LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a shareholder(s) of **Gujarat Foils Limited** (herein after referred to as "**GFL"** or "**the Company"** or the "**Target Company"**). If you r about the action to be taken, you should consult your Stockbroker or Investment Consultant or the Manager to the Offer or the Registrar to the offer. In case you have sold your sh over this Letter of offer and the accompanying FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT, FORM OF WITHDRAWAL and Transfer Deed to the member of th whom the said sale was effected.

M r . P r a m o d J a i n

Residing at A / 71, Phase - I, Ashok Vihar, New Delhi 110 052.*Tel No: (011) 23512222, Fax No.(011) 23623795*

(herein after referred to as the **"Acquirer")**

MAKE A CASH OFFER AT Rs. 3.68 PER EQUITY SHARE ("OFFER PRICE")

(The price calculated as per the Regulation 20 is Rs. 3.00 and Rs. 0.68 is the amount of interest per share @ 6% p.a. as directed by the Securities Appellate Tribur

vide its order dated 28th January 2005

and the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (the "**Regulations**")and subsequent

TO ACQUIRE 13,14,010 FULLY PAID UP EQUITY SHARES

Representing 20% of the total voting equity share capital of

GUJARAT FOILS LIMITED

*(**Registered Office –** Plot No-3436-3439, Chhatral G.I.D.C., Phase-IV, Taluka - Kalol, District – Gandhinagar, Gujarat (Tel: (02764) 233656, Fax: (02764) 2336*

gujfoils@icenet.net

Please Note:

1. This Offer is made pursuant to and in compliance with the Regulation 11 (1) of the Regulations and in order to comply with the direction issued by the SAT vid January 2005 and Pursuant to SEBI's order No. CO/388/TO/11/2002 dated 15th November 2002.

2. The offer is subject to approval, if any required from RBI for acquiring of shares by the Acquirer and transfer of shares by the Non Resident Shareholders. As on the offer, there are no other approvals, statutory or otherwise, required under the Companies Act, 1956, Monopolies and Restrictive Trade practices Act, 1969, th Management Act, 1999 and / or any other applicable laws and from any bank and /or financial institutions for the said acquisition.

3. If the aggregate of the valid response exceeds 13,14,010 shares, then, the Acquirer shall accept the shares equal to the offer size i.e. 13,14,010 shares, on a pr consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the Regulations.

4. Upward revision/ withdrawal of offer, if any, would be informed by way of P.A. on or before 5th May 2005 in respect of such changes in all the newspapers in whi Announcement was made. The Acquirer shall pay the revised price for all the shares tendered any time during the offer.

5. The procedure of acceptance of this Offer is set out in Section 9 of this Letter of Offer. A Form of Acceptance cum Acknowledgement and an Instrument of Trans this Letter of Offer.

6. A copy of the Public Announcement dated 4th March 2005 and a copy this Letter of Offer (including Form of Acceptance cum Acknowledgement) is available **http://www.sebi.gov.in/** Form of Acceptance cum Acknowledgement may be downloaded from the said website and used as an application.

7. **Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement/Letter of Offer, can withdraw t working days prior to the date of the closure of the offer". The request for such withdrawal should reach to the designated centers before 4 p.m. on 12th M by filling the withdrawal form attached herewith.**

8. The offer is not a competitive bid**.**

9. **If there is competitive bid:**

- **The public offer under all the subsisting bids shall close on the same date.**
- As the Offer Price in such circumstance can not be revised during 7 working days prior to the closing date of the offer / bids, it would, therefore, be in the interest of s

until the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.

10. The Acquirer shall make payment consideration to the shareholders latest by 30th May 2005, Monday including the interest @ 6% p.a. w.e.f. 31st August 2001 till tl

order to comply with direction issued by SAT vide its Order dated 28th January 2005 and vide SEBI Order no. CO/388/TO/11/2002 dated 15th November 2002. decided to file a review application before SAT in respect of the direction of SAT regarding the interest rate payable by the Acquirer. Therefore the Acquirer has guarantee as security for subsequent payment of balance interest on the offer price arising as a result of SAT directions in respect of the review petition to be filed by

11. The Acquirer reserves the right to withdraw the Offer in terms of Regulation 27 of the Takeover Regulations. In the event of such withdrawal, the same would be no Public Announcement in the same newspapers where the original Public Announcement appeared.

12. No Litigations are pending against the Acquirer.

13. The offer is not conditional.

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFI
Vivro Financial Services Pvt. Ltd. Contact Person: Mr. Jayesh Vithlani, Company Secretary "Vivro House", 11, Shashi Colony, Opp. Suvidha Shopping Center, Paldi, Ahmedabad 380006 Tel: +91-79-26575666, Fax: +91-79-26575441 E-Mail: ahmedabad@vivro.net	**Intime Spectrum Registry Limited** Contact Person: Mr. Nikunj Dafftary C-13, Pannalal Silk Mill Compound, LBS Marg Lower Parel, Mumbai – 400 078 Tel No.:+91-22-55555454 Fax No. +91-22-555 E-mail:nikunj@intimespectrum.com

OFFER OPENS ON 27TH APRIL 2005 **OFFER CLOSES ON 16TH MAY 2005**

SCHEDULE OF MAJOR ACTIIVITIES OF THE OFFER:

Activity	Date & I
Public Announcement ("PA") Date	4th March 2005, I
Specified Date (For the purpose of determining the names of shareholders to whom the document would be sent)	10th March 2005,
Last Date for a Competitive Bid	24th March 2005,
Date by which Letters of Offer will be dispatched to the share holders	12th April 2005,
Offer Opening Date	27th April, 2005,
Last date for revising the offer price / number of shares	5th May 2005, Th
Last date for withdrawal by shareholders who have accepted the Offer	~~12th May~~, 11th M Wednesday
Offer closing date	16th May 2005, M
Date by which the acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the shares certificate for the rejected shares will be dispatched to shareholders / certified back to shareholder's demat account	30th May 2005, M

Risk Factors:

1. Post this Offer the Acquirer will be having a significant equity owı control over the Target Company pursuant to regulation 11(1) and the in Acquirer may conflict with those of the other shareholders.
2. In the event that either (a) a regulatory approval is not received in a tim (b) there is any litigation leading to stay on the Offer, or (c) SEBI i Acquirer not to proceed with the Offer, then the Offer process may beyond the schedule of activities indicated in this Letter of Offer. Conse payment of consideration to the public shareholders of GFL whose Share accepted in the Offer as well as the return of Shares not accepted by tl may be delayed.
3. The Acquirer intends to acquire 13,14,010 fully paid-up Equity Shares each of GFL at a price of Rs. 3.68 per share of GFL representing 20% voting equity share capital under the SEBI (SAST) Regulations ,1997. Shares tendered in the Offer in demat form will lie to the credit of a escrow account and the shares tendered in physical form will lie with the the Offer, till the completion of the Offer formalities. Accordingly, tl makes no assurance with respect to the market price of the shares both Offer period and upon the completion of the Offer, and disclaims any re with respect to any decision by the shareholders on whether or not to p the Offer.
4. Acceptance of the Shares tendered in the Offer is subject to receipt of t approvals, as mentioned in Section 8 of this Letter of Offer including t from R.B.I. to be taken by the Company, if any in terms of the Foreig Management Act, 1999. For further details, see Section 8 of this Letter of

The risk factors set forth above pertain to the Offer and not in relation to the p future business or operations of GFL or any other related matters, and are neitl exhaustive nor intended to constitute a complete analysis of the risks involved participation or otherwise by a shareholder in the Offer. Shareholders of GFL to consult their stockbroker or investment consultant, if any, for further risks v to their participation in the Offer.

Attached: Form of Acceptance cum Acknowledgement

1) DEFINITIONS / ABBREVIATIONS

Acquirer	Mr. Pramod Jain
ASE	The Stock Exchange, Ahmedabad
BSE	The Stock Exchange, Mumbai
CDSL	Central Depository Services (India) Limited
Company / Target Company	Gujarat Foils Limited (GFL)
Date of Closure of Offer	16^{th} May 2005, Monday
DP	Depository Participant
Eligible Person(s) for the Offer	The ~~All~~ owners of Fully paid up shares (registered or unregistered~~)~~ ~~of the shares~~ ~~(~~other than anytime before the date of closure of the Offer
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
FOW	Form of Withdrawal
Letter of Offer	This Letter of Offer
Manager/Manager to the offer/Merchant Banker	Vivro Financial Services Private Limited (Vivro)
NSDL	National Securities Depositories Limited
Offer	Open Offer for acquisition of 13,14,010 shares, representing 20% of the total voting equit the Offer Price being made by Mr. Pramod Jain to the shareholders of GFL
Offer Price	Rs. 3.68 per share out of which Rs. 3.00 being the price calculated under regulation 20 and I interest @ 6% p.a. on the Offer Price for a period from 31^{st} August 2001 till 30^{th} May, 20 scheduled date of payment to the shareholders as per the said Orders of SEBI & SAT
PA	Public Announcement dated 4^{th} March 2005
Registrar / Registrar to the Offer	Intime Spectrum Registry Limited
SAT	Securities Appellate Tribunal, Mumbai
SEBI	Securities and Exchange Board of India
Shares	Fully paid – up Equity Shares of Rs. 10/- each of GFL
Specified Date	Date for the purpose of determining the names of the shareholders, as appearing in the Reg of GFL to whom the letter of offer will be sent i.e. 10^{th} March 2005, Thursday
Takeover Regulations / Regulations	Securities And Exchange Board Of India (Substantial Acquisition Of Shares and Takeov 1997 and subsequent amendments thereto.

2) DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF TI LETTER OF OFFER WITH SEBI SHOULD, NOT IN ANY WAY, BE DE CONSTRUED THAT THE SAME HAS BEEN CLEARED, VE' APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SU TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHET DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQU ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREM FACILITATE THE SHAREHOLDERS OF GUJARAT FOILS LIMIT COMPANY") TO TAKE AN INFORMED DECISION WITH REGARI OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FINANCIAL SOUNDNESS OF MR. PRAMOD JAIN ("THE ACQUIREI THE COMPANY WHOSE SHARES / CONTROL ARE / IS PROPOSI ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRER IS PI RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCL ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE M OF THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO THAT THE ACQUIRER DULY DISCHARGES HIS RESPOI ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURF MANAGER OF THE OFFER – VIVRO FINANCIAL SERVICES PVT. SUBMITTED DUE DILIGENCE CERTIFICATE -DATED 16TH MARCI SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUIS SHARES AND TAKEOVER) REGULATIONS 1997 AND SUE AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER I HOWEVER ABSOLVE, THE ACQUIRER FROM THE REQUIREI OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQU THE PURPOSE OF THE OFFER.

3) DETAILS OF THE OFFER

3.1 Background of the Offer

(a) This Offer is being made to the Public Shareholders of Gujarat Foils L Company" or "GFL") pursuant to the direction issued by the SAT, Mun Order dated 28th January 2005 and the order issued by SEBI vide it

CO/388/TO/11/2002 dated 15th November 2002 and in accordance with the
11 (1) of the Takeover Regulations.

(b) This Offer is being made by Mr. Pramod Jain, the Acquirer, ("Individ an Indian citizen, a person resident in India, residing at A / 71, Phase Vihar, New Delhi 110 052 to the Public Shareholders of GFL to acquir fully paid equity shares of Rs.10/- each constituting 20.00% of the t Equity Share Capital of the company.

(c) There are no persons Acting in Concert (PACs) in respect of this Offer Regulation 2(1)(e) of the Regulations.

(d) The Acquirer holds 21,70,000 fully paid equity shares in the Targe constituting 26.46 % of the total Equity Share capital in the Target Comp

(e) The Acquirer has not acquired any shares in the Target Company du months preceding the date of the PA and hence no data regarding the ma average price paid by the Acquirer is available.

(f) The offer is not as result of Global Acquisition resulting in indirect ac Target Company.

(g) Neither Acquirer nor the Target Company have been prohibited by dealing in the securities in terms of directions issued under Section 1 Act or under any of the regulations made under the SEBI Act.

(h) The Acquirer has no plan to change the Board of Directors of GFL.

(i) The Manager to the Offer i.e. Vivro Financial Services Pvt. Ltd. does r share in the Target Company as on the date of PA. They declare and un they shall not deal in the shares of the Target Company during commencing from the date of their appointment as Manager to the c expiry of 15 days from the date of closure of offer.

3.2 Details of the proposed Offer:

a) The SAT in its order has observed that without being a precedent account the financial constraints of the appellant and taking into willingness to make an open offer, the appellant is permitted to make English and one regional daily in circulation in Gujarat followed by

Registered Post to each of the shareholders and accordingly t~~T~~he Public Ann

dated 4th March 2005 was made in the following newspapers, in acco
Regulation 15 of the Takeover Regulations read with Para 27 of the ord
dated 28th January, 2005

Newspapers	Language	Editions
Business Standard	English	Ahmedabad
Jansatta	Gujarati	All Edition of Gu

The Public Announcement dated 4th March 2005 is also available
website at **http://www.sebi.gov.in/**

b) The Acquirer is making an offer to the public shareholders of GFL 13,14,010 fully paid up equity shares ("Shares") of Rs. 10/- each represe % of the total voting equity share capital of GFL at a price of Rs. 3. Three and Sixty Eight Paise Only) per fully paid up equity share ("O (the price calculated as per the Regulation 20 is Rs. 3.00 and Rs. 0.6 interest @ 6% p.a. on the Offer Price for a period from 31st August 2(May, 2005 being the last scheduled date of payment to the shareholder Orders of SAT, Mumbai dated 28th January, 2005 and the SEBI vide i CO/388/TO/11/2002 dated 15th November 2005) payable in cash Price") subject to the terms and conditions mentioned hereinafter Ho has decided to file a review application before SAT in respect of the SAT regarding the interest rate payable by the acquirer.

c) If the aggregate of the valid response exceeds 13,14,010 shares, then, t shall accept the shares equal to the offer size i.e. 13,14,010 sh proportionate basis, in consultation with the Manager to the Offer, in with Regulation 21(6) of the Regulations. In such an event all the e tendered by the applicant may not be accepted.

d) The Offer is NOT conditional upon any minimum level of accepta shareholders.

e) The Acquirer has not acquired any shares of GFL after the date of Announcement till the date of this Letter of Offer.

f) The Equity Shares of GFL are to be acquired, pursuant to the offer sl from all liens, charges and encumbrances and together with all rigl thereto, including the rights to all dividends or other distributions declared, maid or paid.

g) This is not a competitive bid.

Further, terms and conditions of the offer are set out in Section 8 of tl Offer. The procedure for sending acceptance and settlement is set out i of this Letter of Offer.

3.3 Objects of the Acquisition / Offer

a) The Original Promoters namely Mr. Kishore H Patel, Mr. Naresh others collectively held 39.02% shares in the total equity caj Company. The Original Promoters had entered into a Memc Understanding (hereinafter referred to as " **MOU**") dated 3rd Octo order to sell their 39.02% equity shares to the Acquirer. In view MOU, the Acquirer was directed by SEBI vide its CO/388/TO/11/2002 dated 15th November 2002 to make announcement as required under Chapter III of the said Regulatic of Regulations 10 & 12 taking 3rd October 1997 as the referen calculation of the Offer Price. SEBI had also directed that the shaı the company shall be paid an interest @ 15% per annum for interest caused to the shareholders from 1/2/98 till the date of actu of consideration for the shares tendered by them, since announcement for acquisition of shares of the Target Company which had adversely affected the interest of shareholders of Company.

b) The Acquirer against the said order of SEBI had filed an Appeal No. 1 Securities Appellate Tribunal, Mumbai. The Securities Appellate Tribunal, held that the Takeover Regulation was triggered on 18th May 2001 an October 1997 when the Acquirer had crossed the threshold limit of 10% of shares by acquiring 17.69% of shares in the Target Company. Conse has directed the Acquirer vide its Order dated 28th January 2005 to make t 18th May 2001 as the reference date to calculate the Offer Price within 4

date of receipt of their order or to be extended at the discretion of SEBI if tim
The SAT had also held that taking in to account the financial impecuniosit
of public offer and on careful perusal of Regulation 44 (i), the Acquirer s
interest @ 6 % p.a. or the prevailing bank rate (the rate at which th
to the Banks) to be determined by SEBI in the facts and circumsta
case from 31st August 2001 to the date of actual payment. Howev
decided to file a review application before SAT in respect of the
SAT regarding the interest rate payable by the acquirer. SEBI,
request of the Acquirer, has granted extension of time up to 4th I
for making Public Announcement consequent to above-mentione
its Letter No. CFD/DCR/RC/TO/32924/05 dated 4th February 200

c) Accordingly, the Acquirer pursuant to order of SEBI vide its
CO/388/TO/11/2002 dated 15th November 2002 and the Securitie
Tribunal, Mumbai dated 28th January 2005 is now making this offe
Shareholders of the Company for acquisition of 13,14,010 eq
representing 20.00% of the proportionate voting shares capital th
so as to ensure compliance with said orders.

4) BACKGROUND OF THE ACQUIRER

4.1 Mr. Pramod Jain, aged 44 years, ("individual"), being an Indian citiz
resident in India), is residing at A / 71, Phase - I, Ashok Vihar, New De
(Tel: No. (011) 23512222 and Fax No.: (011) 23623795

4.2 Mr. Pramod Jain is in the trading business of non-ferrous meta
experience of 22 years in trading and marketing of non-ferrous metal
after the procuring of raw material, market stability in the finished mark
managing the finance for the business affairs in the Company. At p
acting as the Chairman and Managing Director of the Company. He wa
on the Board of Directors of the Company on 20th October 1997.

4.3 M/s A. B. Sanwalka & Co., Chartered Accountants (Membership
having their office at 209, Sundar Kiran, 6/41, W.E.A. Karol Bagh, Nev
005 (Telephone No. (011) 25817101, 9810105413) have certified

certificate dated 1st March, 2005 that the net worth of the Acquirer is of Rs.
(Rupees Five Crores and Seventy Five Lacs Only) as on 1st March 2005.

4.4 The Acquirer has complied with the applicable provisions of Ch Takeover Regulations. The extent of compliance with the same has be hereunder.

Sr. No	**Regulation / Sub-regulation**	**Due Date for compliance as mentioned in the regulation**	**Actual date of compliance**	**Delay, if any (in No. Of days) Col.4-Col. 3**
1	**2**	**3**	**4**	**5**
1	6(1)	20.04.1997	18.04.1997	N.A.
2	6(3)	20.04.1997	18.04.1997	N.A.
3	8(1)	21.04.1998	10.04.1998	N.A.
4	8(2)	21.04.1998	10.04.1998	N.A.
5	8(1)	21.04.1999	13.04.1999	N.A.
6	8(2)	21.04.1999	13.04.1999	N.A.
7	8(1)	21.04.2000	07.04.2000	N.A.
8	8(2)	21.04.2000	07.04.2000	N.A.
9	8(1)	21.04.2001	05.04.2001	N.A.
10	8(2)	21.04.2001	05.04.2001	N.A.
11	8(1)	21.04.2002	12.04.2002	N.A.
12	8(2)	21.04.2002	12.04.2002	N.A.
13	8(1)	21.04.2003	15.04.2003	N.A.
14	8(2)	21.04.2003	15.04.2003	N.A.
15	8(1)	21.04.2004	12.04.2004	N.A.
16	8(2)	21.04.2004	12.04.2004	N.A.

4.5 Mr. Pramod Jain (the "Acquirer") does not hold Directorship in any company. He holds a full time directorship in Matri Metals Pvt. Ltd Business Aids Pvt. Ltd. He is also a proprietor of M/s. Mahavir Traders.

4.6 The Acquirer does not have any intention to dispose of or otherwise en assets of the Company in the next two years from the date of the clo offer, except in the ordinary course of business with the prior appr shareholder of the Company.

4.7 Except with the approval of the shareholders of GFL, the Acquirer undertakes th
sell, dispose of or otherwise encumber any substantial assets of GFL.

4.8 No Litigations are pending against the Acquirer.

4.9 No proceedings have been initiated by SEBI against the Acquirer under sectio
SEBI Act or under any of the Regulations made under the SEBI Act.

~~**DELISTING OPTION TO THE ACQUIRER IN TERMS OF REGUL**~~
~~**(3)**The Public Shareholding shall not reduce to a level below the limit specified ir Agreement with the stock exchanges for the purpose of listing on continu consequences of the Offer. Hence the provision of Regulation No. 21(3) does not apply.~~

5) BACKGROUND OF GUJARAT FOILS LIMITED (The "Target C

5.1 Gujarat Foils Limited (GFL) is a Public Limited Company having its R Office at Plot No-3436-3439, Chhatral G.I.D.C., Phase-IV, Taluka - Kalol – Gandhinagar, Gujarat. (Tel: (02764) 233656, Fax: (02764) 233657, javascript:main.compose('new','t=gujfoils@icenet.net'). The Corporate Offi Company is situated at 103, Shagun Palace, 132 Feet Ring Road, Ahmedabad – 380 015 (Tel.: (079) 26753840 Telefax: (079) 26776128).

5.2 Brief History and Main Areas of Operation

a) The Company was originally incorporated on 16th of November 1 received the certificate of commencement of business on 18th Decemb The Company had been promoted by Mr. Kishore H. Patel and Mr. N Patel and others. The present Directors of the Company are Mr. Pramod Nishikant Jain, Mr. Shishir Garg and Mr. Pramod H. Jain.

b) The Target Company is engaged in the business of manufacturing of a foils, Coils and aluminum sheets.

5.3 Location and Other Details of Manufacturing Facilities of the Compa

a) GFL has the manufacturing facility at Plot No-3436-3439, Chhatral Phase-IV, Taluka - Kalol, District – Gandhinagar, Gujarat. (Tel: (02764) Fax: (02764) 233657, E-mail: javascript:main. ('new','t=gujfoils@icenet.net')

b) GFL has its branch office at 6562/7C, Chamelian Road, Sadar Approa – 110 006 (Tel.: (011) 23623795 Telefax: (011) 23512222 for the pu trading its products.

c) **Manufacturing facilities and processes:**
The Company has installed the project for manufacture of 3400 Tons Pe of Aluminium Rolled Products. The cost of the project was fina promoters and by way of public issue. The company is at present manu Aluminium Rolled Products and Aluminium Foils which caters requirement of Eyelet and Gasket Foil finding application in Distilleries, Automobile and refrigeration industry. The Basic Raw Mate by the company is Aluminium Hot Rolled Coils. These Coils are proc Cold Rolling, Annealing and Slitting, Packing and Dispatch processes.

5.4 Share Capital Structure of GFL

a) The Share Capital Structure of GFL as on 31st March, 2004 is as follow

	No. of shares	Face Value	% of total capital	% of Voting rights
Authorized Equity Capital	90,00,000	10	---	---
Issued and subscribed Equity Capital	82,01,870	10	---	---
Fully paid – up equity shares	49,38,230	10	60.20	100.00
Partly paid – up equity shares *	32,63,640	10	39.80	--
Total voting rights in Target Company			100.00	100.00

Notes:

~~There are 32,63,640 partly paid up equity shares of Rs. 10/- each on whic paid-up. There are calls in arrears amounting to Rs. 1,63,18,200/- in 32,63,640 Equity shares. In pursuance of Section 181 of the Companies Ac with Article 131 of the Articles of Association of GFL and in order to calcu the voting capital to make the Open Offer within the meaning of the Regu of the Regulations, Equity shares in which calls are in arrears alongw thereon have been taken on proportionate basis to the extend of amount pai~~

- In pursuance of Article 131 of the Articles of Association of GFL, the up shares of the company do not carry any voting right. However calculate 20% of the voting capital to make the Open Offer within the the Regulation 20(10) of the Regulations, Equity shares in which calls a along with interest thereon have been taken on proportionate basis to th amount paid-up.

- There are 32,63,640 partly paid up equity shares of Rs. 10/- each on whi paid-up. There are calls in arrears amounting to Rs. 1,63,18,200/- in 32,63,640 Equity shares.

5.5 Details of the changes in share capital of the Target Company since incorp

Date of Allotment	No. of Equity Shares issued	% of Shares Issued	Cumulative Equity Paid-up Capital		Mode of Allotment	Identity Allottees (Promoters Ex. Promoter others)
			(No. of Equity Shares)	(In Rs.)		
16-11-92	70	100%	70	700	1st Allotment	Promoters
20-09-93	1149900 80100 1230000	99.99%	1230070	1230070	1st Allotment	Promoters
27-01-94	300000	19.60%	1530070	15300700	1st Allotment	Promoters
10-01-96	1670000	52.19%	3200070	32000700	Part of public issue	Promoters
10-01-96	5001800	60.98%	8201870	82018700	Public issue	Public
Total	8201870					

5.6 As per the information provided by GFL, the securities of the Company h suspended for trading by the Stock Exchange, Mumbai due to non-compl Listing Agreement. The security of GFL was lastly traded on 8th Decemb (Source-BSE website) .GFL has also not complied with various requireme the Listing Agreement with the Stock Exchange, Ahmedabad.

5.7 The Equity Shares of GFL are listed on The Stock Exchange, Mumbai (I the Stock Exchange, Ahmedabad (ASE). The Annualized Trading Turnov equity shares of GFL on BSE during the preceding six months i.e. November 2000 to 30th April 2001, prior to the month in which this PA w to be made was 1000 equity shares *(Based on the CMIE Data Base)*, being 5% of the total listed equity shares of the Company.

Based on above information, the equity shares of GFL are deeme infrequently traded in terms of explanation (i) to Regulation 20(5) (Regulation 20(3)) of the Regulations and hence the Offer Price is deter accordance with the requirement of Regulation 20(5) (erstwhile Regulatic of the Regulations taking 18th May 2001 as the Reference Date for calcul Offer Price as directed by the SAT, Mumbai vide its order dated 28th Janua

5.8 There are no outstanding convertible instrument (warrants / FCDs / PCDs are 32,63,640 partly paid up equity shares of Rs. 10/- each on which Rs. 5/ up. There are calls in arrears amounting to Rs. 1,63,18,200/- in respect of 3 Equity shares. In pursuance of Section 181 of the Companies Act, 1956 r Article 131 of the Articles of Association of the Target Company and in calculate 20% of the voting capital to make the Open Offer within the me the Regulation 20(5) of the Regulations, Equity shares in which calls are i alongwith interest thereon have been taken on proportionate basis to the e amount paid-up.

5.9 GFL has partially complied with the applicable provisions of Chapter II Takeover Regulations within the stipulated time. The extent of compliance same has been furnished herein below.

Sr. No.	**Regulation / Sub-regulation**	**Due Date for compliance as mentioned in regulation**	**Actual date of compliance**	**Delay, if any (in No. Of days)** **Col.4-Col. 3**	**Re**
1	**2**	**3**	**4**	**5**	
1)	6(2)	20.05.1997	26.05.1997	6 days	
2)	6(4)	20.05.1997	26.05.1997	6 days	
3)	8(3)	30.04.1998	Not submitted	----	
4)	8(3)	30.04.1999	Not submitted.	----	
5)	8(3)	30.04.2000	Not submitted	----	
6)	8(3)	30.04.2001	Not submitted	----	
7)	8(3)	30.04.2002	Not submitted	----	
8)	8(3)	30.04.2003	Not submitted	----	
9)	8(3)	30.04.2004	30.07.2004	90 days	

5.10 ~~GFL has not complied with various requirement under the Listing A with the Stock Exchange, Ahmedabad and with the Stock Exchange, Mu per the information provided by GFL, there has been no penal action against it by any of the Stock Exchange in respect of the compliance matt~~ has not complied with Clause 47, Clause 40A, Clause 35 and Clause 3 Listing Agreement with the Stock Exchange, Mumbai and Clause 20, C Clause 35, Clause 41, Clause 43 and Clause 49 of the Listing Agreement stock Exchange, Ahmedabad. However the company is in process of subm necessary records to the stock exchanges so as to reinstate the suspensio lisitng by the stock exchange and to regularize the trading.

5.11 Present Composition of the Board of Directors of GFL as on the da PA:

Sr. No.	Name of the Director	Original Appointment Date as Director	No. of Shares held	Experience	Qualification	
1.	Shri Pramod Jain	20-10-1997	26.46% 21,70,000 shares	22 years non-ferrous metal business	B.Com.	A A D
2.	Shri Nishikant Jain	30-09-2000	Nil	15 years Business Experience	B.Com.	5 A F
3.	Shri Shishir Garg	30-07-2001	Nil	3 years of managerial Experience in finance and Accounting	B.Sc., P.G.D.F.M., C.A. Inter.	1 p F A
4.	Shri Pramod H. Jain	16-04-2003	Nil	35 years of Managerial experience in commercial field.	B.Com.	K S V

Note: Mr. Pramod Jain, the Acquirer himself represent on the Board of Dir the Target Company.

5.12 There have been no mergers / demergers / Spin – offs during past th involving GFL. Further, the name of the company has not been changed since of its listing.

5.13 Brief audited financials of GFL

The summarized consolidated financial statements of GFL are as fol

(a) <u>Profit and Loss Statement</u>

Lacs)

Profit & Loss Statement	**31st March, 1999**	**31st March, 2000**	**31st March, 2001**	**31st March, 2002**	**31st March, 2003**	**31st March, 2004**	l
Income from operations	1320.31	2124.90	3021.87	3851.57	4865.92	5993.11	
Other Income	--	--	--	---	---	---	
Total Income	1320.31	2124.90	3021.87	3851.57	4865.92	5993.11	
Total Expenditure.	1235.87	2049.12	2942.00	3775.24	4786.75	5898.35	
Profit Before Depreciation Interest and Tax (PBIDT)	84.44	75.78	79.87	76.33	79.17	94.76	
Depreciation	12.10	12.89	13.78	14.57	15.65	18.58	
Interest	26.49	23.64	19.61	8.89	11.05	24.59	
Profit Before Tax (PBT)	45.85	39.25	46.48	52.86	52.46	51.59	
Provision for Tax	2.00	4.00	3.50	3.87	4.50	4.30	
Deferred Tax	--	--	--	2.27	0.27	5.68	
Net profit transferred to Balance sheet	43.85	35.25	42.98	46.72	47.69	41.61	

(b) <u>Balance Sheet Statement</u>

(Rs. in Lacs)

Balance Sheet Statement	31st March, 1999	31st March, 2000	31st March, 2001	31st March, 2002	31st March, 2003	31st March, 2004
Sources of Funds						
Paid up share Capital	657.01	657.01	657.01	657.01	657.01	657.01
Reserves & Surplus	(67.45)	(32.93)	9.29	9.96	52.93	94.41
Deferred Tax Liability	--	--	--	47.88	52.10	57.78
Secured Loans	107.88	98.12	63.88	174.34	159.26	185.47
Unsecured Loans	42.75	65.79	51.02	Nil	Nil	Nil
Total	**740.19**	**787.99**	**781.20**	**889.19**	**921.30**	**994.67**
Use of Funds						
Net Fixed Assets	232.34	244.40	252.12	245.73	35.28	308.90
Investment	75.86	75.86	75.86	75.86	75.86	75.86
Net Current Assets	399.92	440.44	430.72	549.87	597.20	601.72
Total Misc. Exp. Not written off	32.05	27.28	22.50	17.73	12.96	8.19
Total	**740.19**	**787.99**	**781.20**	**889.19**	**921.30**	**994.67**
Net Worth	**557.51**	**596.80**	**643.80**	**649.23**	**696.97**	**743.23**

Other Financial Data	For the Year 1999	For the Year 2000	For the Year 2001	For the Year 2002	For the Year 2003	For the Year 2004
Dividend (%)	NIL	NIL	NIL	NIL	NIL	NIL
Earning Per Share	0.67	0.54	0.65	0.71	0.73	0.63
Return on Net worth	7.86%	5.91%	6.67%	7.20%	6.84%	5.60%
Book Value Per Share	8.49	9.08	9.80	9.88	10.61	11.31

Source: The above financial data has been taken from the audited annual a GFL for the year 1998-1999, 1999-2000, 2000-2001, 2001-2002, 2002 – 2003 – 2004 and the Statement of accounts certified by the Statutory Audi period from 1st April 2004 to 31st December 2004.

5.14 Comparison of Financial Results

a) Year ended 31st March 2004 compared to year ended 31st March 2

During the year ended 31st March,2004 there was an increase in Total the company by 23.16% as compared with the total income of the fina ended 31st March, 2003. For the financial year ended 31st March,2004 an increase of 19.69% in Profit before Depreciation, Interest & Tax as to that of financial year ended 31st March,2003. But there was a decreas before tax of the financial year ended 31st March,2004 by 1.66% as co that of financial year ended 31st March,2003.Again there was also a Profit After Tax of year ended 31st March,2004 by 1.42% .

Year ended 31st March 2003 compared to year ended 31st March 2

During the year ended 31st March, 2003 there was an increase in Tota of the company by 26.34% as compared with the total income of the year ended 31st March, 2002. For the financial year ended 31st Mar there was an increase of 3.73% in Profit before Depreciation, Interest & compared to that of financial year ended 31st March,2002. But ther decrease in Profit before tax of the financial year ended 31st March, 0.76% as compared to that of financial year ended 31st March,2002.Th also an increase in Profit After Tax of year ended 31st March,2003 by 2.

5.15 Pre and Post- Offer share holding pattern of GFL

As on the date of letter of offer i.e. 16th M

Shareholders' category	**Shareholding & voting rights prior to the agreement/ acquisition and offer. (A)**		**Shares /voting rights agreed to be acquired which triggered off the Regulations. (B)**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances) (C)**		**Share h righ acquisiti (A**
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**
(1) Promoter group	----	----	----	----	----	-----	----
	21,70,000						34,84,0
	21,70,000	26.46	----	----	13,14,010	20	**34,84,0**
	21,70,000						34,84,0
	-----						**-----**
a) Parties to agreement, if any	**------**	**26.46**	----	----	**13,14,010**	**20**	**----**
	60,31,870						47,17,8
b) Promoters other than (a) above- Mr. Pramod Jain	**60,31,870**	26.46	----	----	13,14,010	**----**	**47,17,8**
	82,01,870						**82,01,8**
		-----	----	----	**------**	**----**	
		-----	----	----	**-------**	**----**	
Total (1 (a + b)							
		73.54	----	----	**-------**	**----**	
(2) Acquirer a) Pramod Jain**		**73.54**	----	----	**-------**	**----**	
(3) Parties to agreement other than (1) (a) & (2)		**100**	----	----	**13,140,10**	**----**	
(4) Public (other than parties to agreement, Acquirer)							

a) FIs/ MFs / FIIs / Banks, SFIs (indicate names)							
b) Others							
Total (4) (a + b)							
GRAND TOTAL (2+3+4)							

NOTE: Grand Total does not include the no. of shares at (1) above, s promoters and the Acquirer are the same persons.

Source: The above information is drawn from the List of sharehold shareholding pattern provided by GFL and duly certified by the Chairi Managing Director of GFL

5.16 Details of Change in Shareholding of the Promoters as and happened in GFL

Date	Name	No. of Shares Acquired	No. of Shares Sold	Face Valu
16-10-1997	N.M. Mittal	2,85,600	-	28,56,000
02-12-1999	N.M. Mittal	-	1,00,000	10,00,000
06-01-2000	N.M. Mittal	2,47,900	-	24,79,000
12-02-2001	N.M. Mittal	-	~~4,33,500~~ 1,85,600	- ~~43,35,000~~ 18,56,000
18-05-2001	N.M. Mittal	-	2,47,900	24,79,000
	Total	5,33,500	5,33,500	
16-10-1997	Pramod Jain	5,33,500	-	53,35,000

~~15-02-2001~~ 12-02-2001	Pramod Jain	~~4,33,500~~ 1,85,600	-	~~43,35,000~~ 18,56
~~12-07-2001~~ 18-05-2001	Pramod Jain	~~12,03,000~~ 14,50,900	-	~~1,20,30,000~~ 1,45,09,000
	Total	21,70,000		2,17,00,000

Details of the Compliance with SEBI Take over Code: GFL has c that it has complied with the applicable regulatory requirement duri change (increase or decrease) in its capital structure starting from the incorporation. GFL has further confirmed that the applicable provisio SEBI Takeover Code excluding partial compliance of Chapter II of t Takeover Code, as in force at the relevant time was complied witl Promoters and GFL, at the time of each change in the promoters' share except non compliance mentioned in Para 6.9 and 6.10 hereinabove.

5.17 Compliance with the Corporate Governance

GFL has complied with the applicable requirement of the listing agre relation to Corporate Governance. The details of the corporate goverr the Company are as follows : (Source: Annual Report of GFL for the year 2003-04 and subsequent clarifications from GFL)

a) Composition of the Board of Directors and various co required under Corporate Governance

The Board of Directors of the Company consists four Directors ma them are non-executive-independent directors. Shri Pramod Kumar Non-Executive Chairman of the Company.

The Audit Committee comprises three independent non-executive dire

The Company has not constituted remuneration committee. The Directors of the Company decide the remuneration policy of the Compar

The Company has constituted the Share Transfer And Investor's G Committee, which consists three members, all being Non-executive. M Garg is a Non-executive Chairman of the Committee. The Company received any Complaints from the Investors, during the financial ye 04.

b) Compliance Certificate of the Auditors

The Statutory Auditors of the Company have vide their letter da August,2004 certified, for the year ended March 31, 2004 that in thei and to the best of their information and according to the explanations them, and the representation made by the directors and the managem has complied with the conditions of Corporate Governance as stip Clause 49 of the Stock Exchange Listing Agreement.

5.18 Following are the material legal cases involving GFL, to the knowledge of GFL.

In respect to Income Tax:-

1. For the Assessment year 2000-01 company has filed return for the Rs.11.74 lacs against which assessment order had been passed for Rs. The Company has appealed in the ITAT against the order, as the same is

2. For the Assessment year 2001-02 Company has declared the income lacs in the return. In the assessment the officer has assessed the income lacs, which attracts the additional tax liability of Rs. 5.66 lacs. The app made against the order in the ITAT, as the same is pending.

3. In view of the provisions of Income Tax Act, 1961 the return for the Bl Assessment has been filed by the Company declaring the total income o lacs (Rs. 8.39 lacs for A.Y. 1998-99 and Rs. 0.35 lacs for A.Y. 1999-00) against the income so declared the department has passed order making Rs. 39.03 lacs. The department has raised demand of Rs. 24.57 lacs. The has preferred appeal against the said order. The appeal order has been du and as per the order of CIT Appeals partial relief was granted.

   The Company has filed an appeal in the ITAT against the order of CIT as the same is pending the provision for Income Tax has not been mad has paid Rs. 13.75 lacs to department against such demand.

4. The Company had paid Income Tax as per MAT in respect of the Asst. Year 1999- 2000 and 20 assessment proceeding for the said years have been duly completed and as per the said order. Ce disallowances are made which has the effect of reducing the carried forward loss. As the Compa preferred appeals against the said order no provision for taxation in respect of the said impact is

In respect to Sales Tax Act:

1. The Company has filed an application under Section 62 of the Gujara Act for determination and the decision in respect of the same is decided the Company. Based on the said decision the Company has filed the retu Sales Tax Authorities and have claimed set off and have duly adjuste Tax account. The assessment in respect of the set-off so claimed is pendi

In respect to G.I.D.C.:

1. In respect of the plot Nos.3440-3441 located at phase-IV , Chhatı acquired from G.I.D.C. there are outstanding dues and the matter was be with the respective authorities. The Company had also offered to surren plots but as the Company could not arrive at final consensus with tl authorities they have taken the possession of the said plots on 11/(absence of any further information the said plots have been reflected in sheet. The provision in respect of interest and other charges have not bee due effect would be given in the accounts as per the final settleme G.I.D.C. authorities.

5.19 The Compliance Officer of GFL is Mr. Dharmendra Shukla. His cor are as follows: Mr. Dharmendra Shukla, Compliance Officer, 103, Shagun Feet Ring Road, Satellite, Ahmedabad – 380 015 (Tel.: (079) 26753840 Te 26776128).

6) OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 Equity Shares of GFL are listed on the ASE and BSE.

6.1.2 The Annualized Trading Turnover of the equity shares of the Company during the preceding six months i.e. from 1st November 2000 to 30th Ap prior to the month in which this PA was ought to be made was 10(shares *(Based on the website of BSE and the CMIE Data Base)*, being 5% of the total listed equity shares of the Company.

Name of Stock Exchange	Total No. of Shares traded during the 6 calendar months ending on 30th April, 2001	Total No. of Listed Shares	Annı trading (in term total list
ASE	Not Available	8201870	N

BSE	1000	8201870	0.0

Note: Trading volume data has been taken from the official quotatio BSE.

6.1.3 Based on above information, the equity shares of the Company are d be infrequently traded in terms of explanation (i) to Regulation 20(5) (Regulation 20(3)) of the Regulations and hence the Offer Price is dete accordance with the requirement of Regulation 20(5) (erstwhile Regulati of the Regulations taking 18th May 2001 as the Reference Date for c the Offer Price as directed by the SAT, Mumbai vide its Order dated 28t 2005.

6.1.4 The Share Price of Rs.3/- per fully paid up equity share of GFL is ju terms of regulation 20 (5) (erstwhile Regulation 20(3)) of the Regulations since the same has been determined after considering facts:

1. Negotiated price 2. Highest price paid by the Acquirer for acquisition including a public or right or a preferential issue during the period of 26 weeks prior to PA (Being the date of acquisition / the reference date for calculating offer price i.e. 18th May 2001) 3. Other parameters	Not A
Year ended	*31st* *2*
(a) Return on Net Worth	7
(b) Earning Per Share (Rs.)	*0*
*(c) Industry Price Earning Ratio**	*2*
(d) Book Value	*6*

**Source: Capital Market Volume No. XVI / 03 of April 2001*

6.1.5 Since the shares of GFL are infrequently traded on the above mention Exchanges, the fair value of shares has been arrived at by considering parameters and by placing reliance on the Supreme Court Judgment in of Hindustan Lever Employee Union vs. Hindustan Lever Limited [(199

30] and with due regard to the erstwhile CCI Formula for valuation o
Accordingly, the fair value has been calculated taking weighted averag
methods as follows:

Amt. in Rs.

Method	Amount (Rs.) (x)	Weights (y)	V
1. Value of shares as per Net Assets Method (NAV)	5.18	1	
2. Value of shares as per Earning Capitalization Method	2.69	2	
3. Value of Shares as per Imputed Market Price Method	1.64	2	
Total		5	
Fair value of shares			**2.**

6.1.6 The above working is certified by Mr. Ramesh Kedia, (Membership n partner of M/s Jain Kedia & Sharma, Chartered Accountants, having th 13, Mill Officers' Colony, 2nd Floor, B/H La Gajjar Chamber, As Ahmedabad 380 009, Gujarat (Telephone No. (079) 26585151 / 265878 (079) 26585150) vide their certificate dated 3rd March 2005.

6.1.7 Based on the above information, in the opinion of the Manager to th Offer Price is being justified in terms of Regulation 20 (5) read with Re (11) of the Takeover Regulations.

6.1.8 If the Acquirer acquires shares in the open market or through negoti the date of Public Announcement and upto seven working days prior to of the offer at a price higher than the offer price stated herein, the highes for such acquisition shall be payable for all shares tendered and accepte offer as per regulation 20 (7) of the Takeover Regulations.

6.2 Financial arrangements:

6.2.1 The maximum purchase consideration payable by Acquirer in c acceptance of offer i.e. 13,14,010 fully paid up equity shares is Rs. 48,35,557 of Rs.3.68 per equity share (out of this "**Offer Price**" Rs. 3/- being the regulation 20 and Rs. 0.68 being the interest @ 6% p.a. on the Offer period from 31st August 2001 till 30th May, 2005 being the last schedu actual payment of consideration as per the said Orders payable in cash su terms and conditions mentioned hereinafter

6.2.2 The Acquirer has created an Escrow Account in the form of Fixed De 15 lacs (being more than 25 % of the consideration payable including th interest payable thereon) with Syndicate Bank, Barakhamba Road B Delhi 110 001.

6.2.3 The Manager to the Offer has been duly authorized by the Acquirer vi dated 3rd March, 2005 to realize the value of escrow account in te Regulation.

6.2.4 Acquirer has adequate and firm financial arrangements in terms of Re (xiv) out of his personal savings and business income to fulfill the obliga the open offer. No borrowings from Bank/ Financial Institution are bein the purpose. The funds to be utilized shall be domestic and not any forei

6.2.5 M/s Jain Kedia & Sharma, Chartered Accountants (Membership N having their office at 13, Mill Officers' Colony, 2nd Floor, B/h La Gajja Ashram Road, Ahmedabad 380 009, Gujarat (Tel No. (079) 2658515 Fax No. (079) 26585150) have certified vide their certificate dated 2nd that sufficient resources are available with the Acquirer to fulfill its under the Offer.

6.2.6 Manager to the Offer is satisfied that firm arrangement through verif are in place and the Acquirer has adequate financial resources to meet th under the offer.

6.2.7 The Manager to the offer has satisfied itself about the Acquirer' Implement the Offer in accordance with the Takeover Regulations.

6.2.8 However SEBI has decided to file a review application before SAT i

the direction of SAT regarding the interest rate payable by the acquirer. Acc
Acquirer has obtained the Bank Guarantee for Rs. 6,00,000/- in our fav
has created lien marked with us as security for subsequent payment o
the event the obligation to pay interest falls on the Acquirer.

6.2.9 Details of the Bank Guarantee is as under

Name of the Bank	Amount in Rs.	Validity	In favour of
Andhra Bank, Connought Circle Branch, New Delhi	6,00,000 /-	1 Year	Manager to the offer

6.2.10 The Manager to the offer is satisfied about the adequacy of the validit
Bank Guarantee in the event of the obligation to pay interest falls on the

7) TERMS AND CONDITIONS OF THE OFFER

7.1 Statutory Approvals

a) The Offer is subject to Approval, if any, required from RBI under
Exchange Management Act, 1999 (FEMA) for the acquisition of equit
the Acquirer from the Non residents under the Offer.

b) No approval from any Bank/ Financial Institution is required for the
this Offer, to the best of the knowledge of the Acquirer.

c) No statutory approvals are required to the best of the knowledge of the
acquire the shares that may be tendered pursuant to the Offer.

d) If any other statutory approvals become applicable at a later date, the
be subject to such statutory approvals.

e) Subject to the receipt of statutory approval, the Acquirer shall c
procedure relating to the Offer including payment of consideration wit

of 15 days from the Offer Closing Date to those shareholders whose share and / or other documents are found valid and in order and are ap acquisition by the Acquirer. In case of delay in receipt of any statutory any, SEBI has power to grant extension of time to the Acquirer for the the consideration to the tendering shareholders subject to the Acquirer pay interest as directed by SEBI under Regulation 22(12) of SE Regulations. If the delay occurs due to willful default of the Acquirer i the requisites approval, if any, Regulation 22(13) of SEBI (SAST) Regu become applicable.

7.2 Other Terms

a) The Letter of Offer together with the Form of Acceptance cum Ackno shall be mailed by Registered Post in compliance with the SAT o shareholders of GFL (except to the Acquirer) whose names appear on t of Members of GFL and to the beneficial owners of the shares of GFL w appear on the beneficial records of the respective depository at the c business on 10th March, 2005 ("specified date").The unaccepted shares / shall be returned by registered post.

b) All owners of fully paid-up equity shares, registered or unregister beneficial owners of the shares (except the Acquirer) who own the sh time prior to the closure of the offer are eligible to participate in the procedure set out in the section 9. Unregistered owners/ shareholders w received Letter of Offer can send their application in accordance with th so as to reach the Registrar to the Offer on or before 16th May 2005. N is required from the unregistered owners.

c) Accidental omission to dispatch this Letter of Offer or the non-receipt receipt of this Letter of Offer will not invalidate the offer in any way.

d) Shares, if any, that are subject matter of litigation wherein the shareho be precluded from transferring the shares during the pendency of the sa are liable to be rejected in case directions/ orders regarding these sha received together with the shares tendered under the offer. The Letter some of these cases, wherever possible, would be forwarded to the statutory authorities for further action at their end.

e) The acceptance of the Offer made by the Acquirer is entirely at the d the shareholders of the Target Company. The Acquirer will not be res any manner for any loss of share certificate(s) and offer acceptance during transits and the shareholders of the Target Company are adequately safeguard their interest in this regard.

f) Incomplete applications, including non-submissions of necessary er any, are liable to be rejected.

g) Shares that are subject to any lien, charge or encumbrance are liable to

h) The instructions and provisions contained in the FOA and FOW c integral part of the terms of this offer.

i) Shareholders should note that after 4 PM on the last date of withdrav ~~May 2005~~, 11th May, 2005 shareholders who have lodged their accept not be able to withdraw them even if the acceptance of shares under th dispatch of consideration gets delayed. The validly tendered shares and would be held by the Registrar to the Offer in trust, till such time as the acceptance of tenders and the payment of consideration is completed.

j) In case the shares tendered in the open offer are more than the shares a acquired by the Acquirer, the Acquirer shall accept all valid applicati from the shareholders on a proportional basis, in consultation with the the Offer, taking care to ensure that the basis of acceptance is decided i equitable manner and dose not result in non-marketable lots.

k) Acquirer is confident of completing all the formalities pertaining to the of the said shares, within 15 days from the date of closure of this Offe payment of consideration to the shareholders who have accepted the O the purpose open a Special account as provided under Regulation 29.

l) Subject to the conditions governing this Offer, as mentioned in the Lett the acceptance of this Offer by the shareholder(s) must be absolute and Any acceptance to the Offer, which is conditional or incomplete, is rejected without assigning any reason whatsoever.

m) Acquirer can revise the price upwards up to seven working days prior t the offer and revision if any in the offer price would appear in the same where the Public Announcement has appeared. The same price would be shareholders who tender their shares in the offer.

n) Shareholders may note that if there is a competitive bid, the public offe the subsisting bids shall close on the same date. As the offer price revised during 7 working days prior to the closing date of the offers / bic therefore, be in the interest of shareholders to wait till the commencer period to know the final offer price of each bid and tender their accordingly.

o) For any queries regarding the Offer the shareholders / applicants may Registrar to the Offer at the address mentioned in this Letter of Offer.

p) Where the number of shares offered for sale by the shareholders are m shares agreed to be acquired by the Acquirer making the offer, the Ac accept offers received from shareholders on proportional basis in consu Merchant Bankers taking care to ensure that the basis of acceptance is fair and equitable manner and does not result in non marketable lot. P acquisition of shares from a shareholder shall not be less than the marketable lot or the entire holding if it is less than the marketab marketable lot of the equity shares of the company is one share.

Provided that where the Acquirer is unable to make payment to the s who have accepted the offer before the said period of 15 days due to no requisite statutory approval, if any, the SEBI may, if satisfied that no requisites statutory approval was not due to any willful default or ne Acquirer or the failure of the Acquirer to diligently pursue the applicati approval, grant extension of time for the purpose, subject to the Acquir to pay interest to the Shareholders for delay beyond 30 days, as may be the SEBI from time to time.

8) PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

PROCEDURE FOR ACCEPTING THE OFFER BY ELIGIBLE I

8.1 The Public shareholders of GFL who qualify and wish to avail of th free to offer their shareholding in whole or in part and they should documents mentioned in Section 9.2 herein below, by hand deliv

Collection Centers mentioned below, on or before the close of the business h

later than 4 PM on 16th May 2005, Monday. Shareholders are advised to the FOA and other documents are complete in all respect; otherwise t liable to be rejected.

Address	Contact Persons	Mode of Delivery	Phone No.	Fax	E-mail ID
Intime Spectrum Registry Limited C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup, Mumbai – 400 078	Mr. Nikunj Dafftary	Hand Delivery / Registered Post	022-55555454	022-55555353	javascript:main.compose ('new','t=nikunj@intimespe
Intime Spectrum Registry Limited 211, Sudarshan Complex, Nr, Mithakhali under Bridge, Navarangpura, Ahmedabad 380 009	Mr. Hitesh Patel	Hand Delivery	079-26465179	079-26465179	javascript:main.compose ('new','t=ahmedabad@intin
Intime Spectrum Registry Limited 203, Dower House, 197/199, D.N. Road, Mumbai 400 001	Vivek Limaye	Hand Delivery	022 – 22694127	022 – 25672693	javascript:main.compose ('new','t=vivek@intimespe

Timing: Monday to Friday (11 AM to 4 PM) Excluding Saturday, Sunda Holiday

The Shareholders who cannot hand deliver their documents should send t Registered Post at their own risk, to the Registrar to the Offer at their offic Spectrum Registry Limited, C-13, Pannalal Silk Mill Compound, LBS M Parel, Mumbai – 400 078, to reach before 4 PM on 16th May 2005. The Ac not take any responsibility for any postal delays.

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

a) For Shares held in Physical Form:

✓ ***Registered Shareholders Should enclose:***

Form of Acceptance-cum-Acknowledgement (FOA) duly complete in accordance with the instructions contained therein in an envelope the same with **"Gujarat Foils Limited – Offer For Acquisition** by all shareholders whose name appear on the Shares Certificates.

Original Share Certificate(s)

Valid Share Transfer deed / form(s) duly signed as transferors by a shareholders (in case of joint holdings) in the same order and as p signature registered with GFL and duly witnessed at the appropri blank share transfer form is enclosed along with this Letter of Offe

All other requirements for valid transfer will be preconditions for

✓ ***Unregistered Owners or Shareholders Who have Not Received Offer Should enclose:***

An Application in writing, on a plain paper stating the following det

- Name
- Address
- Number of Shares Held
- Number of Shares Offered
- Distinctive Numbers of the Shares
- Folio No. of the Shares

Form of Acceptance-cum-Acknowledgement (FOA) duly complete in accordance with the instructions contained therein in a subscribing the same with **"Gujarat Foils Limited – Offer For Of Shares".**

Original Share Certificate(s)

Original Broker Contract Note of the Registered Sharebroker of

Stock Exchange.

Valid Share Transfer deed (s) as received from the market. The deta should be left blank failing which, the same will be invalid unde Unregistered shareholders should not sign the transfer deed. The tı should be valid for transfer. No indemnity is required from ı shareholders.

All other requirements for valid transfer will be preconditions for

b) **For Shares held in Demat Form:**

✓ ***Beneficial Owners should enclose:***

Form of Acceptance-cum-Acknowledgement (FOA) duly comp signed in accordance with the instructions contained therein, beneficiary owners whose names appears in the beneficiary accoun records of the respective depository.

Photocopy of the delivery instructions in "Off Market" mode or cou the delivery instruction in "Off Market" mode, duly acknowledge in favour of the Special Depository Account (as defined in herein later than 4 PM on 16th May 2005.

The Registrar to the Offer has opened a Special Depository Ac details of the Special Depository Account are as under (tł Depository Account"):

DP Name	Infrastructure Leasing and Financial Services Limited
DP ID	IN300095
Client ID	11194237
Account Name	ISRL – GFL – Open Offer – Escrow A/c
Depository	NSDL

For each delivery instruction, the beneficial owner should submi FOA. **In case of the demat shares, the shareholders of GFL are ensure that their shares are credited in favour of the Special Account, not later than 4 PM on the close of the business Monday, 16th May 2005. Beneficial Owners having their account in CDSL have to use inter depository delivery instruct the purpose of crediting their shares in favour of the Special Account with NSDL. The forms of Acceptance of such demat credited in favour of the Special Depository Account, befor Monday, 16th May 2005 will be rejected.**

8.3 Shareholders should also provide all relevant documents, which are r ensure transferability of the shares in respect of which the application i failing which the application would be considered invalid and would be rejected.

8.4 The Shares Certificates, Shares Transfer Form(s) FOA and oth documents, if any, should be sent only to the Registrar to the Offer, at th centers mentioned in Section 9 above. **They should not be sent to the M the Offer or the Acquirer or the Target Company.** The above documents can be sent to the collection centers as mentioned in section hand delivery or Registered Post on all days except Saturday, Sunda Bank Holiday.

8.5 The minimum marketable lot for the purpose of acceptance, for both p demat Shares would be one share.

8.6 In case of non-receipt of Letter of offer, the eligible person may obtain the same from any of the collection centers mentioned above on provid documentary evidence of acquisition of shares. The Letter of Offer a Acceptance-Cum-Acknowledgement will be available on website o http://http://www.sebi.gov.in/ from the Offer Opening Date i.e. 27th Wednesday. which will be made available from the opening of the eligible shareholders, desirous of participating in the Offer, can down documents from the SEBI's website. Alternately, they may send, by Registered post their acceptance to the Registrar to the Offer on a stating the name, address, no. of shares held, distinctive no., folio no., n offered, along with documents as mentioned above, so as to reach to tl

to the Offer at the above address on or before the closure of the Offer i.e. 16th
Unregistered shareholders should not sign the transfer deed. The tr
should be valid for transfer. In case of Beneficial Owners, they may
name, address, number of Shares held, number of Shares offered, DP Na
beneficial account number and the photocopy of the delivery instruct
Market" mode, duly acknowledged by the DP in favour of the Special

Account, so as to reach the Registrar to the Offer, not later than 4 PM c
2005. The application should be signed by all the shareholders
registration details available with GFL and should be sent to the Reg
Offer in an envelope clearly marked **"Gujarat Foils Limited –
Acquisition Of Shares".**

8.7 Procedure for withdrawal of Application / Acceptance

In accordance with Regulation 22(5)(A) of the Regulations, shareholder
tendered requisites documents in terms of Public Announcement and Let
shall have option to withdraw acceptance tendered upto 3 working days
offer closing date i.e. ~~12th May 2005, Thursday~~, 11th May, 2005, Wedne

a) The withdrawal option can be exercised by submitting the documents
instruction in (b) and (c) below, so as to reach the Registrar to the C
collection centers, mentioned in section 9 herein above not later than 4
May 2005, Monday.

b) The withdrawal option can be exercised by submitting the FOW atta
Letter of Offer duly completed together with Acknowledgement slip i
copy of the submitted Form of Acceptance in case delivered by Register

c) In case of non-receipt of the FOW, the withdrawal option can be e
making an application on plain paper along with the following details
shall be delivered to the Registrar to the Offer either by hand delivery o
Post:

✓ ***In case of physical share***: name, address, distinctive no. folio
shares tendered / withdrawn

✓ ***In case of dematerialized shares***: name, address, no. shares
withdrawn, DP name, DP ID, Beneficiary Account No., phot

delivery instruction in "Off Market" mode or counter foil of the delivery in "Off Market" mode, duly acknowledged by the DP in favour of Depository Account.

d) Shareholders who have tendered Shares in physical form and wish withdraw their tenders, should also enclose valid shares transfer forn remaining equity shares (i.e. Shares not withdrawn) duly signed as trans registered shareholders (in case of joint holdings) in the same order specimen signature registered with GFL and duly witnessed at the place.

e) The withdrawal of Shares will be available only for the Shares certific that have been received by the Registrar to the Offer / Special Depositor

f) The intimation of returned Shares to the shareholders will be at the ad the records of GFL or the Depositories as the case may be.

g) The FOW should be sent to the Registrar to the Offer only, at the centers mentioned in section 9(a) above.

h) In case of partial withdrawal of Shares tendered in physical form, if shares certificate are required to be split, the same will be returned o shares certificate from GFL.

i) Partial withdrawal of tendered Shares can be done only by the shareholders / beneficial owners. In case of partial withdrawal, the earl Acceptance will stand revised to that effect.

j) Shareholders holding shares in dematerialized form are requested t necessary standing instruction for receipt of the credit in their DP accour

8.8 Unaccepted Share Certificates, transfer forms and other documents, if returned by Registered Post at the shareholders/ unregistered owners' the sole / first shareholder.

8.9 Shares held in the demat form to the extend not accepted will be cred the beneficial owners' depository account, with the respective participant as per the details furnished by the beneficial owne

Shareholders holding shares in the dematerialized form are requested t necessary standing instruction for receipt of the credit, if any, in their DI will be responsibility of the shareholders of GFL to ensure that unacce are accepted by their respective DP when transferred by the Registrar t Shareholders should ensure that their depository account is maintained formalities are completed.

8.10 The Registrar to the Offer will hold in trust the shares, Form of Acce Acknowledgement, if any, and the transfer form(s) on behalf of the sha the Target Company, who have accepted the offer, until the cheques / d consideration and / or the unaccepted shares/ share certificates are returned.

8.11 In case any person has lodged shares for transfer and such transfer been effected, the concerned person may apply as per instruction c section 9.6 above together with Acknowledgement of the lodgment o transfer. Such person should also instruct GFL and its Registrar and Tra to send the transferred shares certificate(s) directly to the collection ce at Mumbai. The applicant should ensure that the certificate(s) reach the collection center not later than 4 PM on 16th May 2005, Monday.

8.12 In case any person has tendered his / her physical shares for demateria such dematerialization has not yet been effected the concerned share apply in the offer as per the instruction mentioned in the section 9.6 abo with a photocopy of the completed dematerialization request form ackno the shareholder's DP. Such shareholders should ensure the credit of tl

the Special Depository Account on or before the Offer Closing Date i. 2005, Monday. A copy of delivery instruction acknowledged by the DP the Special Depository Account should be forwarded to the collection ce

the FOA and other documents were tendered, not later than 4 PM o 2005, Monday.

8.13 Payment of Consideration

a) The payment of consideration shall be made (together with interest a 6% p.a. on the Offer Price From 31st August 2001 till the date of actual consideration) to those shareholders whose equity share certificates an documents are found valid and in order by the Acquirer, and the same shall b crossed account payee cheque / demand draft / pay order. The intimatio the acquisition (in part or full) or rejection of the shares tende shareholders in acceptance of this Offer and the corresponding paym acquired Shares and / or Share certificates for the rejected Shares will be to the shareholders by registered post ***or by ordinary post as the case m*** the shareholders'/ unregistered owner's sole risk within 15 days from closure of the offer i.e. 30th May, 2005.

b) All cheques / demand drafts will be drawn in the name of the first hold of joint holder(s). In case of unregistered owners of shares, payment will the name of the person stated in the contract note. **It will be desirable if shareholders provide bank account details in the Form of Acceptanc Acknowledgement for incorporation in the cheque / demand draft.**

c) However, if the Acquirers is unable to make the payment to the s within 15 days due to non-receipt of any statutory approval to which th be subject, the Board may, if it is satisfied that non receipt of requisi approval was not due to any willful default or neglect of the Acquirers the Acquirers to diligently pursue the applications for such appro extension or time for the purpose, subject to payment of interest to the s at such rate for delay beyond 15 days, as may be specified by the Board.

9) DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are for inspection by the shareholders of GFL at the office of the Manag Offer i .e. Vivro Financial Services Pvt. Ltd., from 10.30 a.m. to 3.0C any working day except Saturdays, Sundays, and Public / Bank Holid the Offer closes on 16th May 2005

1) Copy of Order issued by SEBI No. CO/388/TO/11/2002 dated 15th N 2002

2) Copy of Order issued by the SAT, Mumbai dated 28th January, 2005

3) Certificate of Incorporation and the Memorandum and Articles of As of the Target Company.

4) Copy of Public Announcement of Offer dated 4th March, 2005.

5) The annual reports of the Target Company for the financial year er March 1998, 1999, 2000, 2001, 2002, 2003, 2004 and the certified fina nine months ended 31st December 2004.

6) Letter from the Acquirers regarding appointment of Manager to the Off

7) Letter from the Syndicate Bank confirming the amount the amount ke escrow account and a lien in favour of Manager to the Offer.

8) Letter from the Andhra Bank confirming the Bank Guarantee of Rs. 6 and a lien in favour of Manager to the Offer.

9) Chartered Accountant's certificate certifying the net worth of Mr. Pra i.e. Acquirer.

10) Chartered Accountant's certificate certifying the adequacy of resources with Acquirer to fulfil the open offer obligations.

11) SEBI observation Letter No. CFD/DCR/RC/TO/38031/05 dated 07 2005.

12) Copy of the undertaking from the Acquirer.

13) Due Diligence Certificate.

14) Certificate of Mr. Ramesh Kedia, Chartered Accountant (Member 35997) a partner of M/s Jain Kedia & Sharma, Chartered Accountants their office at 13, Mill Officers' Colony, 2nd Floor, B/H La Gajjar C Ashram Road, Ahmedabad 380 009, Gujarat dated 3rd March 2005.

10) DECLARATION BY THE ACQUIRER

The Acquirer Mr. Pramod Jain accepts full responsibility for the inf contained in this Letter of Offer.

The Acquirer shall be responsible for ensuring compliance with the ' Regulations. The information relating to the Target Company has been from publicly available information and from the company.

For and on behalf of The Acquirer

Sd/-

Pramod Jain

(Acquirer)

The person signing the Letter of Offer is duly and legally authorized person.

Place: **New Delhi**

Date: **16th March, 2005**

Attached: **Form of Acceptance – cum – Acknowledgement**

Form of Withdrawal

Transfer deed for shareholders holding shares in the Physic

FORM OF ACCEPTANCE -- CUM -- ACKNOWLEDGEMEN

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIAT ATTENTION

(*Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Intime Spectrum Registry Limited at a centers as mentioned in the Letter of Offer)*

(All terms and expression used herein shall have the same meaning as described thereto in letter of offer and please re mentioned below before filling in this form of acceptance.)

From: ____

Name: ____________________________________

Address: ____________________________________

____

____

____

OFFER	
Opens on:	**Wednesd 2005**
Last date of withdrawal:	~~**Thursday**~~ **Wednesd**
Closes on :	**Monday,**

Tel No. : (_____)______________ Fax No.: (_____)___________________E-mail: ___________________

To,

Mr. Pramod Jain,

C/o. **Intime Spectrum Registry Limited**

C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup (West), Mumbai – 400 078

Dear Sir,

Re: Open Offer to acquire 13,14,010 fully paid up equity shares of Rs.10/- each, representing 20% of the Voting Equ Gujarat Foils Limited ("Target Company" / "GFL ") at price of Rs. 3.68 (Rupees Three and sixty eight Paise paid up equity share ("Offer Price") payable in cash by Mr. Pramod Jain (the "Acquirer")

I/We refer to the Letter of Offer dated 16/03/2005 constituting an offer for acquiring the equity shares held by me/us in **Limited .**

I/We, the undersigned have read the Letter of Offer and understood its contents and unconditionally accepted the terms an mentioned therein.

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 sha below:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s)		N
			From	To	

Total Number of shares	

please use additional sheet and authenticate the same in case of insufficient space.

SHARES HELD IN DEMAT FORM

I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the delivery instructions by my/our DP in re
Shares as detailed below:

DP Name	DP ID	Client ID	Depository	Name of Beneficiary	
			NSDL		

I/We have done an off-market transaction for crediting the Shares to the depository account with Infrastru
Financial Services Limited at NSDL styled " ISRL-GFL-OPEN OFFER-ESCROW A/C " whose particulars are:

DP Name: Infrastructure Leasing and Financial Services Limited	DP ID :IN300095	Client

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting th
favour of the Special Depository Account with NSDL.

Enclosures (Please tick as appropriate, if applicable)

Power of Attorney

Corporate Authorisation in case of companies along with board resolution and specimen siganatures of authorized signatories.

Death Cerificate / Succession Certificate

Others (Please specify)

No Objection Certificate & Tax Clearance Certificate under income tax act, 1961, for NRIs / OCBs / Forieng share holders as applicable

I/We confirm that the equity shares of Gujarat Foils Limited which are being tendered herewith by me/us under this offer, a
charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trus for me / us
the Offer until the time the Mr. Pramod Jain makes payment of the purchase consideration as mentioned in the Letter of Offe

I/We also note and understand that Mr. Pramod Jain will pay the purchase consideration only after verification of th
signatures.

I/We authorize Mr. Pramod Jain to send by registered post/ speed post/ UCP the draft/ cheque, in settlement of the amou
holder at the address mentioned above.

I/We note and understand that the shares would lie in the Special Depository Account until the Acquirer makes payme
consideration as mentioned in the Letter of Offer.

I/We authorize Mr. Pramod Jain to accept the Shares so offered or such lesser number of equity shares which it may c
consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to retu
share certificate(s) which is not found valid.

My/Our execution of this Form Of Acceptance shall constitute my/our warranty that the Equity shares comprised in this app
by me/us and are transferred by me/us free from all liens, charges, claims of third parties and encumbrances. If any claim is

party in respect of the said equity shares, I/We will hold the Acquirers, harmless and indemnified against any loss they or
suffer in the event of the Acquirer acquiring these equity shares. I/We agree that the Acquirer may pay the offer pr
verification of the documents and signatures and on obtaining the necessary approvals as mentioned in the said letter of offer

I/We undertake to execute such further documents and give further assurance as may be required or expedient to give effect
to sell the said Equity shares.

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

Name of Bank	Branch	City	Type of Account	Acc

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under: -

	1st Shareholder	2nd Shareholder	3rd Sha
PAN/GIR No.			

Yours faithfully,

Signed and delivered

	FULL NAME (S) OF THE HOLDER	SIGNA
First / Sole Holder		
1st Shareholder		
2nd Shareholder		
3rd Shareholder		

Note : In case of joint holdings, all shareholders must sign. In case of body corporate, the company seal should be affixed

Place :__________________ Date : ______________________

--- Tear along this line---

Acknowledgment Slip: Gujarat Foils Limited – Open Offer (to be filled in by the shareholders)

Sr. No.

Received from Mr./Ms./M/s____

Form of Acceptance cum Acknowledgement for GFL Offer as per details below :-

Physical Shares: Folio No. ______________________

No. of Certificates Enclosed ______ Certificate No.____________________________ Total No. of Shares Enclosed ______

Demat Shares: Client ID

DP ID

Copy of Delivery Instruction to DP ______________________________

Total No. of Shares Enclosed _________________________________

(Delete whichever is not applicable)

Date of Receipt : ______________

Stamp of collection center: Signature of Official:

I/We irrevocably authorize the Acquirers or the Manager to the Offer to send by registered post the draft / cheque, in settler
my own risk and any excess share certificate, if any, to the Sole/first holder at the address mentioned below:

NAME AND COMPLETE ADDRESS OF THE SOLE/FIRST HOLDER (IN CASE OF MEMBER(S), ADDRESS as R
Company.

Name:

Address:

Place:

Date:

Tele No:

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

For Mr. Pramod Jain

C/o. **Intime Spectrum Registry Limited**

C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup (West), Mumbai – 400 078. Tel. No. (022) 55555454, Fax : (
Contact Person : Mr. Nikunj Dafftary E Mail : javascript:main.compose('new','t=nikunj@intimespectrum.com

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their Shares are credited in fav
Depository Account, before the Date of Closure of the Offer i.e. 16th May 2005, Monday. The Form of
Acknowledgment of such demat shares not credited in favour of the Special Depository Account, before the Date
offer will be rejected.

2. Share holders should enclose the following:

I. **For shares held in demat form:-**

Beneficial owners should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the ins therein, as per the records of the Depository Participant (DP).

ii) **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instructi mode, duly acknowledged by the DP as per the instruction in the Letter of offer.

II. For Shares held in physical form:-

Registered Shareholders should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the ins therein, by all Shareholders whose names appear on the Share certificates.

ii) Original Share certificate(s).

iii) **Valid transfer deed(s)** duly signed as transferors by all registered Shareholders(in case of joint hol order and as per specimen signatures registered with Gujarat Foils Limited and duly witnessed at the A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (t signature difference, etc.) should be done.

The details of buyer should be left blank failing which the same will be invalid under the offer. Pramod Jain as buyer will be filled by Mr. Pramod Jain upon verification of the Form Of Acceptance found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

III. Unregistered owners should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the ins therein.

ii) **Original Share certificate(s).**

iii) **Original broker contract note.**

iv) **Valid Share transfer deed(s)** as received from the market leaving details of buyer blank. If the same Share(s) are liable to be rejected.

3. **The Share certificate(s), share transfer form(s) and the Form of Acceptance-cum-Acknowledgment should l Registrar to the Offer and not to the Manager to the Offer or Mr. Pramod Jain or Gujarat Foils Limited.**

4. The Form of Acceptance-cum-Acknowledgment and other related documents should be submitted at an centers of Intime Spectrum Registry Limited as stated in the Letter of Offer.

5. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INS for the purpose of crediting their Shares in favour of the Special Depository Account with NSDL.

6. It is mandatory for Shareholders to indicate the bank account details at the appropriate place in the For cum-Acknowledgment and the consideration would be made to the bank account of the sole/first shareho would be made at par to all the shareholders.

7. Rejection of Shares

If the shares are rejected for any of the following reasons, the shares will be returned to the holder(s) along with received from them at the time of submission. Please note that the following list is not exhaustive.

a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of Gujarat Foils Limi

b. The transfer deed is not complete or that the signatures do not match with the specimen recorded with Gujarat Foils L

c. The number of Shares mentioned in the Form of Acceptance-cum-Acknowledgment does not tally with the act certificate(s) submitted or in case of dematerialized shares; the shares in the Form of acceptance-cum-Acknowled with the instruction to the Depository Participant.

8. All documents/ remittances sent by or to shareholders will be at their own risk. Shareholders of Gujarat Foils Lin adequately safeguard their interests in this regard. Shares held in demat form to the extent not accepted will be c beneficial owners' depository account with the respective Depository Participant as per the details furnished by the l the Form of Acceptance-cum-Acknowledgment.

9. Neither Mr. Pramod Jain, the Manager to the Offer, the Registrar to the Offer or Gujarat Foils Limited will delay/loss in transit resulting in delayed receipt/non-receipt by the Registrar of your Form of Acceptance-cum-Ackn the failure to deposit your shares to the Special Depository Account or submission of original physical Share c inaccurate /incomplete particulars/instructions on your part, or for any other reason.

10. Applicants who cannot hand deliver their documents at the collection Centers, may send their documents only by their own risk, to the Registrar to the Offer at Intime Spectrum Registry Limited, C-13 Pannalal Silk Mills Com Bhandup (West), Mumbai 400 078 so as to reach the Registrars to the offer on or before the last date of acceptance 16,2005.

11. Please read the enclosed letter of offer before filling up the form of Acceptance.

12. The Form of Acceptance should be filled up in English only.

13. Signature(s) other than in English, Hindi and thumb impression must be attested by notary public under his officia

14. Mode of tendering the Equity shares pursuant to the offer

(I) The acceptance of the offer made by the Acquirer is entirely at the discretion of the equity shareholders of GFL

(ii)Shareholders of GFL to whom the offer is being made, are free to offer his/her/their shareholding in GFL for sale the Acquirer, in whole or part, while tendering his/her/their equity shares in the offer.

All queries in this regard to be addressed to the Registrar to the offer at the following address quoting your Reference Foli ID:

Intime Spectrum Registry Limited

(Unit: Gujarat Foils Limited)

C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup (West),Mumbai 400 078

Tel: 022-5555 5454 Fax : 022-5555 5353

E Mail: javascript:main.compose('new','t=nikunj@intimespectrum.com')

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOU IMMEDIATE ATTENTION

(*Please send this Form of Withdrawal with enclosures to Intime Spectrum Registry Limited at any of the collection centers in the Letter of Offer)*

THIS FORM SHOULD BE USED BY THE SHAREHOLDE EXERCISING THE WITHDRAWL OPTION AS PROVI LETTER OF OFFER

OFFER	
Opens on:	**Wednesday, April 27, 2005**
Last date for withdrawal of application:	~~**Thursday, May 12,2005,**~~ **Wednesday, May 11, 2005**
Closes on:	**Monday, May 16,2005**

To,

Mr. Pramod Jain

C/o. **Intime Spectrum Registry Limited** ,

C-13, Pannalal Silk Mill Compound, LBS Marg,

Bhandup (West),Mumbai 400 078

Dear Sir/Madam,

Sub: **Open Offer to acquire 13,14,010 fully paid up equity shares of Rs.10/- each, representing 20% of the V Capital of Gujarat Foils Limited ("Target Company" / "GFL ") at price of Rs. 3.68 (Rupees Three and Pa only) per fully paid up equity share ("Offer Price") payable in cash by Mr. Pramod Jain (the "Acquirer' of Shares tendered in the Offer.**

I/We refer to the Letter of Offer dated 16/03/2005 for acquiring the Shares held by me/us in **Gujarat Foils Limited.**
I/we, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditi procedures as mentioned therein.
I/we have read the procedure for withdrawal of shares tendered by me/us in the Offer as mentioned in the Letter of offer and unconditionally agree to the terms and conditions mentioned therein.
I/we hereby consent unconditionally and irrecoverably to withdraw my/our Shares from the offer and I/we further authorize t return to me/us, tendered Share certificate(s)/ Share(s) at my /our sole risk.
I/We note that upon withdrawal of my/our shares from the offer, no claim or liability shall lie against the Acquirer /Manager Offer /Registrar to the offer.
I/We note that this Form of withdrawal should reach the Registrar to the offer at any of the collection centers mentioned in th offer as per the mode of delivery indicated therein on or before the last date of withdrawal.
I/we note that the Acquirer/Manager to the Offer shall not be liable for any postal delay / loss in transit of the shares held in p and also for non-receipt of shares held in the dematerialized form in the DP account due to inaccurate/incomplete particulars/
I/We also note and understand that the Acquirer shall return original Share certificate(s), share transfer deed(s) and Shares on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from t respectively.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Folio no.	**Certificate No.**	**Distinctive Nos.**		
		From	**To**	
Tendered				
Withdrawn				
Total No. of equity shares				

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

I/We hold the following shares in dematerialized form, have tendered the Shares in the offer and had done an off-market trar crediting the Shares to the Special Depository Account with Infrastructure Leasing and Financial Services Limited

Styled “ ISRL-GFL-Open Offer Escrow A/c “ as per the following particulars:

DP Name: Infrastructure Leasing and Financial Services Limited	**DP ID :IN300095**	**Client**

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.

The particulars of the account form which my/our shares have been tendered are as detailed below:

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

I/We note that the Shares will be credited back only to the depository account, from which the Shares have been tende standing instructions have been issued in this regard. I/We confirm that the particulars given above are true and correct.

In case of dematerialized Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed & Delivered

Full Name(s) of the holders	Address	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all must sign. A corporation must affix its common seal necessary Board Resolution sho

Place: Date:

--- Tear along this line---

Acknowledgment Slip: Gujarat Foils Limited – Open Offer (to be filled in by the shareholders)

Sr. No.

Received from Mr./Ms./M/s____

Form of Acceptance cum Acknowledgement for GFL Offer as per details below :-

Physical Shares: Folio No. ________________________

No. of Certificates Enclosed _________________ Certificate No.______________________________ Total No. of

____

Demat Shares: Client ID

DP ID

Copy of Delivery Instruction to DP ______________________________

Total No. of Shares Enclosed _________________________________

(Delete whichever is not applicable)

Date of Receipt : ______________

Stamp of collection center: Signature of Official:

INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the mentioned In the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal ~~12,2005~~, Wednesday, May 11, 2005.

2. Shareholders should enclose the following:

I. For Shares held in demat form:

Beneficial owners should enclose

a. Duly signed and completed Form of Withdrawal.

b. Acknowledgement slip in original Copy of the submitted Form of Acceptance –cum- Acknow delivered by Registered A.D

c. Photocopy of the delivery instruction in "Off-marker" mode or Counterfoil of the delivery instructio mode, duly acknowledged by the DP.

II For Shares held in physical form:-

Registered Shareholders should enclose.

a. Duly signed and completed Form of Withdrawal

b. Acknowledgement slip in original /copy of the submitted Form of acceptance- cum- Acknowledgeme delivered by Registered A.D.

c. In case of partial withdrawal, valid share transfer form(s) for the remaining Shares (i.e. Shares not wit signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as signatures registered with Gujarat Foils Limited and duly witnessed at the appropriate place.

III Unregistered owners should enclose.

a. Duly signed and completed Form of Withdrawal.

b. Acknowledgement slip in original Copy of the submitted Form of Acceptance-cum-Acknowledgemer by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by tl Offer / Special Depository Account.

4. The intimation of returned Shares to the shareholders will be at the address as per the records of the Target Company, case may be.

5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be s be returned on receipt of Share certificates from the Target Company. ‘ The facility of partial withdrawal is available shareholders.

7. Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for rece their DP account.

8. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Registry Limited** as stated in the Letter of Otter.

9. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by their own risk, to the Registrar to the Offer at **Intime Spectrum Registry Limited** ,C-13, Pannalal Silk Mill Com Bhandup (West),Mumbai 400 078 on or before the last date of withdrawal i.e.~~Thursday May 12, 2005~~, Wednesday, Ma

Intime Spectrum Registry Limited

(Unit: Gujarat Foils Limited)

C-13, Pannalal Silk Mill Compound, LBS Marg, Bhandup (West),Mumbai 400 078

Tel: 022-5555 5454 Fax : 022-5555 5353

E Mail: javascript:main.compose('new','t=nikunj@intimespectrum.com')