAST) Regulations, 2011, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement had appeared. Such revised Offer Price would be payable for all the shares validly tendered and accepted under the Open Offer. If the Offer is withdrawn pursuant to regulation 23, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the Detailed Public Statement had appeared.
6. **There is no Competing Offer as on the date of this Letter of Offer.**
7. A copy of Public Announcement, Detailed Public Statement, Draft Letter of Offer and Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will be available on the website of Securities and Exchange Board of India ('SEBI') http://www.sebi.gov.in.

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

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
Inga Capital Private Limited A-404, Neelam Centre, 4^{th} Floor, Hind Cycle Road, Worli, Mumbai - 400 030. Tel. No.: +91-22-2498 2919 / 2498 2937, Fax No.: +91-22- 2498 2956 Email: flflopenoffer@ingacapital.com Contact Person: Mr. Mihir B. Pandhi / Mr. Sanchit Agarwal	**Sharex Dynamic (India) Private Limited** Unit No. 1, Luthra Indl Premises, Safed Pool, Andheri – Kurla Road, Andheri (East), Mumbai - 400 072; Tel. No.: +91-22-2851 5606/ 5644 Fax No.: +91-22-2851 2885, Email : sharexindia@vsnl.com Contact Person : Mr. B. S. Baliga
Commencement of tendering period: May 8, 2014 (Thursday)	Closure of tendering period: May 22, 2014 (Thursday)

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Schedule		Revised Schedule	
	Date	Day	Date	Day
Public Announcement	January 10, 2014	Friday	January 10, 2014	Friday
Publication of Detailed Public Statement in newspapers	January 17, 2014	Friday	January 17, 2014	Friday
Last date for a competing offer	February 7, 2014	Friday	February 7, 2014	Friday
Identified Date*	February 18, 2014	Tuesday	April 22, 2014	Tuesday
Date by which the Letter of Offer will be dispatched to the shareholders	February 26, 2014	Wednesday	April 30, 2014	Wednesday
Last date of upward revision of Offer Price and/or Offer Size	March 3, 2014	Monday	May 2, 2014	Friday
Last date by which committee of Independent Director of the board of the Target Company shall give its recommendation	March 4, 2014	Tuesday	May 5, 2014	Monday
Offer opening public announcement	March 5, 2014	Wednesday	May 7, 2014	Wednesday
Date of commencement of Tendering Period	March 6, 2014	Thursday	May 8, 2014	Thursday
Date of closing of Tendering Period	March 20, 2014	Thursday	May 22, 2014	Thursday
Last date of communicating of rejection/ acceptance and payment of consideration for accepted shares/ return of unaccepted shares	April 4, 2014	Friday	June 5, 2014	Thursday

*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent.

RISK FACTORS RELATING THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER:

A. **Relating to the Offer**

a. In the event that (a) regulatory approvals are not received in time; (b) there is any litigation leading to a stay on the Open Offer; or (c) SEBI instructs the Acquirer not to proceed with the Open Offer, then the offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose equity shares have been accepted in this Open Offer as well as return of the equity shares not accepted by the Acquirer may be delayed. In case of delay, due to non - receipt of statutory approval(s) in accordance with regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant extension for the purpose of completion of this Open Offer subject to Acquirer agreeing to pay interest to the shareholders, as may be specified by SEBI.
b. The Acquirer will not proceed with the Open Offer in the event statutory approvals, if any required, are refused in terms of regulation 23(1)(a) of SEBI (SAST) Regulations, 2011.
c. The tendered equity shares and documents submitted therewith would be held in trust by the Registrar to the Offer until the process of acceptance of equity shares tendered and payment of consideration to the shareholders is completed. Equity shares cannot be withdrawn once tendered, even if the acceptance of equity share under the Offer and dispatch of consideration is delayed. The shareholders will not be able to trade in such equity shares which are in the custody of the Registrar to the Offer.
d. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
e. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in this Letter of Offer, DPS, PA and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

B. Relating to Acquirer

a. The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer.
b. The Acquirer makes no assurance with respect to his investment/divestment decisions relating to his proposed shareholding in the Target Company.
c. The Acquirer does not provide any assurance with respect to the market price of the equity shares of the Target Company before, during or after the Open Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in this Open Offer.
d. The information contained in the PA or DPS or LOF or any other advertisement / publications made in connection with the Open Offer pertaining to the Target Company has been compiled from information published or by the Target Company or provided by the Target Company or publicly available sources. The Acquirer does not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative. The risk factors set forth above pertain to the transaction, acquisition and the Offer and not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, for further risks with respect to their participation in the Offer.

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1. DEFINITIONS

Acquirer	Mr. Anirudh Bhuwalka
Book Value per share	Net worth / Number of equity shares issued
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956, as amended from time to time.
Depositories	CDSL and NSDL.
Detailed Public Statement or DPS	Detailed Public Statement dated January 16, 2014, published in newspapers on January 17, 2014
DIN	Director Identification Number
DP	Depository Participant
Draft Letter of Offer or DLOF	Draft Letter of Offer dated January 24, 2014
Escrow Agreement	Escrow Agreement dated January 10, 2014 entered into between the Acquirer, Escrow Banker and Manager to the Offer
Escrow Banker	IndusInd Bank Limited
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
ICFPL	Inimitable Capital Finance Private Limited (formerly known as Essar Capital Finance Private Limited)
Identified Date	Date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent.
Income Tax Act	Income Tax Act, 1961
Letter of Offer or LOF	Letter of Offer dated April 28, 2014
Manager to the Offer	Inga Capital Private Limited
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
Offer or Open Offer	Open Offer for acquisition of upto 63,700 fully paid-up equity shares of face value of Rs. 10/- each being 26% of fully paid-up equity share capital and voting capital of the Target Company at a price of Rs. 149/- (Rupees One Hundred Forty Nine Only) per fully paid-up equity share payable in cash.
Offer Price	Rs. 149/- (Rupees One Hundred Forty Nine Only) per fully paid-up equity share payable in cash
Offer Size	63,700 (Sixty Three Thousand Seven Hundred) fully paid-up equity shares of face value of Rs. 10/- each representing 26% of fully paid-up equity share capital and voting capital of the Target Company.
PAT	Profit After Tax
Public Announcement or PA	Public Announcement dated January 10, 2014
RBI	The Reserve Bank of India
Registrar to the Offer	Sharex Dynamic (India) Private Limited
Return on Net Worth	(Profit After Tax/Net Worth)*100
Rs. or Rupees	Indian Rupees
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Share Purchase Agreement or SPA	Share Purchase Agreement dated January 10, 2014 entered into between the Acquirer, shareholders of ICFPL and ICFPL.
Special Depository Account	A demat account (detail whereof mentioned in para 8.6 of this LOF) opened by Registrar to the Offer for receiving equity shares during the Offer from Eligible Shareholders who hold equity shares in demat form,
Target Company	Frontier Leasing and Finance Limited
Tendering Period	Period commencing from May 8, 2014 (Thursday) and closing on May 22, 2014 (Thursday), both days inclusive.

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT 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 DRAFT 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 FRONTIER LEASING AND FINANCE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER 'INGA CAPITAL PRIVATE LIMITED' HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 24, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1 The Open Offer is being made under regulations 3(1), 4, 5(1) and 5(2) of the SEBI (SAST) Regulations, 2011.

3.1.2 As on the date of LOF, Inimitable Capital Finance Private Limited (formerly, Essar Capital Finance Private Limited) ('ICFPL'), the promoter of the Target Company holds 1,76,610 equity shares of Rs. 10/- each representing 72.09% of fully paid-up equity share capital and voting capital of the Target Company. The Acquirer has entered into a Share Purchase Agreement dated January 10, 2014 ('SPA') with the existing shareholders of ICFPL and ICFPL, to acquire 100% of paid-up and voting capital of the ICFPL in the following manner:`

a) To acquire 10,000 equity shares of Rs. 10/- each at a price of Re. 0.10/- per equity share aggregating to Rs. 1,000/- from Mr. Anshuman Ruia (9,990 equity shares) and Mr. Amar Fadia (10 equity shares); and

b) To acquire 9,50,000 preference shares (0.01% cumulative optionally convertible redeemable preference shares) of Rs. 10/- each at price of Re. 0.10/- per preference share aggregating to Rs. 95,000/- from Imperial Consultants and Securities Private Limited.

3.1.3 As a result of the aforesaid transaction, the Acquirer will indirectly acquire 1,76,610 equity shares representing 72.09% of fully paid-up equity share capital, and voting capital and control of the Target Company. Though this Open Offer is pursuant to an indirect acquisition of equity shares, voting rights and control of the Target Company in terms of regulation 5(1) of the SEBI (SAST) Regulations, 2011, it is deemed to be a direct acquisition as it falls within the parameters prescribed under regulation 5(2) of the SEBI (SAST) Regulations, 2011 as (a) proportionate net asset value of the Target Company as a percentage of the consolidated net asset value of the ICFPL; and (b) the proportionate sales turnover of the Target Company as a percentage of the consolidated sales turnover of ICFPL; is in excess of eighty percent, on the basis of recently audited financial statement i.e. March 31, 2013.

3.1.4 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.5 As on the date of LOF, the Acquirer does not hold any equity share in the Target Company.

3.1.6 The key terms of the SPA are as follows:

a. The Acquirer has entered into a SPA with the existing shareholders of ICFPL and ICFPL, to acquire

100% of paid-up and voting capital of the ICFPL in the following manner:

(i) To acquire 10,000 equity shares of Rs. 10/- each at a price of Re. 0.10/- per equity share aggregating to Rs. 1,000/- from Mr. Anshuman Ruia (9,990 equity shares) and Mr. Amar Fadia (10 equity shares); and

(ii) To acquire 9,50,000 preference shares (0.01% cumulative optionally convertible redeemable preference shares) of Rs. 10/- each at price of Re. 0.10/- per preference share aggregating to Rs. 95,000/- from Imperial Consultants and Securities Private Limited.

b. The Acquirer shall comply with all the applicable laws including SEBI (SAST) Regulations, 2011 in relation to indirect acquisition of shares, voting rights and control of the Target Company.

c. Reconstitution of the board of directors of Target Company by appointment of the Acquirer or any person nominated by the Acquirer on the board of directors of Target Company in accordance with the provisions of the SEBI (SAST) Regulations, 2011.

d. Acquirer shall comply with the provisions of circulars issued by the Reserve Bank of India to issue a public notice, 30 days prior to effecting the transfer of ownership by sale of shares or transfer of control with or without sale of shares for acquiring indirect control of the Target Company.

For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer the SPA which would be available to them for inspection during the period between the Tendering Period at the office of the Manager to the Offer.

3.1.7 There is no Person Acting in Concert with the Acquirer for the purpose of this Open Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.

3.1.8 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act, 1992.

3.1.9 Acquirer is founder of AMW Group. Mr. Sandeep Soni is a Director on the board of AMW Motors Limited which is a group company of AMW group. He is also a Director on the Board of the Target Company since March 07, 2012. Further, Mr. Sandeep Soni shall not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter in relation to the Open Offer.

3.1.10 Acquirer and /or his representative may be appointed on the board of directors of the Target Company in accordance with the provisions of the SEBI (SAST) Regulations, 2011. Further, the Acquirer and / or his appointed representative will not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter in relation to the Open Offer.

3.1.11 As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the board of directors of the Target Company is required to constitute a committee of independent directors, to provide its written reasoned recommendation on the Offer to the shareholders of the Target Company and such recommendation shall be published at least two working days before the commencement of the Tendering Period, in the same newspapers where the DPS was published.

3.1.12 The Manager to the Offer does not hold any equity shares in the Target Company as on the date of this LOF. The Manager to the Offer further declares and undertakes, not to deal on their own account in the equity shares of the Target Company during the offer period.

3.1.13 Upon completion of the Open Offer, assuming full acceptances in the Offer, the public shareholding of the Target Company will fall below minimum level of public shareholding as required to be maintained as per Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement, the Acquirer undertakes to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement, within the time period mentioned therein.

3.2. Details of the Proposed offer

3.2.1 In accordance with regulation 14(3) of SEBI (SAST) Regulations, 2011, the DPS was published in the following newspapers on January 17, 2014.

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai Edition

(The Detailed Public Statement is also available on the website of SEBI http://www.sebi.gov.in)

3.2.2 The Acquirer is making an Open Offer to the shareholders of the Target Company, to acquire up to 63,700 (Sixty Three Thousand Seven Hundred) fully paid up equity shares of the face value of Rs. 10/- each, being 26% of fully paid-up equity share capital and voting capital of the Target Company at a price of Rs. 149/- (Rupees One Hundred Forty Nine only) per fully paid-up equity share of face value of Rs. 10/- each payable in cash, subject to the terms and conditions set out in the PA, DPS and this LOF.

3.2.3 There are no partly paid-up equity shares in the Target Company.

3.2.4 This Open Offer is not a competing offer and there is no competing offer as on the date of this LOF in terms of regulation 20 of the SEBI (SAST) Regulations, 2011.

3.2.5 The Offer is not conditional upon any minimum level of acceptance from the equity shareholders of the Target Company in terms of regulation 19(1) of the SEBI (SAST) Regulations, 2011.

3.2.6 The Acquirer has not acquired any equity share of the Target Company after the date of PA i.e. January 10, 2014 and upto the date of this LOF.

3.3. Object of the Offer

3.3.1 The prime object of the Offer is to acquire substantial stake, voting rights and control of the Target Company.

3.3.2 The Acquirer proposes to continue the existing business of the Target Company in future. The Acquirer intends to expand the Target Company's business activities in same line through exercising the effective management and control over the Target Company. However, no firm plan in this regard has been taken or proposed so far.

3.3.3 The Acquirer does not have any intention to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company, and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that he shall do so only upon the receipt of the prior approval of the shareholders of the Target Company by way of a special resolution passed through postal ballot, in terms of regulation 25(2) of SEBI (SAST) Regulations, 2011 and subject to the provisions of applicable law as may be required.

4. BACKGROUND OF THE ACQUIRER – MR. ANIRUDH BHUWALKA

4.1. Mr. Anirudh Bhuwalka son of Mr. Basant Kumar Bhuwalka, aged 38 years is residing at Flat No. 5B, Panhar, Abdul Gafar Khan Road, Worli Sea Face, Worli, Mumbai - 400 018; Tel. No.: +91-22–3382 6000; Fax No.: +91-22–3382 6123.

4.2. Mr. Anirudh Bhuwalka is a Graduate in Finance and holds a Degree in Science from Babson College, U.S.A. His career commenced with Strategic Interactive Group Inc., Boston as a marketing consultant. Thereafter, in the year 1999, he entered the entrepreneurial space in India by launching an internet startup (NetScope Technologies) to impart web based training and web services for corporate. In 2004, he founded AMW Group, one of the leading manufacturer of Heavy Commercial Vehicles (under AMW brand) and Auto Components in India. He is a member of Young Entrepreneurs Organization (YEO), Society of Indian Automobile Manufacturers (SIAM), Confederation of Indian Industries (CII), CRISIL and Automotive Research Association of India (ARAI).

4.3. There is no person acting in concert with the Acquirer for the purpose of this Open Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.

4.4. Mr. Anirudh Bhuwalka belongs to AMW Group.

4.5. The net worth of Mr. Anirudh Bhuwalka is Rs. 2,77,81,966/- (Rupees Two Crore Seventy Seven Lacs Eighty One Thousand Nine Hundred and Sixty Six Only) certified by Mr. R. Ganesh (Membership No. 038157) partner of A. P. Rajagopalan & Co., Chartered Accountants (FRN 108321W), having their office at No. 8, 1st Floor, Neelkanth Shopping Arcade, R. C. Marg, Chembur, Mumbai – 400 071; Tel. No.: +91-22–2528 5902; Fax No.: +91-22-6798 3197, vide certificate dated January 10, 2014.

4.6. As on the date of this LOF, the Acquirer had not acquired and does not hold any equity shares of the Target Company, hence the provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011 are not applicable.

4.7. The Acquirer is not forming part of the promoter group of the Target Company.

4.8. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ('SEBI Act') as amended or under any other regulation made under the SEBI Act.

4.9. Acquirer does not hold any position on the board of directors of any listed company.

4.10. Acquirer holds position of managing director on the Board of Directors of AMW Motors Limited.

5. BACKGROUND OF THE TARGET COMPANY – FRONTIER LEASING AND FINANCE LIMITED

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

5.1. The Target Company was incorporated as 'Frontier Leasing and Finance Limited' on June 13, 1984, under the provisions of Companies Act, 1956 as a public limited company. The Certificate of Commencement of Business dated July 5, 1984 was issued by Registrar of Companies, Maharashtra, Mumbai. The registered office of the Target Company is situated at Peninsula Technopark Tower-1, 7th Floor, Off Bandra-Kurla Complex, LBS Marg, Kurla (West), Mumbai – 400 070; Tel. No.: +91-22–6660 1100; Fax No.: +91-22–6666 9426 and Email id: cs_legal@flflindia.com. There is no change in the name of the Target Company since incorporation.

5.2. Target Company is registered as a Non Banking Financial Company ('NBFC') with RBI as per the Certificate of Registration bearing No. 13.00211 dated March 3, 1998 issued under Section 45IA of the Reserve Bank of India Act, 1934. Further SEBI vide its' observation letter dated April 17, 2014, instructed Manager to the Offer to include the following observation of RBI with regards to compliance of the Target Company as an NBFC:

a) The Target Company has not been subject of any proceedings of a serious disciplinary or criminal nature or has been notified of any such impending proceeding or of any investigation which may lead to such proceedings.
b) The Target Company does not have a record or evidence of previous business conduct and activities where it or its Directors have been convicted for an offence under any legislation designed to protect the members of the public from financial loss due to dishonesty, incompetence or malpractice.
c) There are no supervisory concerns with regards to the Target Company as on date.

5.3. Target Company is presently engaged in the business of Asset Finance, Hire Purchase Finance, Invoice Discounting and other lending activities.

5.4. The authorised share capital of the Target Company is Rs. 20,00,00,000/- (Rupees Twenty Crore Only) comprising of 1,00,00,000 equity shares of Rs. 10/- each and 1,00,000 Non-convertible Redeemable Preference Shares of Rs. 1000/- each. Issued, subscribed and paid-up share capital of the Target Company is Rs. 24,50,000/- (Rupees Twenty Four Lacs Fifty Thousand Only) divided into 2,45,000 equity shares of face value of Rs. 10/- each.

5.5. Share capital structure of the Target Company as on the date of LOF is as follows-

Paid-up Equity Shares of Target Company	No. of Shares/voting rights	% of shares/ voting rights
Fully paid-up equity shares	2,45,000	100%
Partly paid-up equity shares	NIL	NIL
Total paid-up equity shares	2,45,000	100%
Total voting rights in Target company	2,45,000	100%

5.6. The equity shares of the Target Company are listed on the BSE and the equity shares are placed under Group 'T' having a Scrip Code: 508980 & Scrip Id: ZFRONTLE.

5.7. There are no shares of the Target Company that are issued, allotted but not listed on the BSE.

5.8. As on date the Target Company does not have any partly paid-up equity shares and there are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage.

5.9. Trading of Target Company's equity shares has never been suspended from BSE.

5.10. The Board of Directors of the Target Company as on the date of LOF are as under:

Name	Designation	Date of Appointment	DIN
Vankat Govind Raghavan	Independent Director	August 12, 2010	00008683
Manish Kedia	Non-independent director	August 9, 2011	00023081
Narottam Babulal Vyas	Non-independent director	May 17, 2010	00055499
Sandeep Soni*	Executive Director	March 7, 2012	00478088
Sridhar Srinivasan	Independent Director	August 8, 2013	00004272
Rajesh Kumar Kathuria	Independent Director	April 2, 2013	01096351

** Acquirer is founder of AMW Group. Mr. Sandeep Soni is a Director on the board of AMW Motors Limited which is a group company of AMW Group. Further, Mr. Sandeep Soni shall not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter in relation to the Open Offer.*

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

5.12. Brief summary of the audited financial statements for the financial years ended on March 31, 2011, March 31, 2012, March 31, 2013 and unaudited financial statements for six months period ended on September 30, 2013, is as follows:

(Amount in Lacs except other financial data)

Particulars	**September 30, 2013**	**March 31, 2013**	**March 31, 2012**	**March 31, 2011**
	Unaudited	**Audited**	**Audited**	**Audited**
	(Standalone)	**(Consolidated)**	**(Consolidated)**	**(Standalone)**
Months	**6**	**12**	**12**	**12**
Profit & Loss Statement				
Income from operations	117.48	183.01	253.68	112.77
Other Income	6.31	3.91	10.35	9.07
Total Income	**123.79**	**186.92**	**264.03**	**121.84**
Total Expenditure	45.42	88.08	65.43	30.86
Profit before Depreciation, Interest & Tax	78.37	98.84	198.60	90.97
Depreciation	0.88	6.80	8.06	5.05
Interest	16.03	0.00	0.00	0.00
Profit / (Loss) before Tax	**61.46**	**92.05**	**190.54**	**85.92**
Provision for Tax	17.93	56.84	67.24	34.03
Profit / (Loss) after Tax	**43.52**	**35.21**	**123.30**	**51.89**
Balance Sheet				
Sources of Funds				
Paid up Equity share capital	24.50	24.50	24.50	24.50
Reserves & Surplus	339.42	238.34	206.01	85.55
Net worth	**363.92**	**262.84**	**230.50**	**110.05**
Share Application Money Pending Allottment	1,500.00	1,500.00	1,500.00	2,003.87
Unsecured Loans	0.00	0.00	0.00	33.15
Deferred Tax Liability	0.57	1.10	0.00	0.06
Long Term Borrowings		55.44	268.12	0.00
Total	**1,864.49**	**1,819.38**	**1,998.63**	**2,147.12**
Uses of Funds				
Net Fixed Assets	5.85	8.92	15.72	21.52
Investments	0.00	0.00	3.00	3.00
Long Term Loans and Advances	39.53	30.85	0.19	0.00
Deferred Tax Asset	0.70	0.64	0.38	0.00
Net Current Assets	1,818.40	1,778.97	1,979.34	2,122.60
Total	**1,864.49**	**1,819.38**	**1,998.63**	**2,147.12**

Other Financial Data				
Dividend %	Not Applicable	10%	10%	10%
Basic Earnings Per Share (Rs.)	17.76	14.37	50.33	21.18
Return on Net Worth (%)	11.96%	13.39%	53.49%	47.15%
Book Value Per Share (Rs.)	148.54	107.28	94.08	44.92

*(**Source**-Annual Reports for the financial year ended, March 31, 2011, March 31, 2012, March 31, 2013 and certified and reviewed (limited) unaudited accounts for the half year ended September 30, 2013 by the statutory auditors of the Target Company)*

Note - AMW Finance Limited, which was a wholly own subsidiary of the Target Company from February 14, 2012, ceased to be a subsidiary of the Target Company with effect from July 8, 2013.

5.13. Pre and Post Offer shareholding pattern of the Target Company as on December 31, 2013 is as follows:

Shareholders' Category	**Shareholding & voting rights prior to the SPA/ acquisition and Offer**		**Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations, 2011**		**Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance)**		**Shareholding/voting rights after the acquisition and Offer.**	
	(A)		**(B)**		**(C)**		**(D) = (A) +(B) +(C)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) Promoter Group								
Parties to agreement:								
A. Inimitable Capital Finance Private Limited	1,76,610	72.09%	-	-	-	-	1,76,610*	72.09%*
B. Mr. Anirudh Bhuwalka **(Acquirer)**	-	-	-	-	63,700	26.00%	63,700	26.00%
Total 1	**1,76,610**	**72.09%**	**-**	**-**	**63,700**	**26.00%**	**2,40,310**	**98.09%**
(2) Public (other than parties to SPA, Acquirer)								
a. FIs/MFs/FIIs/ Banks/ SFIs	-	-	-	-	(63,700)	(26.00%)	4,690	1.91%
b. Others	68,390	27.91%	-	-				
Total (2) (a+b) Total no. of shareholders in public category, i.e. 29	**68,390**	**27.91%**	**-**	**-**	**(63,700)**	**(26.00%)**	**4,690**	**1.91%**
Grand Total (1+2)	**2,45,000**	**100.00%**	**-**	**-**	**-**	**-**	**2,45,000**	**100.00%**

*1,76,610 equity shares of the Target Company to be acquired indirectly by the Acquirer.
Note: Upon completion of the Open Offer formalities the Acquirer will form part of the promoter and promoter group of the Target Company.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1 This Open Offer is being made under regulations 3(1), 4, 5(1) and 5(2) of the SEBI (SAST) Regulations, 2011. Though this Open Offer is pursuant to an indirect acquisition of shares, voting rights and control of the Target Company by the Acquirer, it will be regarded as a deemed direct acquisition, as it falls within the parameters prescribed under regulation 5(2) of the SEBI (SAST) Regulations, 2011 (for details refer Background to the Offer).

6.1.2 The annualized trading turnover in the equity shares of the Target Company on BSE Limited based on trading volume during the twelve calendar months prior to the month of PA (January 2013 to December 2013) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of PA	Total No. of listed equity shares	Annualised Trading Turnover (as % of total equity shares Listed)
BSE Limited	No Trading	2,45,000	Nil

(*Source: www.bseindia.com*)

6.1.3 Based on the above, the equity shares of the Target Company are infrequently traded on the BSE within the meaning of explanation provided in regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.

6.1.4 The Offer Price determined in terms of regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, being the highest of the following:

Sr. No.	Particulars	Price (in Rs. per share)	
1	The negotiated price under the SPA	Not Applicable	
2	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable	
3	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	Not Applicable	
4	The volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of PA as traded on BSE Limited	Not Applicable	
5	Other Financial Parameters as at	**Half year ended September 30, 2013 (Unaudited)**	**Financial year ended March 31, 2013 (Audited)**
		(Standalone)	(Consolidated)
	(i) Return on Net Worth (%)	11.96	13.39
	(ii) Book Value Per Share	148.54	107.28
	(iii) Basic Earnings Per Share	17.76	14.37
	Offer Price based on valuation parameters*	Rs. 149/-	
6	The per share value computed under sub-regulation (5) of regulation 8 of the SEBI (SAST) Regulations, 2011*	Rs. 148.54/-	

* Mr. Sujal Shah (Membership No. 045816), partner of M/s. SSPA & CO. Chartered Accountants, having their office situated at 1st Floor, "Arjun", Plot No. 6A, V. P. Road, Andheri (West), Mumbai – 400 058, Tel. No.: +91-22–2670 4376, Fax No.: +91-22–2670 3916, vide his report dated January 10, 2014 has stated that the fair value of the equity share of the Target Company is Rs. 148.54/- per share. The value of equity shares of Target Company is arrived by using "underlying assets" approach, based on the unaudited financial statement for the period ended on September 30, 2013.

6.1.5 In view of the parameters considered and presented in table above and the report issued by the Chartered Accountants, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 149/- (Rupee One Hundred Forty Nine Only) per equity share is justified in terms of regulation 8 of the SEBI (SAST) Regulations, 2011.

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

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

6.1.8 If the Acquirer acquires or agree to acquire any equity shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of SEBI (SAST) Regulations, 2011. Provided that no such acquisition shall be made after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

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

6.2. **Financial Arrangement**

6.2.1 Total consideration payable by the Acquirer to acquire 63,700 fully paid-up equity shares at the Offer Price of Rs. 149/- (Rupees One Hundred Forty Nine Only) per equity share, assuming full acceptance of the Offer would be Rs. 94,91,300/- (Rupees Ninety Four Lacs Ninety One Thousand Three Hundred Only). In accordance with regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirer has opened an Escrow Account under the name and style of 'Frontier Leasing and Finance Ltd - Open Offer Escrow Account' with IndusInd Bank Limited, Sonbar, Plot No 13, Juhu 10th Road, Mumbai - 400 049 ('Escrow Banker') and made a cash deposit of Rs. 95,00,000/- (Rupees Ninety Five Lacs Only) in the account in accordance with the regulation 17(3) (a) of the SEBI (SAST) Regulations, 2011, which is more than hundred percent of the total consideration payable in the Open Offer, assuming full acceptance.

6.2.2 The Acquirer has authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.

6.2.3 The Acquirer has adequate financial resources and has made firm financial arrangements for implementation of the Open Offer, in terms of regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirer through personal resources and no borrowings from any bank and /or financial institution are envisaged.

6.2.4 Mr. R. Ganesh (Membership No. 038157) partner of A. P. Rajagopalan & Co., Chartered Accountants (FRN 108321W), having their office at No. 8, 1st Floor, Neelkanth Shopping Arcade, R. C. Marg, Chembur, Mumbai – 400 071; Tel. No.: +91-22–2528 5902; Fax No.: +91-22-6798 3197, vide his certificate dated January 10, 2014 has certified that the Acquirer has adequate resources to meet the financial requirement of the Open Offer.

6.2.5 Based on the aforesaid financial arrangements and on the confirmation received from the Escrow Banker and Mr. R. Ganesh, Chartered Accountants, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 The LOF along with Form of Acceptance will be dispatched to all equity shareholders of the Target Company (except the Acquirer and parties to the SPA including persons deemed to be acting in concert with such parties), whose names appear on the Register of Members of the Target Company and to the owner of the equity shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on April 22, 2014 ('Identified Date). Accidental omission to dispatch the LOF to any member entitled to this Open Offer or non-receipt of the LOF by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website (http://www.sebi.gov.in) may also be downloaded from the website.

7.2 This Offer is not conditional upon any minimum level of acceptance in terms of the SEBI (SAST) Regulations, 2011.

7.3 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.

7.4 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.

7.5 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer 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.

7.6 The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Offer.

7.7 Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.8 There has been no revision in the Offer Price / Offer Size as of the date of this Letter of Offer. In the event of acquisition of the equity shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any equity shares of the Target Company after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

7.9 If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. up to May 2, 2014 in terms of the regulation 18 (4) SEBI (SAST) Regulations, 2011, the same would also be informed by way of a announcement in the same newspapers where the DPS had appeared. Such revised Offer Price would be payable for all the shares validly tendered any time during the Open Offer and accepted under the Open Offer.

7.10 The shareholders who have accepted this Offer by tendering their equity shares and requisite documents in terms of the PA, DPS and LOF are not entitled to withdraw such acceptance during the Tendering Period for this Offer.

7.11 **Locked in shares:** The locked-in shares, if any acquired pursuant to the offer can be transferred to the Acquirer, subject to the continuation of the residual lock-in period in the hands of the Acquirer. The Manger to the offer ensures that there shall be no discrimination in the acceptance of locked-in and non locked-in shares. There are no locked in shares in the Target Company.

7.12 **Eligibility for accepting the Offer**

Shareholders who hold equity shares in dematerialized form or physical form, registered/unregistered (except the Acquirer and parties to the SPA including persons deemed to be acting in concert with such parties), are eligible to participate in this Open Offer anytime before the closure of the Offer, including the beneficial owners of the equity shares held in dematerialized form ("**Eligible Shareholders**"). All Eligible Shareholders can participate in the Offer by offering their shareholding in whole or in part by delivering Form of Acceptance, filled and signed in accordance with the instructions contained in the LOF and Form of Acceptance, to the Registrar to the Offer, at the collection centre mentioned in para 8.1, before the closing of the Tendering Period i.e. not later than May 22, 2014. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.

7.13 **Statutory and other Approvals:**

7.13.1 As on the date of this LOF, there are no statutory approvals required to implement the Open Offer and for the acquisition of equity shares to be tendered pursuant to the Open Offer. If any statutory approvals are required or become applicable prior to completion of the Open Offer, the Open Offer would also be subject to the receipt of such statutory approvals. The Acquirer will not proceed with the Open Offer in the event any such statutory approvals are refused in terms of regulation 23 of SEBI (SAST) Regulations, 2011.

7.13.2 The acquisition of equity shares of the Target Company and management control of the Target Company are subject to compliance with Circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999 as amended by Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and further amended by Circular DNBS (PD) CC No. 63/02.02/2005-06 dated January 24, 2006 and Circular DNBS (PD) CC No. 82/03.02.02/2006-07 dated October 27, 2006, as set out by Reserve Bank of India governing Non Banking Financial Companies (NBFCs). In this regard, the Acquirer jointly with Target Company and shareholders of ICFPL have published a mandatory 30 days prior public notice on January

21, 2014.

7.13.3 In case of delay in receipt of any statutory approval(s) becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 18(11) of the SEBI (SAST) Regulations, 2011. Provided where the statutory approvals extend to some but not all equity shareholders, the Acquirer has the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

7.13.4 There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the Offer might be withdrawn under regulation 23 (1) of the SEBI (SAST) Regulations, 2011.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 The Eligible Shareholders of the Target Company, who wish to accept the Offer and tender their shares, can deliver the duly filled and signed Form of Acceptance along with all the relevant documents at the collection centre mentioned below in accordance with the procedure as set out in the LOF on or before the closure of the Tendering Period i.e. May 22, 2014.

Name and Address of the Collection Centre	Working days and timings	Mode of delivery
Sharex Dynamic (India) Private Limited Unit No. 1, Luthra Indl Premises, Safed Pool, Andheri – Kurla Road, Andheri (East), Mumbai - 400 072; Tel. No.: +91-22-2851 5606/ 5644 Fax No.: +91-22-2851 2885 Email : sharexindia@vsnl.com Contact Person : Mr. B. S. Baliga	Monday to Friday 10 am to 1 pm and 2 pm to 4 pm.	Regd. Post/ Courier/ Hand Delivery

The centre will be closed on Saturdays, Sundays and Public Holidays.

8.2 Share Certificate(s), Transfer Deed(s), Form of Acceptance and other documents, if any should not be sent to the Acquirer, the Target Company and the Manager to the Offer.

8.3 The LOF along with Form of Acceptance will be dispatched to all Eligible Shareholders of the Target Company.

8.4 In case of non-receipt of the Letter of Offer, Eligible Shareholders 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 holding of the said equity shares of the Target Company.

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

8.5.1 For equity shares held in physical form:

1. Registered shareholders should enclose

- Form of Acceptance duly filled 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 the Target Company and duly witnessed at the appropriate place.
- PAN Card copy (in case of Joint holders, PAN card copy of all transferors)

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.

Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such equity shares are liable to be rejected in this Offer.

2. **Unregistered owners should enclose**

- Form of Acceptance 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.
- All other requirements for valid transfer will be precondition for acceptance.
- Self attested copy of the PAN card.

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.

8.5.2 **For equity shares held in Dematerialized Form:**

Beneficial owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly filled 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 depositories.
- Photocopy of the delivery instruction slip 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.
- For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance.
- 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 have been accepted.

8.6 The Registrar to the Offer has opened a Special Depository Account with Nirmal Bang Sec. Pvt. Ltd (registered with NSDL) for receiving equity shares during the Tendering Period from Eligible Shareholders who hold equity shares in demat form. Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their equity shares in the special depository account:

DP Name	NIRMAL BANG SEC. PVT LTD
DP ID	IN301604
Client ID	11357757
Depository	National Securities Depository Limited
Account Name	Frontier Leasing And Finance Ltd Open Offer Escrow Account Operated By Sharex

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

Form of Acceptance of dematerialized equity shares not credited to the above Special Depository Account on or before the closure of Tendering Period 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 closure of Tendering Period.

8.7 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 Form of Acceptance 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).

8.8 In case of unregistered owners or shareholders who have not received the Letter of Offer, may send their application in writing, to the Registrar to the Offer, on a plain paper stating their name, address, number of equity shares held, distinctive numbers, folio number, number of equity 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 Tendering Period. No indemnity is required from the unregistered owners. In case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating their 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 'Off-market' mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Registrar to the Offer, on or before the closure of the Tendering Period.

The application should be signed by all the shareholders as per the registration details available with the Target Company and should be sent to the Registrar to the Offer in an envelope clearly marking 'Frontier Leasing and Finance Limited – Open Offer'.

Shareholders of the Target Company who have sent their equity shares for transfer should submit Form of Acceptance, duly filled and signed, copy of the letter sent to the Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer deed.

8.9 While tendering the equity shares under this Offer, NRIs/Overseas Corporate Bodies/foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained at the time of acquisition of the Target Company's equity shares. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering the shares under the Offer, NRIs/OCBs/foreign shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.10 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.

8.11 If the shares tendered in this Offer by the shareholders of the Target Company are more than the equity shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The minimum marketable lot for the purposes of acceptance of equity share of the Target Company would be 1 equity share.

8.12 Unaccepted shares, share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder. Unaccepted equity shares held in dematerialized form 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.

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

8.14 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 18(11) of the SEBI (SAST) Regulations, 2011.

8.15 As per the provisions of section 196D (2) of the Income-tax Act, 1961 no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a Foreign Institutional Investor as defined in section 115AD of the Income-tax Act, 1961.

8.16 Securities transaction tax will not be applicable to the equity shares accepted in the Offer.

8.17 The payment of consideration for equity shares accepted under the Offer may be made through a Demand Draft / Bankers' Cheque or through any other electronic mode including but not limited to Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('NECS'), at specified centers where clearing houses are managed by the Reserve Bank of India within 10 working days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance and also provide Indian Financial System

Code ('IFSC').

8.18 The bank account details for DC/NEFT/RTGS/NECS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the Form of Acceptance.

8.19 The Demand Draft / Bankers' Cheque 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. All dispatches involving payment of a value upto Rs.1500/- will be made under First Class Mail at the shareholders sole risk.

8.20 It is advised that shareholders provide bank details in the Form of Acceptance so that same can be incorporated in the Demand Draft/ Bankers' Cheque.

9. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by shareholders of the Target Company at the office of the Manager to the Offer, Inga Capital Private Limited, A – 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai – 400 030 on any working day between 10.30 am to 1.00 pm during the Tendering Period.

9.1 Net worth certificate of the Acquirer issued by Mr. R. Ganesh (Membership No. 038157) partner of A.P. Rajagopalan & Co., Chartered Accountants dated January 10, 2014.

9.2 Financial Adequacy Certificate of the Acquirer issued by Mr. R. Ganesh (Membership No. 038157) partner of A.P. Rajagopalan & Co., Chartered Accountants dated January 10, 2014.

9.3 Annual Reports of the Target Company for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011 and certified and reviewed (limited) unaudited accounts for the half year ended September 30, 2013.

9.4 Copy of Escrow Agreement dated January 10, 2014 entered into between the Acquirer, Escrow Banker and Manager to the Offer.

9.5 Copy of letter received from IndusInd Bank Limited confirming receipt of consideration of Rs. 95,00,000/- in the escrow account on January 13, 2013.

9.6 Copy of the Share Purchase Agreement dated January 10, 2014 entered into between the Acquirer, shareholders of ICFPL and ICFPL, which triggered the Open Offer.

9.7 Copy of Public Announcement dated January 10, 2014 and Detailed Public Statement published in the newspapers on January 17, 2014.

9.8 A copy of the recommendation made by the Committee of Independent Directors of the Target Company published in the newspapers.

9.9 Client master of special depository account for the purpose of the Open Offer.

9.10 Copy of SEBI Observation letter no. CFD/DCR1/11192/14 dated April, 17, 2014.

10. DECLARATION BY THE ACQUIRER

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

Sd/-
Anirudh Bhuwalka

Place: Mumbai
Date: April 28, 2014

Encl:
1. Form of Acceptance-cum-Acknowledgement
2. Transfer Deed for shareholders holding equity shares in physical form

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Sharex Dynamic (India) Private Limited at the collection center as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

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

Name:
Address:

OFFER	
OFFER OPENS ON	**May 8, 2014**
OFFER CLOSES ON	**May 22, 2014**

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

To
Anirudh Bhuwalka,
C/o Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Indl Premises,
Safed Pool, Andheri – Kurla Road,
Andheri (East), Mumbai - 400 072;
Tel. No.: +91-22-2851 5606/ 5644
Fax No.: +91-22-2851 2885,
Email: sharexindia@vsnl.com
Contact Person: Mr. B. S. Baliga

Dear Sir,

Sub.: Open Offer to acquire up to 63,700 fully Paid-up equity shares of Rs. 10/- each representing 26% of fully paid-up equity share capital and voting capital of Frontier Leasing and Finance Limited ('Target Company'), at a price of Rs. 149/- (Rupees One Hundred Forty Nine Only) per fully paid up equity share ('Offer Price') payable in cash by Mr. Anirudh Bhuwalka ('Acquirer').

I/We, refer to the Letter of Offer dated April 28, 2014 for acquiring the equity shares held by me/us in the Target Company. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD 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	No. of shares

I/We have executed an off-market transaction for crediting the shares to the special depository account viz. 'Frontier Leasing and Finance Ltd Open Offer Escrow Account Operated By Sharex' via

☐ A delivery instruction from my account with National Securities Depository Limited ('NSDL')
☐ An inter-depository delivery instruction from my account with Central Depository Services (India) Limited ('CDSL')

DP Name	NIRMAL BANG SEC. PVT LTD
DP ID	IN301604
Client ID	11357757
Depository	National Securities Depository Limited
Account Name	Frontier Leasing And Finance Ltd Open Offer Escrow Account Operated By Sharex

In case of non receipt of the aforesaid documents, but receipt of the equity shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance for which corresponding equity shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

FOR EQUITY SHARES HELD 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.					
5.					
				Total number of Shares	

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

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.

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 Frontier Leasing and Finance Limited hereby tendered in the Offer.
- ☐ Copy of Permanent Account Number / PAN Card.

I/We, confirm that the tax deduction on account of equity shares of Frontier Leasing and Finance Limited held by me/us is to be deducted on (tick whichever is applicable):

- ☐ Long-term capital Gains
- ☐ Short-term capital gains
- ☐ Trade Account

In order to avail the benefit of lower rate of tax deduction under the applicable Double Taxation Avoidance Agreement ('DTAA'), if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of resident.

For FII Shareholders:

I/We, Confirm that the equity shares of Frontier Leasing and Finance Limited are held by me/us on (select whichever is applicable):

- ☐ Investment / Capital Account
- ☐ Trade Account

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of resident/ incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence. Where the tax is to be deducted on account of long-term capital gains, the shareholders should submit a certificate from a Chartered Accountant (along with proof such as demat account statement) certifying that the equity shares have been held for more than one year. In order to claim the benefit of computation of tax liability on the net capital gains (i.e. after reducing the cost of acquisition of shares), the shareholder should obtain a tax clearance certificate from the appropriate income tax authorities certifying the net income chargeable to capital gains tax. In the absence of the above tax would be deducted at the maximum marginal rate on the entire consideration paid to the shareholders.

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 Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer.

I/We note and understand that the shares would lie in the special depository account until the time the Acquirer dispatches the purchase consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned/credited as mentioned in the Letter of Offer.

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

I/We confirm that the equity shares of Frontier 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 Acquirer:

1. To acquire 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.
2. 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 Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/ Speed Post / First Class Mail as may be applicable at my/our risk, the Demand Draft/Bankers' 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.

Bank Details

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 Bankers' 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 Demand Draft/Bankers' Cheque will be issued with the said bank particulars, and not any details provided herein.

Shareholders have an option to receive the consideration through NECS/DC/NEFT/ RTGS.

I / we [Put tick (✓) mark]

☐ Opt for NECS/DC/NEFT/RTGS

☐ Not opt for NECS/DC/ NEFT/RTGS

Shareholders those who opt to receive the consideration through DC/NECS/RTGS/NEFT are requested to provide photo copy of cheque along with following Bank Account Details:

Name of the Bank		Branch	
Account Number		Savings/Current/(Others: please specify)	
9 digit MICR code		IFSC Code**	

**only incase of RTGS and NEFT

Yours faithfully,

Signed and Delivered

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

Address of First/Sole Shareholder____

Place:

Date:

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

ACKNOWLEDGEMENT SLIP

Received from Mr./ Ms./ M/s. ____ Address ____ Form of Acceptance-cum-Acknowledgement for __________ shares along with:

☐ **Demat shares:** Copy of delivery instruction slip from DP ID __________ Client ID ___________

☐ **Physical shares:** ___________ Share certificate(s) ______________ transfer deed(s) under Folio Number(s) ____________ for accepting the Offer made by the Acquirer.

(Tick whichever is applicable)

Signature of Official ________________________

Date of Receipt ___________________________

Stamp of Collection Centre

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER 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 of Acceptance and in the transfer deed(s) as the order in which they hold shares in **Frontier 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) **Shareholders of Target Company having their beneficiary account in CDSL should use inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.**

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

(5) **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.

(6) **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 of Acceptance 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 8 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS LETTER OF OFFER.

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

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:

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Indl Premises,
Safed Pool, Andheri – Kurla Road,
Andheri (East), Mumbai - 400 072;
Tel. No.: +91-22-2851 5606/ 5644
Fax No.: +91-22-2851 2885,
Email: sharexindia@vsnl.com
Contact Person: Mr. B. S. Baliga