PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF BHAGYASHREE LEASING AND FINANCE LIMITED

Regd. Office: 618, Arenja Corner, Plot No. 71, Vashi, Navi Mumbai.

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF BHAGYASHREE LEASING AND FINANCE LIMITED ('the Target Company' or 'BLFL')

This Public Announcement ('PA') is being issued by Collins Stewart Inga Private Limited. ('CSIN' or the 'Manager to the Offer') for and on behalf of Mr. Vimalkumar K Jain, Mr. Inderkumar K Jain, Mr. Kewalkumar K Jain, Mr. Manish V Jain and Mr. Rajas V Jain (hereinafter jointly and severally referred to as 'the Acquirers') pursuant to regulation 10 and 12, in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations').

1. **Background of the Offer**

1.1 This offer is being made by Mr. Vimalkumar K Jain, Mr. Inderkumar K Jain, Mr. Kewalkumar K Jain, Mr. Manish V Jain and Mr. Rajas V Jain.

1.2 The Acquires 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 Lakh 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 1.3.1 of this Public Announcement, 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).

1.3 The salient features of the SPAs are:

1.3.1 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 of the Sellers	No. of Equity Shares	% of present paid-up Capital
	Promoter Sellers (SPA-1)		
1.	Mr. Anil K Malhotra	4,51,100	12.89
2.	Mr. Naresh K Malhotra	2,00,000	5.71
3.	Ms. Madhu Malhotra	50,000	1.43
4.	Ms. Seema Malhotra	20,000	0.57
5.	Ms. Parkash Wanti	10,000	0.29
6.	Anil K Malhotra (HUF)	10,000	0.29
7.	Naresh K Malhotra (HUF)	10,000	0.29
8.	B L Malhotra & Sons (HUF)	1,03,900	2.97
9.	Shivalik Securities Ltd.	1,70,000	4.85
10.	Chandrika Traders Ltd.	75,000	2.14
	Total I	**11,00,000**	**31.43**
	Other Sellers		
1.	Isabella Traders Ltd. (SPA-2)	5,18,000	14.80
2.	G.S. Auto Leasing Limited (SPA-3)	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 Sellers	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.	Inderkumar K 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**

1.3.2 The sale of Transaction Shares is subject to the Acquirers complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997 and amendments made thereto.

1.3.3 Upon completion of 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.

2. **The Offer**

2.1 Pursuant to the above-mentioned SPAs, the Acquirers are making an Open Offer to the remaining shareholders (other than the Acquirers and Sellers) of BLFL to acquire upto 7,00,020 fully paid-up equity shares of Rs.10/- each representing 20% of the existing outstanding equity share capital of the Target Company, at a price of Rs. 19.25 per fully paid-up equity Share (the 'Offer price') payable in cash, in terms of regulation 20 of the Regulations (the 'Offer' or 'Open Offer').

2.2 The Offer to the shareholders of BLFL is hereby made in accordance with regulations 10 and 12 of the Regulations, on account of substantial acquisition of equity shares and proposed change in control of the Target Company as a consequence of the SPAs referred to in paragraph 1.2 above.

2.3 The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirers only. For this purpose the Acquirers intend to use their personal resources. There are no Persons Acting in Concert with the Acquirers.

2.4 The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of BLFL.

2.5 Irrespective of the outcome of the SPAs, the Acquirers would complete the Offer formalities under the Regulations.

2.6 This is not a Competitive Bid.

2.7 In terms of regulation 21(5) of the Regulations, for the purpose of computing the percentage referred to in para 2.1 above, the voting rights as at the expiration of 15 days after the closure of the public offer shall be reckoned.

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

2.9 As on the date of this Public Announcement, the Acquirers do not hold any equity shares of BLFL. The Acquirers have not acquired any equity shares of BLFL during the 12 months period preceding the date of this Public Announcement.

2.10 The Manager to the Offer does not hold any equity shares in the Target Company as on the date of this PA.

2.11 The Acquirers are permitted to revise the 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 upto 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.

3. **The Offer Price.**

3.1 The equity shares of BLFL are currently listed on Bombay Stock Exchange Limited ('BSE') and Delhi Stock Exchange Association Limited ('DSE').

3.2 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.

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

Name of the Stock Exchange	Total number of Shares traded during January 2007 to 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:BSE website)

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

3.4 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

(Source : Certified Accounts) * Annualised

*** 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, 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.

3.5 There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made by the Acquirers as non-compete fees.

3.6 The Offer Price of Rs. 19.25 per share offered by the 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 and Acquirers, the Offer Price is justified.

3.7 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.

4. **Information about 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.

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; 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) vide certificate dated July 5, 2007, is Rs. 1018 lakhs.(Rupees One Thousand Eighteen Lakhs Only).

Mr. Inderkumar K Jain, son of Kesarimal Jain, aged 46 years is Bachelor of Law residing at Kumar Elite, Bunglow 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 **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) vide certificate dated July 5, 2007 is Rs. 1261 lakhs. (Rupees One Thousand Two Hundred Sixty One Lakhs Only)

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. 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) 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. 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) 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. 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) vide certificate dated July 5, 2007, is Rs. 863 lakhs (Rupees Eight Hundred Sixty Three Lakhs Only).

5. **Information about the Target Company / 'BLFL'**

5.1 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.

5.2 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

5.3 BLFL is presently engaged in the business of leasing, finance and investment in shares and securities, bills discounting etc.

5.4 The issued, subscribed and paid-up capital of BLFL as on the date of this Public Announcement 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 Public Announcement. 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.

5.5 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').

5.6 BLFL has made an application to the BSE for listing of 5,00,000 equity shares of Rs. 10/- issued on a preferential basis to the promoters on September 12, 2001 and their approval is awaited.

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

5.8 There has been no merger, de-merger and spin off in the last three years in the Target Company.

5.9 The financial highlights of the Target Company are given below:

(Rs. Lakhs)

Particulars	**Amount**	
	20-Feb-07	31-Mar-06
Type	Certified by Auditors of the Company	Audited
Total Income	7.69	3.81
Profit After tax	5.75	1.01
Paid-up equity capital	350.01	350.01
Reserves (excl Revaluation Reserves)	19.18	13.70
Earning Per Share (Rs. per share)	0.18*	0.02
Return on Networth (%)	1.75%*	0.28%
Book value (Rs. per share)	10.55	10.39

**Annualized*

(Source: Annual Reports and Certified financial statements)

5.10 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 - 2002 and in this regard, through the SEBI Regularisation Scheme, 2002 has regularized the aforesaid non-compliance.

6. **Reasons for the Acquisition and future plans**

6.1 The Offer to the shareholders of BLFL, as explained in paragraph 2.1 above, is made pursuant to regulations 10 and 12 of the Regulations for substantial acquisition of equity shares accompanied with change of control / management of BLFL.

6.2 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.

6.3 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.

7. **Statutory Approvals and Other Approvals for the Offer**

7.1 To the best knowledge and belief of the Acquirers, as on the date of this PA there are no other statutory approvals or approvals from the lenders required, for the acquisition of equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals.

7.2 If any approval from Financial Institutions, Banks or any other institutions as may be required or the Offer would be subject to the receipt of such approval.

7.3 In case of delay in receipt of any approval, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to the Shareholders under the Offer provided that the Acquirers agrees to pay interest in accordance with regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulations 22(13) of the Regulations will also become applicable.

8. **Disclosure in terms of regulation 21(2) of the Regulations**

As this Offer, assuming full acceptance, will not result in the public shareholding falling to 25% or less of the voting capital of the Target Company, the provisions of Regulation 21(2) of the Regulations do not apply. During the Offer period the Acquirers may purchase additional equity shares of BLFL in accordance with the Regulations, to the extent and in the manner that the public shareholding of BLFL will not be reduced to 25% or less of its Voting Capital

9. **Financial Arrangement for the Offer**

9.1 The total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be 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.

9.2 In accordance with the provisions of Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have created an escrow account and deposited therein cash of Rs.34,00,000/- (Rupees Thirty Four Lakhs Only) being more than 25% of the maximum consideration payable under the offer with HDFC Bank, Process House , Kamala Mills Compound, Senapati Bapat Marg, Mumbai 400 013 with authority given to the Manager to the Offer to operate in accordance with the SEBI (SAST) Regulations.

9.3 Mr. Nimit Gujrathi (membership number 106810) of M/s. Ramesh Ramu & Associates, Chartered Accountants, having its address 30 Prestige Point, 1st Floor, 283 Shukrawar Peth, Pune - 411002, Tel.:. 02024487800, has certified vide certificate dated July 5, 2007 that Acquirers have adequate personal resources to meet the financial requirements of the Open Offer.

9.4 The Manager to the Offer, on the basis of the above certificate, 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.

10. **OTHER TERMS OF THE OFFER**

10.1 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) 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'). 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) will 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.

10.2 All owners of equity shares, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

10.3 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. September 15, 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. September 15, 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.

10.4 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.

10.5 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, or 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.

10.6 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.

10.7 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.

10.8 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.

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

10.10 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.

10.11 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 on 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.

10.12 A schedule of some of the key events in respect of the Offer is given below:

Activity	Date	Day
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	July 20, 2007	Friday
Last date for a Competitive Bid	July 29, 2007	Sunday
Last Date by which Letter of Offer will be posted to shareholders	August 16, 2007	Thursday
Date of Opening of the Offer	August 27, 2007	Monday
Last date for revising the Offer Price / Offer size	September 5, 2007	Wednesday
Last date of withdrawal of tendered application by the shareholders of BLFL	September 11, 2007	Tuesday
Date of Closing of Offer	September 15, 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 equity shares / Share Certificate(s) will be dispatched / credited	September 29, 2007	Saturday

11. **General**

11.1 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 at the collection centre mentioned above as per the mode of delivery indicated therein on or before September 11, 2007.

The withdrawal option can be exercised on submitting the form of withdrawal (which will be sent to Shareholders along with the Letter of Offer) and the copy of the acknowledgement received from the Registrar to the Offer while tendering the acceptance together with:

a) In respect of physical shares: name, address, distinctive numbers, folio number, number of shares tendered and number of shares to be withdrawn.

b) In respect of dematerialized shares: name, address, number of shares tendered, number of shares withdrawn, DP name, DP ID, beneficiary account number, photocopy of the delivery instruction in 'Off Market' mode duly acknowledged by DP.

In case of non-receipt of the form of withdrawal the above application can be made on a plain paper.

11.2 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 September 5, 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 this Public Announcement appears.

11.3 If there is a competitive bid:

a. The public offer under all the subsisting bids shall close on the same date.

b. As the Offer Price cannot be revised during the seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final offer price of each bid and tender their acceptances accordingly.

11.4 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 (the 'SEBI Act') or any other regulation made under the SEBI Act.

11.5 Pursuant to regulation 13 of the Regulations, the Acquirers have appointed Collins Stewart Inga Private Limited, Mumbai as Manager to the Offer and Intime Spectrum Registry Limited, Mumbai as Registrars to the Offer.

11.6 Please note that some financial data contained in this Public Announcement have been rounded off to the nearest lakhs except where stated otherwise.

11.7 For further details please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

11.8 Acquirers accept full responsibility for the information contained in this Public Announcement (except that which pertains to the Target Company and has been compiled from publicly available sources) and also for the obligations of the Acquirers as laid down in the Regulations.

Eligible persons to the Offer may also download a copy of this Public Announcement from SEBI's website at www.sebi.gov.in.

Eligible persons to the Offer may also download a copy of Letter of Offer, Form of Acceptance and the Form of Withdrawal which will be available on SEBI's website at www.sebi.gov.in from the date of Opening of the Offer, i.e. August 27, 2007 and can apply on the same.

Registrar to the Offer:

INTIME SPECTRUM REGISTRY LIMITED

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
Email isrl@intimespectrum.com
Contact person: Ms. Awani Punjani

THIS PUBLIC ANNOUNCEMENT IS ISSUED ON BEHALF OF THE ACQUIRERS

Mr. Vimalkumar K Jain, **Mr. Kewalkumar K Jain**, **Mr. Inderkumar K Jain**, **Mr. Manish V Jain** and **Mr. Rajas V Jain**

ISSUED BY

Collins Stewart Inga

Collins Stewart Inga Private Limited
A- 404, Neelam Centre, Hind Cycle Road, Worli
Mumbai 400 030
Tel.: (+91 22) 24982919, Fax.: (+91 22) 24982956
Email: blflopenoffer@csin.co.in
Contact Person: Mr. Ashwani Deedwania

Place : Mumbai
Date : July 9, 2007

Size: 50x33sq. cm