PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

JATIA FINANCE LTD (JFL)

Regd. Office: 401, Arcadia Building, 195, NCPA Marg, Nariman Point, Mumbai 400 021
Tel. No. (022) 2283 4838, 2284 3825 Fax No. (022) 2285 1085, E-mail ID: ramgopal@vsnl.com

This Public Announcement is being issued by Fedex Securities Limited, on behalf of Shri. Anil Raika, Smt. Ambika Raika, Shri. Mahesh Saraf and Smt. Sarita Saraf (hereinafter referred to as "the Acquirers") pursuant to and in compliance with Regulations 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [hereinafter referred to as "Regulations"] and subsequent amendments thereto.

The Offer

a. This Offer is in compliance with Regulation 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").

b. M/s. Anil Raika, son of Shri. Madanalal J Raika residing at 1601, Green Ridge, Tower I, Chiku Wadi, 120 Feet Link Road, Borivali (West), Mumbai 400 092 (Tel No. (022) 28334629 Fax No (022) 28334630, E Mail ID: araika @vsnl.com), Smt. Ambika Raika, wife of Shri. Anil Raika residing at 1601, Green Ridge, Tower I, Chiku Wadi, 120 Feet Link Road, Borivali (West), Mumbai 400 092 (Tel No. (022) 28334629 Fax No (022) 28334630, E Mail ID: ambikaraika@gmail.com), Shri. Mahesh Saraf, S/o Shri. Purushottam Lal Saraf, residing at B/301, Venus, Behind Aster Tower, Film City Road, Goregaon (East), Mumbai 400 097 (Tel No. (022) 2840 8037, Fax No. (022) 2686 6833, E Mail ID: msarafca@gmail.com) and Smt. Sarita Saraf, W/o Shri. Mahesh Saraf residing at B/301, Venus, Behind Aster Tower, Film City Road, Goregaon (East), Mumbai 400 097 (Tel No. (022) 2840 8037, Fax No. (022) 2686 6833, E Mail ID: sheenu_krish@yahoo.com) (hereinafter collectively referred to as "the Acquirers") are making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirers, promoter group Shareholders of JFL and parties to the Agreement) of Jatia Finance Limited ("JFL", "the Target Company") to acquire 10, 00,120 Equity Shares of Rs. 10/- each representing 20% of issued, subscribed, paid up and voting Capital of JFL. The Offer is at a price of Rs. 5/- (Rupees Five only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

c. The Acquirers have entered into Share Purchase Agreement ("Agreement"), on October 30, 2007 with Shri. Mohanlal Jatia, residing at 81, Jatia Sadan, Worli Sea Face, Worli, Mumbai 400 025 (Tel No. (022) 66395102 Fax No. (022) 22851086 E Mail Id: ramgopal@vsnl.com), Shri. Sanjay Jatia, residing at 81, Jatia Sadan, Worli sea face, Worli, Mumbai 400 025 (Tel No. (022) 66395102 Fax No. (022) 22851086 E Mail Id: ramgopal@vsnl.com) promoters/promoter group shareholders of JFL and representing the entire promoter group shareholders of JFL to acquire 34,99,980 Equity Shares, each fully paid up, representing 69.99 % of the present voting capital of the Target Company, at a price of Rs. 2/- (Rupees Two only) per fully paid Share for cash consideration. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI (SAST) Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws and Regulations in force. The Agreement provides that (i) The Acquirers, through the Merchant Banker, shall ensure compliance of SEBI Regulations (Defined as " SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 as amended") in its letters and spirit (ii) Within two working days of issuance of a Certificate by the Merchant banker certifying the fulfillment of all obligations by the Acquirers of the SEBI Regulations, the entire Shares along with the duly filled in Transfer Applications/Delivery instructions to the Depository Participant as the case may be, shall be delivered to the Acquirers for transfer of the Shares in favor of the Acquirers (iii) Within two working days of the issuance of Certificate of completion of formalities of SEBI Regulations by the Merchant Banker under Regulation 23(6) of Takeover Regulation, the Target Company shall inform the same in writing to all the Stock Exchange and shall also convene a meeting of the Board of Director of the Target Company by giving two days advance written notice to all the Directors and the Stock Exchanges, if necessary, for securing the resignation of Directors representing the promoter group, from the Board of the Target Company and in such meeting shall procure the resignations of these Directors and in places thereof shall ensure the appointment of nominees of the Acquirers. The change in Board in favor of Acquirers / Transfer of control in favor of Acquirers shall be subject to compliance with Regulation 22(7) of Takeover Regulations (iv) In case of non-compliance with any of the provisions of the Takeover Regulations, the Agreement for acquisition of Shares and change in control shall not be acted upon by the sellers or the Acquirers.

d. There are no Persons acting in Concert (PAC) with the Acquirers.

e. The consideration shall be paid in cash.

f. The Offer is not conditional on any minimum level of acceptance.

g. This is not a competitive bid.

h. The Acquirers will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement for Purchase of Shares and its related conditions.

i. In case of non-compliance with any of the provisions of the Regulations, the Agreement for Purchase through the Agreement shall not be acted upon by the sellers or the Acquirers.

j. Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

k. There is no agreement by the Acquirers with any other person/entity in connection with the offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other person/entity proposes to take part in the acquisition. Between the Acquirers, Shri. Anil Raika & his wife Smt Ambika Raika shall acquire 50% of the Shares covered under the Agreement and also 50% of the Shares accepted through the Open Offer. The balance 50% shall be acquired by Shri. Mahesh Saraf and his wife Smt. Sarita Saraf. The quantum of shares that will be acquired by each of the Acquirers has not been decided yet.

l. The Equity Shares of the Target Company are listed at Bombay Stock Exchange Ltd, Mumbai (BSE) and Ahmedabad Stock Exchange Ltd (ASE). The Shares are not admitted as permitted Security in any other Stock Exchange. However, trading in the Shares is suspended at BSE.

m. The Acquirers presently do not hold any Equity Shares in JFL

Justification of Offer Price

a. The Acquirers have not been allotted any Equity Share of JFL by way of allotment in a Public or Rights issue or preferential allotment in the 26 weeks preceding this Public announcement. In the 26 weeks preceding this Public Announcement, the Acquirers have not acquired Equity Shares of JFL in any other manner. The Equity Shares of JFL are infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, at BSE during the 6 months preceding the month in which this Public Announcement is made (i.e. during the months May 2007 to October 2007) as there was no trading in Equity Shares of JFL in the Stock Exchanges. The offer price has been determined taking into account the parameters as set out under Regulations 20 (5) of the Regulations viz. Book Value, EPS, PE Ratio of the activity, Return on Net worth, price paid by the Acquirers for acquisition through the Agreement, the fair price arrived at as per the formula in Supreme Court decision in HLL vs. Employees case etc.

b. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 5/- per fully paid Equity Share is justified.

c. There is no non-compete agreement for payment to any person.

d. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.

e. In the event of any further acquisition of Equity Shares by the Acquirers upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirers shall not be acquiring any Equity Shares of JFL during the period of 7 working days, prior to the date of closure of the Offer.

Information about the Acquirers

a. Shri. Anil Raika, FCA, son of Shri. Madanalal J Raika, aged 36 years , residing at 1601, Green Ridge, Tower I, Chiku Wadi, 120 Feet Link Road, Borivali (West), Mumbai 400 092 (Tel No. (022) 28334629 Fax No (022) 28334630, E Mail ID: araika@vsnl.com) is a Chartered Accountant by profession. After completing his CA in the year 1995, he started his career with Practice as a C.A under the name Anil Raika & Co. Subsequently, he joined a partnership Firm Jain & Raika, B Jain & Co from which he resigned in 2005. At present he is in Stock market related activities and is managing the affairs of Tradelink Exim (India) Pvt. Ltd, promoted by him which is a SEBI registered Sub- Broker of M/s. Emkay Share & Stock Brokers Ltd.

Smt. Ambika Raika, aged 33 years, B.Com, wife of Shri. Anil Raika residing at 1601, Green Ridge, Tower I, Chiku Wadi, 120 Feet Link Road, Borivali (West), Mumbai 400 092 (Tel No. (022) 28334629 Fax No (022) 28334630, E Mail ID: ambikaraika@gmail.com) is a Commerce Graduate. She is a housewife, but involves in the administrative matters of unlisted private Companies promoted by the family.

Shri. Mahesh Saraf, FCA, aged 39 years, S/o Shri. Purushottam Lal Saraf, residing at B/301, Venus, Behind Aster Tower, Film City Road, Goregaon (East), Mumbai 400 097 (Tel No. (022) 2840 8037, Fax No. (022) 2686 6833, E Mail ID: msarafca@gmail.com) is a practicing Chartered Accountant. After completing CA in 1990 he entered practice, initially independently and later on as a partner in MVK Associates. In August 2007, he resigned as a partner and is continuing practice in his personal name.

Smt. Sarita Saraf, S.Y.B.A, aged 36 years, W/o Shri. Mahesh Saraf residing at B/301, Venus, Behind Aster Tower, Film City Road, Goregaon (East), Mumbai 400 097 (Tel No. (022) 2840 8037, Fax No. (022) 2686 6833, E Mail ID: sheenu_krish@yahoo.com) is a housewife.

b. Among the Acquirers, Shri. Anil Raika is on the Board of Directors of two listed Companies, BIL Power Ltd and Apollo Finvest (India) Ltd, as Independent Director. He is also on the Board of Directors of (i) Tapasya Consultants Pvt. Ltd (ii) Sanja Trading Pvt. Ltd (iii) Tradelink Exim (India) Pvt. Ltd (iv) Alisha Realities Pvt. Ltd & (v) Oneup Trading Company Pvt. Ltd. Tradelink Exim (India) Pvt. Ltd is a SEBI registered Sub Broker the registration no. being INF010901838 for BSE and INF230901838 for BSE and is acting as a Franchisee of Emkay Shares & Stock Brokers Ltd, member of both BSE and NSE. Smt. Ambika Raika is a Director in (i) Tapasya Consultants Pvt. Ltd (ii) Sanja Trading Pvt. Ltd (iii) Tradelink Exim (India) Pvt. Ltd & (iv) Alisha Realities Pvt. Ltd. Of the above Tradelink Exim(India) Pvt. Ltd and Oneup Trading Company Private Ltd are promoted by Shri. Anil Raika

c. Shri. Mahesh Saraf and Smt. Sarita Saraf are not on the Board of Directors of any listed or unlisted Company.

d. Smt. Ambika Raika is wife of Shri. Anil Raika. Smt. Sarita Saraf is wife of Shri. Mahesh Saraf.

e. There are no persons on the Board of the Target Company, representing the Acquirers.

f. There is no person acting in concert with the Acquirers.

g. There are no pending litigations against the Acquirers.

Information about the Target Company

a. JFL was incorporated on 17th February 1995 at Mumbai, Maharashtra State, under the Companies Act, 1956 as a public limited Company. JFL made its maiden public issue of Equity Shares in February 1996 and got its Equity Shares listed at ASE & BSE.

b. The Registered Office of JFL is at 401, Arcadia Building, 195, NCPA Marg, Nariman Point, Mumbai 400 021, Tel. No. (022) 2283 4838, 2284 3825 Fax No. (022) 2285 1085, E-mail ID: ramgopal@vsnl.com. JFL does not have any other office.

c. The Authorized Capital of JFL is Rs. 550 Lacs, divided into 55,00,000 Equity Shares of Rs 10/- each .The paid up Equity Share Capital is 50,00,600 Equity Shares of Rs. 10/- each aggregating Rs. 500.06 Lacs. All the outstanding Equity Shares are fully paid up. All the Equity Shares are listed and admitted for trading. At present, trading in the Shares is suspended by BSE.

d. JFL has no Fixed Assets as on date.

e. As on date of this Public Announcement, the promoter group/persons in control, hold 34,99,980 Equity Shares, each fully paid up, representing 69.99% of the listed Capital.

f. JFL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form. The ISIN Number is INE 347I01010. The Marketable lot for the Shares of JFL for the purpose of this Offer shall be 1 (one only).

g. The Directors of JFL are Shri. Mohanlal Jatia (Chairman, Non Executive), Shri. Sanjay Jatia, Shri. Yogesh Singhania (Non Executive, Independent) and Shri. Jitendra Tiberewala (Non Executive, Independent)

h. JFL has, as its main objects, "to carry on the business of merchant banking in all its aspects, whether by way of public offer or otherwise, of shares, stock, debentures, bonds units, participation certificates, deposits etc. To act as financial consultants, as agents of and as dealers for business, advisors and counselors for investment in capital markets, to underwrite or sub underwrite security offerings, , manage portfolio investments , to provide financial and investment assistance , to act as issue house, Registrar and transfer agents"

i. JFL is presently engaged in extending loans to individuals and corporates. Surplus funds are deployed in investments in Equity and equity related instruments.

j. JFL has no Subsidiaries.

k. JFL is registered as a non-deposit taking Non Banking Finance Company (NBFC) with Reserve Bank of India vide Registration No. 13.00250 dated 6th March 1998.

l. The Equity Shares of JFL are listed at BSE and ASE. The Shares are not admitted as a permitted security at any other Stock Exchange. All the outstanding issued Equity Shares of JFL are listed and admitted for trading. There are no partly paid Equity Shares or outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in.

m. JFL has no arrears of listing fee to BSE as well as ASE. JFL faced action of suspension of trading of its shares by the BSE from 13-05-2002, for non-compliance with Clause 41of the listing agreement. Trading continues to be under suspension at BSE. JFL has since entered into agreement with NSDL and CDSL for offering Shares in dematerialized form and is also at present complying with various clauses of listing agreement. JFL has approached BSE seeking revocation of suspension and has submitted the requisite papers/documents/information required for this purpose and a decision/further clarification, if any, from BSE is awaited.

n. JFL is complying with the provisions of Clause 49 of the Listing Agreement.

o. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made by JFL from 1997 to 2003. Out of this, returns under Reg. 6 for 1997 & under Reg. 8 from 1998 to 2002 were filed by JFL under the SEBI (Regularization Scheme) 2002, on 31.03.2003. Returns under Reg. 8(3) for the years 2004 and 2005 were filed late, on 9.05.2005. Filing under Reg. 8(3) for 2006 was filed late, on 20.06.2007. For non compliance with Regulation 8 for the years 2003 to 2006 by the Target Company, SEBI may initiate suitable action in terms of the Regulations and provisions of the SEBI Act. The promoters of JFL have filed returns under Reg. 6 for the year 1997 & Reg. 8 for the years 1998 to 2007, in time.

p. Al-Fahad Investments Limited(AIL) , 152, Sanghi Street, P.O Mhow, Indore Dist., Madhya Pradesh had entered into a Share Purchase Agreement with promoters of JFL on Feb 7, 2000 to acquire 31,40,000 Equity Shares . In compliance with Reg. 10 & 12 of SEBI (SAST) Regulations, AIL made a public announcement on February 10, 2000 to acquire 10, 00,200 equity Shares through an open offer to public shareholders and also to take control. The Offer opened for subscription on April 4, 2000 and closed on May 3, 2000. AIL acquired 1, 48,700 Equity Shares received in the open offer constituting 2.97% of voting capital of JFL. However, the Share Purchase Agreement was not given effect to and no Shares under the Share Purchase Agreement was acquired by AIL. The control of JFL was also not taken over.

q. As per the Audited results of JFL as on 31.03.2007, JFL had a Gross Income of Rs. 99.57 Lacs, comprising of Interest income Rs. 39.36 Lacs, Sale of Investments Rs. 60.05 Lacs and other Income of Rs. 0.16 Lacs. The total expenditure was Rs. 97.29 Lacs, comprising of administrative expenses Rs. 17.01 Lacs and cost of Shares sold Rs. 80.27 Lacs. The Net Profit after tax was Rs. 1.51 Lacs, giving an EPS of Rs. 0.03. The Reserves and surplus as on 31.3.2007 is Rs. 6.34 Lacs. The Net Worth was Rs. 506.40 Lacs, giving the Equity Shares a Book Value of Rs 10.13. The return on Net Worth for the year ended 31.03.2007 was 0.30%. As per the unaudited results for the 3 months ended 30.06.2007, the Gross income was Rs. 0.84 Lacs and Net Profit Rs. 0.53 Lacs. The EPS (annualized) based on 3 months results as on 30.06.2007 is Rs. 0.04 and Return on Net Worth (annualized) 0.42 %.

r. There has not been any merger or demerger or spin-off of activity in the preceding 3 years.

s. JFL has no overdue liabilities to Banks/FIs. There are no pending litigations against JFL. Other than what is stated in para "m" above, no action has been taken by the Stock Exchanges, SEBI or any other authority against JFL, its promoters or Directors.

t. The Compliance Officer of JFL is Shri. Naval Gadia who will be available at the registered office address of JFL and shall attend to all investor grievances.

Reasons for the Acquisition and Offer and future plans of the Target Company

a. The objects of the acquisition are substantial acquisition of Shares of JFL followed by change in control. The Acquirers propose to take control of JFL.

b. Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth. JFL is presently engaged in NBFC activities and investments. The Acquirers propose to continue with the existing activities. Two Acquirers, Shri. Anil Raika and Shri. Mahesh Saraf are Chartered Accountants and are well versed with finance, accounting and investments. Shri. Anil Raika has a 14 years experience in the area of Corporate Finance & Stock Market activities. The Acquirers are confident of utilizing their experience to further the prospects of JFL and ensure steady business and growth.

c. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or any other Regulation(s), the Acquirers intend to make changes in the management of JFL. It is proposed to induct new Directors on the Board of JFL but the Acquirers are yet to decide on the name of the persons who will be so inducted to the Board. The likely changes in the management /taking control by the Acquirers shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

d. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of JFL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the target company except with the prior approval of the shareholders.

Statutory Approvals/ other approvals required for the Offer

a. As on the date of this Public Announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

b. Barring unforeseen circumstances, the Acquirers would endeavor to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirers agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirers fails to obtain requisite statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

d. The acquisition of Shares and taking control by the Acquirers is subject to regulations by Reserve Bank of India governing Non Banking Finance Companies (NBFCs). Reserve Bank of India has , vide circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999, paragraph A (5) (iii) Of Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and paragraph 2(ii) of Circular DNBS (PD) CC No. 63/02.02/2005-06 and circular DNBS (PD) CC No. 81/03.02.02/2006-07, stipulates that change in management of NBFCs and transfer of Shares to a new promoter shall be subject to the Acquirer and the Company making a public announcement and that the transfer of Shares and change in management shall not be effected earlier than 30 days from the date of such Public announcement. The Acquirers undertake that they shall comply with the stipulation of making a public announcement as aforesaid, jointly with the Target Company and undertakes that they transfer to themselves the Equity Shares covered under the Share Purchase Agreement as well as open offer only after 30 days of such Public Announcement. The Acquirers also undertake that they or their nominees shall not join the Board of Directors of JFL before expiry of 30 days from the date of the aforesaid public announcement.

Option to the Acquirers in terms of Regulation 21(2)/Compliance with Clause 40A of the Listing Agreement

a. The acquisition of 20 % of the voting capital of JFL under this offer together with the Shares being acquired through the Share Purchase Agreement will result in public Shareholding falling below the level required for continued Listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 10.01 % of the voting Capital. If consequent to this offer, the public holding falls below the level required for continued listing, then the Acquirers will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein. The Acquirers undertake and declare that they do not have any intention to delist the Equity Shares of Target Company after this Open Offer. They also undertake that they will comply with the provisions of Clause 40A of the listing agreement, in this regard, within the time limits stipulated therein.

Financial Arrangements

a. The Acquirers have adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged.

b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 50,00,600/- (Rupees fifty lacs six hundred only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have created an Escrow Account in the form of Deposit for Rs. 12,51,000/- (Rupees twelve lacs fifty one thousand only), which is more than 25 % of the total consideration payable under the Offer, with The Federal Bank Ltd., Manickpur, Vasai (West), 401 202 on October 31, 2007 and lien has been marked on the said account in favor of Fedex Securities Ltd., Manager to the Offer.

c. The Acquirers have authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

d. As per Certificate dated 22.09.2007 from Shri. Rajan R Menda (Membership No. 48531), Chartered Accountant, C-601, Dip Raj, L T Road, Borivali (West), Mumbai – 400 091 (Tel. No. (022) 28334835, Fax No (022), E Mail ID:rajan_menda@rediffmail.com) the Net worth of Shri. Anil Raika as on 22.09.2007 is Rs. 83.10 Lacs.

e. As per Certificate dated 22.09.2007 from Shri. Rajan R Menda (Membership No. 48531), Chartered Accountant, C-601, Dip Raj, L T Road, Borivali (West), Mumbai – 400 091 (Tel. No. (022) 28334835, Fax No (022), E Mail ID:rajan_menda@rediffmail.com) the Net worth of Smt. Ambika Raika as on 22.09.2007 is Rs. 95.32Lacs.

f. As per Certificate dated 15.10.2007, from Shri. Manoj Saraf (Membership No. 114671), Chartered Accountant, partner, Saraf Saraf & Associates, 116, Shri. Bhavani Chambers, Kedarmal Road, Malad (East), Mumbai – 400 097 (Telefax No. (022) 2844 1938, E Mail ID: manojsaraf@gmail.com) the Net worth of Shri. Mahesh Saraf as on 12.10.2007 is Rs. 58.39 Lacs.

g. As per Certificate dated 15.10.2007 from Shri. Manoj Saraf (Membership No. 114671), Chartered Accountant, partner, Saraf Saraf & Associates, 116, Shri. Bhavani Chambers, Kedarmal Road, Malad (East), Mumbai – 400 097 (Telefax No. (022) 2844 1938, E Mail ID: manojsaraf@gmail.com) the Net worth of Smt. Sarita Saraf as on 12.10.2007 is Rs. 60.66 Lacs.

h. Shri. Manoj Saraf (Membership No. 114671), Chartered Accountant, Partner, Saraf Saraf & Associates, 116, Shri. Bhavani Chambers, Kedarmal Road, Malad (East), Mumbai – 400 097 (Telefax No. (022) 2844 1938, E Mail ID: manojsaraf@gmail.com) vide his Certificate dated 15.10. 2007, has certified that the Shri. Mahesh Saraf and Smt. Sarita Saraf, two of the Acquirers have adequate liquid resources to meet the funds requirements of the Offer to the extent of Rs. 67.43 Lacs. The liquid resources available with the said Acquirers are cash and Bank Balance Rs. 2.87 Lacs, Market Value of quoted Securities Rs. 42.33 Lacs and Loans and advances Rs. 22.33 Lacs.

i. Shri. Rajan R Menda (Membership No. 48531), Chartered Accountant, C-601, Dip Raj, L T Road, Borivali (West), Mumbai – 400 091 (Tel. No. (022) 28334835, Fax No (022), E-Mail ID:rajan_menda@rediffmail.com) vide his certificate dated 16.10.2007, has certified that the Shri. Anil Raika and Smt. Ambika Raika, two of the Acquirers have adequate liquid resources to meet the funds requirements of the Offer to the extent of Rs.142.43 Lacs. The liquid resources available with the said Acquirers are cash and Bank Balance Rs. 13.23 Lacs, Market Value of quoted Securities Rs. 123.34 Lacs and Loans and advances Rs. 5.86 Lacs.

j. Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

Other terms of the Offer

a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

b. The Letter of Offer shall be mailed to all shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of JFL, parties to the Agreement & the Acquirers) whose name appear in the register of Target Company as on Friday, November 23, 2007, the Specified Date.

c. All shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of JFL, parties to the Agreement & the Acquirers) who own Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

d. Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Purva Share Registry (India) Pvt. Ltd, 33, Printing House, 28 D Police Court Lane, Behind Handloom House , Fort, Mumbai 400 001 (Tel. No. (022) 23016761-8261, Fax No. (022) 23012517, E Mail ID: busicomp@vsnl.com) (Contact Person: Shri. V.B.Shah) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Monday, January 14, 2008 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with JFL/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by JFL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

e. Beneficial owners (holders of Shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off –market" mode or counterfoil of the delivery instruction in "Off –market" mode, duly acknowledged by the Depository Participant (DP) in favor of a Special Depository account to be opened by the Registrar to the Offer, in accordance with instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-acknowledgement.

f. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of JFL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

g. In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications 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 photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in Off-market" mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer.

h. Persons who hold Equity Shares of JFL on the Specified Date but who are not registered as Shareholders/beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (f) or (g) above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above.

i. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Purva Share Registry (India) Pvt. Ltd, 33, Printing House, 28 D Police Court Lane, Behind Handloom House , Fort, Mumbai 400 001 (Tel. No. (022) 23016761-8261, Fax No. (022) 23012517, E Mail ID: busicomp@vsnl.com) (Contact Person: Shri. V.B.Shah) between 10 a.m. to 4 p.m. On working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

j. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

k. Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.

l. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.

m. The acceptance of this Offer by the Shareholders of JFL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

n. The Acquirers shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.

o. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

p. Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/Under Certificate of Posting.

q. The Equity Shares Certificate(s) and the transfer form(s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirers pay the Offer Price.

r. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Wednesday, January 9, 2008

s. The Withdrawal option can be exercised by making an application on plain paper along with the following details:

a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form

b. Name, Address, DP Name, DP ID, Client ID No. of the Account from where Shares were tendered and number of Shares tendered/withdrawn, if held in electronic form (dematerialized form)

t. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

u. The schedule of the activities pertaining to the Offer are given below: -

Activity	Date
Public Announcement (PA)	Saturday, November 03, 2007
Specified date	Saturday, November 24, 2007
Last date for a competitive bid	Friday, November 23, 2007
Letter of Offer to be posted to shareholders	Monday, December 17, 2007
Date of opening of the Offer	Wednesday, December 26, 2007
Last date for withdrawing acceptance from the Offer	Wednesday, January 09, 2008
Date of closing of the Offer	Monday, January 14, 2008
Last date for revising the Offer price/ number of shares.	Thursday, January 03, 2008
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Tuesday, January 29, 2008

Specified date is only for the purpose of determining the names of the Shareholders as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of Jatia Finance Limited anytime before the closure of the Offer, are eligible to participate in the Offer

General

a. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public announcement / Letter of Offer, can withdraw the same, upto 3 working days prior to the date of closure of the Offer i.e. on or before Wednesday, January 9, 2008**

b. The Acquirers can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. **The last date for such revision is Thursday, January 3, 2008.**

c. **If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.**

d. **As the Offer price cannot be revised during 7 working days prior to the closing date of the Offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.**

e. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirers have appointed Fedex Securities Ltd., 3rd Floor, Jay Chambers, Service Road, Adj. Western Express Highway Vile Parle (East), Mumbai 400 057 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Shri. R. Ramakrishnan. (Telephone Nos. (022) 26136460/61, Fax No. (022) 2618 6966, E mail Id : fedex@vsnl.com)

f. The Acquirers have appointed M/s. Purva Share Registry (India) Pvt. Ltd, 33, Printing House, 28 D Police Court Lane, Behind Handloom House , Fort, Mumbai 400 001 (Tel. No. (022) 23016761-8261, Fax No. (022) 23012517, E Mail ID: busicomp@vsnl.com) (Contact Person: Shri. V.B.Shah), as Registrar to the Offer.

g. The Acquirers, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

h. **Shri. Anil Raika, Smt. Ambika Raika, Shri. Mahesh Saraf & Smt. Sarita Saraf**, the Acquirers, jointly and severally accept full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirers, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY MANAGER TO THE OFFER

FEDEX SECURITIES LIMITED

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers, Service Road,
Adj. Western Express Highway,
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460 /61,
Fax No. (022) 2618 6966,
E-Mail ID: fedex@vsnl.com
Contact Person :
Shri. R. Ramakrishnan

On behalf of the Acquirers

Shri. Anil Raika
Smt. Ambika Raika
both residing at 1601, Green Ridge, Tower I, Chiku Wadi,
120 Feet Link Road, Borivali (West), Mumbai 400 092

Shri. Mahesh Saraf
&
Smt. Sarita Saraf
both residing at B/301, Venus, Behind Aster Tower,
Film City Road, Goregaon (East), Mumbai 400 097

Place : Mumbai
Date : November 1, 2007