LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered Shareholder(s)/ Beneficial Owners of Savani Financials Limited (herein after referred to as SFL or the Company or the Target Company). If you require any clarification about the action to be taken, you may consult your Stockbroker or Investment Consultant or Manager to the Offer/ Registrar to the Offer. In case you have sold your Shares in SFL, please handover this Letter Of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

Open Offer

by

Mr. Manish Jagdish Chaudhari
Residing at B/601, Bianca, Off Yari Road, Versova, Mumbai - 400061
Tel No.: 022 26334472, Fax No: 022 28561540, Email: manish@mantrax.co.in

and

Mrs. Deepa Kishor Tracy
Residing at 23, Exotic Palace, Off Yari Road, Versova, Mumbai - 400061
Tel No.: 022 6699 2899, Fax No: 022 28561540, Email: deepa@mantrax.co.in

(hereinafter collectively referred to as "the Acquirers")

To the existing shareholders of Savani Financials Ltd.
Regd. Off.: 809 A Broadway Centre, 2nd Floor, Dr. Ambedkar Road, Dadar, Mumbai – 400 014. Tel No.: 022-24125640, Fax No: 022 24145177, Email: sfl@savani-india.com

TO ACQUIRE
8,00,000 Shares of Rs.10/- each representing 20% of the Issued, Subscribed, Paid up and Voting capital comprising 40,00,000 fully paid up Shares of Rs.10/- at a price of Rs.6.50/- per fully paid-up equity share for cash.

Notes: ·

1. This Offer is being made pursuant to Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and subsequent amendments thereof (the "Regulations").
2. This Offer is not conditional as to any minimum level of acceptance.
3. This is not a competitive bid.
4. There has been no revision in the Offer Price, till the date of this Letter of Offer.
5. The Offer is subject to the receipt of approval, if any, of RBI under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirers from the Non-Resident shareholders under the Offer. In case of acceptances from Non Residents, then the Acquirers shall make requisite application to the RBI after the closure of the offer.
6. To the best of knowledge of the Acquirers, except for the RBI approval as mentioned above as on the date of this Letter of Offer, no other approvals are required to acquire the 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.
7. Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement/Letter of Offer, can withdraw the same up to 3 working days prior to the date of closure of the offer. The last date of such withdrawal is 6th March 2012.
8. The Acquirers can revise the Offer price up to 7 working days prior to the date of closure of the Offer. The last date of such revision is 29th February, 2012. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. The revised price will be paid for all equity shares tendered at any time during the Offer Period and which are accepted by the Acquirers.
9. Details of competitive bids, if any: There is no competitive bid.
10. The registration of all the intermediaries associated with the Offer, viz. Asit C. Mehta Investment Interrmediates Ltd., Manager to the Offer and Bigshare Services Pvt. Ltd., Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.
11. A Copy of this Letter of Offer (including the Form of Acceptance cum Acknowledgement, Form of Withdrawal) and copy of the Public Announcement is available on SEBI's website: www.sebi.gov.in
12. If Non Resident Shareholder(s), had required any RBI or Foreign Investment Promotion Board ("FIPB") approval in respect of the Shares held by them in the Target Company, they will be required to submit the previous RBI/FIPB approvals that they would have obtained for holding the shares of the Target Company. In the Event such permissions are not submitted, the Acquirers reserve the right to reject such shares tendered in the Offer.
13. In case of delay in receipt of other requisite statutory approval(s) in relation to the Offer, SEBI has the power to grant an extension of time to Acquirers for payment of consideration to the Shareholders, subject to the acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 22(12) of the SEBI (SAST) Regulations.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Asit C. Mehta INVESTMENT INTERRMEDIATES LTD. Nucleus House, Saki Vihar Road, Andheri (E), Mumbai – 400 072. Tel: 022 2858 3333, Fax No: 022 2857 7647, Email: ib@acm.co.in SEBI Regn. No.: INM000010973 Contact Person: Mr. Chintan Bhayani	Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road, Andheri (E), Mumbai – 400 072. Tel: 022 4043 0200, Fax: 022 2847 5207 Email: openoffer@bigshareonline.com SEBI Regn. No.: INR000001385 Contact Person: Mr. Babu Raphel
Offer Opens On: Monday, 20th February 2012.	**Offer closes On: Saturday, 10th March, 2012.**

The schedule of major activities relating to the Offer is as follows:

Activity	Original Schedule as per PA Date	Day	Revised Schedule	Day
Date of Public Announcement (PA)	21st October, 2011	Friday	21st October, 2011	Friday
Specified Date*	18th November, 2011	Friday	18th November,2011	Friday
Last date for Competitive bid	10th November, 2011	Thursday	10th November,2011	Thursday
Date by which Letter Of Offer to be posted to shareholders	4th December, 2011	Sunday	15th February,2012	Wednesday
Date of Opening Of the Offer	7th December, 2011	Wednesday	20th February,2012	Monday
Last date for revising the Offer Price / Number of Shares	15th December, 2011	Thursday	29th February,2012	Wednesday
Last date for withdrawal of acceptance by Shareholders who have accepted the Offer	21st December, 2011	Wednesday	6th March, 2012	Tuesday
Date of Closing of the Offer	26th December, 2011	Monday	10th March, 2012	Saturday
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	9th January, 2012	Monday	24th March, 2012	Saturday

*Specified date is only 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 SFL (except the Acquirers, parties to the Agreement and promoter group shareholders) whose names appear on the register of members of SFL and as regards the beneficial owners of the dematerialized Shares, whose names appear as beneficiaries on the records of the respective depositories, at the close of business on 18th November, 2011.

Risk factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirers

1. The Acquirers propose to take control of the Target Company. The likely changes in management/ taking control by the Acquirers shall be subject to successful completion of the Open Offer formalities, including dispatch of the consideration for the Shares accepted. The likely changes in the management of the Target Company shall also be subject to compliance with Regulation 23(6) of the Regulations.

2. Association of the Acquirers with SFL/taking control of SFL by the Acquirers does not warrant any assurance with respect to the future financial performance of SFL.

3. The Acquirers do not have prior experience in managing a Non Banking Finance Company.

4. The transfer of Shares being acquired through the Share Purchase Agreement as well as those received in the Open Offer and accepted, shall be subject to compliance with the requirements as set out by Reserve Bank of India vide circulars DNBS (PD) CC No. 11/02.01/99 – 2000 dated Nov 15, 1999, paragraph A (5) (III) Of Circular DNBS (PD) CC No. 12/02.01/99 – 2000 dated Jan 13, 2000 and paragraph 2 (II) Of Circular DNBS (PD) CC No. 63/02.02/2005 – 06 dated Jan 24, 2006 and circular DNBS (PD) CC No. 82/03.02.02/2006 – 07. These circulars require the Acquirers, Sellers (hereafter defined) and the Target Company giving prior public notice and that the transfer of Shares and change in management shall not be affected earlier than 30 days from the date of such public notice. The Acquirers undertake that they shall comply with the stipulation of giving a public notice as aforesaid, jointly with the Target Company and Sellers undertake that they will apply for transfer to themselves of the Shares covered under the Agreement as well as Offer only after 30 days of such public notice. The Acquirers also undertake that they or their nominees shall not join the Board of Directors of SFL before expiry of 30 days from the date of the aforesaid public notice.

5. Shareholders accepting this Offer will be tendering their Shares before getting payment of consideration as the Acquirers have 15 days time from date of closure of the Offer to make payment of consideration. Further, they will not be able to take advantage of any favorable price movements in the market.

6. The Offer is subject to receiving necessary approval(s), if any; from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring Shares tendered by Non

Resident Shareholders, if any and requirement under the circular No. DNBS (PD) C.C. No. 63 / 02.02 / 2005-06 issued by the Reserve Bank of India on January 24, 2006 of prior public notice to be given by the Acquirers, the transferors in the Agreement, Sellers and the Target Company. The transfer of Shares and change in management shall not be affected earlier than 30 days from the date of such public notice. In case of acceptances from Non Residents, then the Acquirers shall make requisite application to the RBI after the closure of the offer. Except for the RBI approval as on date of this Letter of Offer, no statutory approvals are required to acquire the 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. The dispatch of consideration can be delayed beyond 15 days from date of closure of offer, in case any statutory approval, which becomes so applicable on a later date, is not received. 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 date of closure of Offer. The Acquirers also reserve the right to withdraw the Offer in accordance with Regulation 27 of the SEBI (SAST) Regulations in the event the requisite statutory approval(s) for the purpose of this Offer or those that may be necessary at a later date are refused.

7. In the event of litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer or may have to be withdrawn. Consequently, the payment of consideration to the Shareholders who's Shares has been accepted in the Offer as well as the return of the Shares not accepted by the Acquirers may be delayed.

8. If Non-Resident Shareholder(s), had required any RBI or FIPB approval in respect of the Shares held by them in the Target Company, they will be required to submit the previous RBI/FIPB approvals that they would have obtained for holding the Shares of the Target Company. In the event such permissions are not submitted, the Acquirers reserve the right to reject such Shares tendered in the Offer.

9. Where the number of Shares tendered by the Shareholders is more than the Shares agreed to be acquired by the Acquirers, the Acquirers shall accept the offers received from the Shareholders on a proportionate basis in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. Hence, there is no certainty that all Shares tendered by the Shareholders in the Offer will be accepted, in the event there is oversubscription of the Offer.

10. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement or this Letter of Offer or in the advertisements or other materials issued by, or at the instance of the Acquirers and the Manager to the Offer, and anyone placing reliance on any other source of information, would be doing so at his/her/their own risk.

11. By virtue of voting rights, the Acquirers will have the ability to influence the outcome of shareholder resolutions of the Target Company.

12. The Acquirers make no assurance with respect to financial performance of the Target Company.

13. The Acquirers make no assurance of market price of Shares of the Target Company during or after the Offer.

The risk factors set forth above, pertain to the Offer and not in relation to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the Offer. Equity Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any for further risk with respect to their participation in the Offer.

Please refer to the section on 'Abbreviations/Definitions' for the definition of the capitalized terms used above.

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1. Abbreviations / Definitions

Sr. No.	Abbreviations	Definitions
1.	Acquirers	Mr. Manish Jagdish Chaudhari and Mrs. Deepa Kishor Tracy
2.	Agreement	The Share Purchase Agreement dated 20th October, 2011 entered between Acquirers and Promoter Group of SFL.
3.	ASE	Ahmedabad Stock Exchange.
4.	Book Value	Book value of each equity share.
5.	BSE	Bombay Stock Exchange.
6.	CDSL	Central Depository Services (India) Limited.
7.	Depository Participant or DP	HDFC BANK LTD.
8.	EPS	Earnings Per Share.
9.	Escrow Account	A cash escrow account opened by the Acquirers with the escrow agent in terms with Regulation 28 of the SEBI (SAST) Regulations.
10.	FEMA	Foreign Exchange Management Act, 1999 and shall include applicable rules and regulations issued there under.
11.	Form of Acceptance	Form of Acceptance cum Acknowledgment.
12.	Form of Withdrawal	Form of Withdrawal cum Acknowledgment.
13.	IFSC	Indian Financial System Code.
14.	Listing Agreement	Listing Agreement entered into with Stock Exchanges.
15.	LOO or Letter of Offer	Offer Document.
16.	Manager to the Offer	Asit C. Mehta Investment Interrmediates Ltd.
16 A.	NBFC	Non Banking Finance Company registered with RBI.
16 B.	Negotiated Price	Rs.6.50/- per share
17.	Maximum Consideration	Rs. 52,00,000/- (Rupees Fifty Two Lakhs Only) being the total financial resources required under the Offer, assuming full acceptance.
18.	NBFC	Non Banking Finance Company registered with RBI.
19.	NECS	National Electronic Clearing Service.
20.	NEFT	National Electronic Funds Transfer.
21.	Negotiated Price	Rs.6.50/- per share.
22.	Non-Resident Shareholder(s)	Persons resident outside India, Non-Resident Indians, including Overseas Corporate Bodies, if any, who may be persons not covered by specific provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 holding Shares of the Target Company.
23.	NSDL	National Securities Depository Limited.

24.	Offer	Cash Offer being made by the Acquirers to acquire up to 8,00,000 Shares of Rs.10/- each representing 20% of Issued, Subscribed, Paid Up and Voting Capital comprising of 40,00,000 fully paid up Shares of SFL.
25.	Offer Period	From 20th February, 2012 to 10th March, 2012.
26.	Offer Price	Rs.6.50/- per equity share.
27.	PA / Public Announcement	Announcement of the Offer made by Acquirers on 21st October, 2011.
28.	PAT	Profit after tax.
29.	Persons eligible to participate in the Offer	All Shareholders whose names appear in the register of members on the Specified Date and also persons who own Shares any time prior to the closure of the Offer, whether or not they are registered Shareholders (except the Acquirers, parties to the Agreement and promoter group shareholders).
30.	Persons not eligible to participatein the Offer	Parties to the Agreement, promoter group Shareholders of the Target Company & the Acquirers.
31.	RBI	Reserve Bank of India.
32.	Registrar to the Offer	Bigshare Services Pvt. Ltd., an entity registered with SEBI under SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended.
33.	Rs.	Indian Rupee.
34	RTGS	Real Time Gross Settlement.
35.	SEBI	Securities and Exchange Board of India.
36.	SEBI Act	The Securities and Exchange Board of India Act, 1992.
37.	SEBI (SAST) Regulations or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof.
38.	Sellers	Mr. Nayant M. Savani, Mr. Nayant Savani karta of M. V. Savani HUF, Ms. Sonal Savani, Mr. Hansat Savani, Ms. Priti Savani, Savani Holdings Pvt. Ltd., Ms. Shantaben M. Savani, Ms. Hina C. Shah, Ms. Mridula K. Shah, Mr. Rasiklal Vadilal Savani, Rasiklal Vadilal Savani HUF, Ms. Lalitaben R. Savani, Mr. Gigesh R. Savani, Mr. Manish Savani, Ms. Sharmi J. Savani and Ms. Niyati M. Savani.
39.	SFL/Target Company	Company whose Shares are proposed to be acquired viz. Savani Financials Limited.
40.	Share or Shares	Fully paid-up equity share(s) of the Target Company, having a face value of Rs.10/- each.
41.	Share Capital	Issued and paid up equity share capital and voting rights of the Target Company of Rs.4,00,00,000 divided into 40,00,000 fully paid-up Shares of Rs. 10 each.
42.	Shareholder(s)	All owners (registered or unregistered) of Shares.
43.	Specified Date	18th November, 2011
44.	Special Depository Account	“BSPL Escrow A/C – SFL Open Offer” with HDFC Bank Ltd.
45.	Stock Exchanges	ASE and BSE where the Shares are listed.
46.	Target Company	Savani Financials Limited.
47.	Tax Clearance Certificate	Certificate from the Income Tax authorities to be submitted by NRIs/ OCBs/ foreign Shareholders, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961.
48.	Transfer Deed	Transfer Deed annexed to this Letter of Offer.
49.	Working Days	Working days of SEBI.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SAVANI FINANCIALS LIMITED, TO TAKE AN INFORMED

DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER ASIT C. MEHTA INVESTMENT INTERRMEDIATES LTD. HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 31st OCTOBER, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Offer is in compliance with Regulations 10 & 12 of SEBI (SAST) Regulations. Mr. Manish Jagdish Chaudhari, residing at B/601, Bianca, Off Yari Road, Versova, Mumbai-400061 and Mrs. Deepa Kishor Tracy, residing at 23, Exotic Palace, Off Yari Road, Versova, Mumbai-400061 (hereinafter collectively referred to as “the Acquirers”) are making an open Offer to the Public Shareholders (i.e. Shareholders other than the Acquirers, parties to the Agreement & promoter group shareholders of SFL) to acquire 8,00,000 Shares of Rs.10/- each, at a price of Rs.6.50/- (Rupees Six and Paise Fifty Only), representing 20 % of issued, subscribed , paid up & voting Capital of SFL.The Offer is at a price of Rs.6.50/- (Rupees six and paisa Fifty only) per 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.

3.1.2 The Acquirers have entered into a Share Purchase Agreement (“Agreement”), on 20th October, 2011 to acquire an aggregate of 17,19,590 fully paid up equity shares (“Sale Shares”) of Rs. 10/- each (Rupees Ten only), representing 42.99% of voting capital of Target Company, at a price of Rs. 6.50/-(Rupees Six and paisa fifty only) per share (”Negotiated Price”), payable in cash. The total consideration for the Sale Shares is Rs. 1,11,77,335/- (Rupees One Crore Eleven Lakhs Seventy Seven Thousand Three Hundred and Thirty Five Only). These Sale Shares of the Target Company will be acquired from the Sellers.

3.1.3 The Acquirers, Sellers and Innergize Solutions Pvt. Ltd. (hereinafter referred to as the “Escrow Agent”) have entered into an Escrow Agreement dated 20th October, 2011 to keep the aforesaid sale shares which are in dematerialized form of Rs. 10/- each fully paid up, of “Savani Financials Limited” in a separate demat escrow account “Innergize Solutions Pvt. Ltd. - Escrow Account – Savani Financials Limited” and the sale shares which are in physical form in the custody of Innergize Solutions Pvt. Ltd. Innergize Solutions Pvt. Ltd. will act as an Escrow Agent. The Shares from the said escrow account and custody of the escrow agent will be transferred to the Acquirers on successful completion of the Offer in the proportion agreed amongst the Acquirers in the SPA.

3.1.4 The details of the Acquirers and shares proposed to be acquired under the Agreement are as under.

Name of the Acquirers	Address of the Acquirers	No. of Shares Acquired	% of Voting Capital
Mr. Manish Jagdish Chaudhari	B/601, Bianca, Off Yari Road, Versova, Mumbai - 400 061.	8,59,795	21.495%
Mrs. Deepa Kishor Tracy	23, Exotic Palace, Off Yari Road, Versova, Mumbai - 400 061.	8,59,795	21.495%
	Total	17,19,590	42.99%

3.1.5 The salient features of the Agreement are as under:

1. The completion under the Agreement is conditional on,

    a) Publication by the Target Company and the Sellers of notice in the newspapers 30 (thirty) days prior to the change in control or management of the Company about the proposed change in control or management of the Target Company;

    b) intimation to the Regional Office of RBI within 7 (seven) days of publication of notice as per the provisions of RBI relating to NBFCs and such other compliances as may be required in connection thereto; completion of the Open Offer under the provisions of the Regulations and receipt of a certificate from the merchant banker appointed by the Acquires for the purposes of the Open Offer

Confirming that the Acquirers have complied with all its obligations under the Regulations in relation to such Open Offer.

2. On the date of execution of this Agreement and the Escrow Agreement the Sellers shall inter alia (i) deposit their respective Sale Shares in demat form in the Escrow Account (ii) deliver the physical share certificates evidencing the said Shares to the Escrow Agent.
3. The Acquirers, through the Merchant Banker, shall ensure compliance of the Regulations in its letter and spirit.
4. Within two working days of issuance of certificate by the Merchant Banker certifying the fulfillment of all obligations by the Acquirers of the SEBI regulations, the entire Sale 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 Sale Shares in favor of the Acquirers.
5. Within two working days of the issuance of certificate of formalities of SEBI regulations by the Merchant Banker under regulation 23(6) of SEBI (SAST) Regulations, the Target Company shall inform the same in writing to all the Stock Exchanges and also convene a meeting of the Board of Director of the Target Company by giving 2 days advance written notice to all the Directors and the Stock Exchanges, if necessary, for securing the resignation of Directors representing the promoter group/Sellers, 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 subject to compliance with regulation 22(7) of SEBI (SAST) Regulations. In case of non-compliance with any of the provisions of the SEBI (SAST) Regulations, the Agreement for acquisition of Shares and change in control shall not be acted upon by the Sellers or the Acquirers.

3.1.6 The Acquirers propose to take control over the Target Company. Upon completion of the Offer formalities and issue of the Certification by Merchant Banker, the nominees of the present promoters will resign from the Board of Directors and the Acquirers or their nominees will be inducted in their place. Subject to satisfaction of the provisions under the SEBI (SAST) Regulations, the Acquirers intend to make changes in the management of SFL. It is proposed to induct new Directors on the Board of SFL. The Acquirers are yet to decide on the name(s) of the persons who will be so inducted to the Board. During the offer period i.e. from date of signing the Agreement, till date of payment of consideration and certification from Merchant Banker that the Acquirers have complied with all the requirements under the SEBI (SAST) Regulations, the Acquirers or their nominees will not be appointed on the Board of Directors of the Target Company. The likely changes in the management of SFL shall be subject to compliance with Regulation 23(6) of the Regulations.

3.1.7 The Acquirers, the Target Company, its promoters/Directors and the Sellers of Shares under the Agreement 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. No other action has been taken against them by SEBI.

3.1.8 There is no person in the Board of the Target Company, representing the Acquirers.

3.1.9 Between the Acquirers, they have agreed that Mr. Manish Jagdish Chaudhari & Mrs. Deepa Kishor Tracy shall acquire the Shares covered under the Agreement and also the Shares accepted through the Open Offer in an equal ratio. The quantum of Shares that will be acquired by each of the Acquirers is given in the table below:-

Name of the Acquirers	**Address of the Acquirers**	**No. of Shares**	**% of Voting**
Mr. Manish Jagdish Chaudhari	B/601, Bianca, Off Yari Road, Versova, Mumbai- 400 061	8,59,795	21.495%
Mrs. Deepa Kishor Tracy	23, Exotic Palace, Off Yari Road, Versova, Mumbai - 400 061	8,59,795	21.495%
	Total	17,19,590	42.99%

The funds requirements will also be met in the same ratio among them.

3.1.10 In terms of Regulation 2(1) (e) (2) of the SEBI (SAST) Regulations, certain person(s) may be deemed to be acting in concert with the Acquirer. However, for the purposes of this Offer, no person is acting in concert with the Acquirer.

3.2 Details of the Proposed Offer

3.2.1 A Public Announcement, as per Regulation 15 (1) of the Regulations, was made in all editions of one English language daily with wide circulation, one Hindi national daily with wide circulation and one vernacular daily published at the place where the registered office of the Target Company is situated. The Public Announcement is also available at SEBI's Website: www.sebi.gov.in. The details of Public Announcement are given below:

Newspaper	Language	Editions	Date of PA
Free Press Journal	English	All	21st October, 2011
Pratahakal	Hindi	All	21st October, 2011
Navshakti	Marathi	Mumbai	21st October, 2011
Jai hind	Gujarati	Ahmedabad	21st October, 2011

3.2.2 The Acquirers propose to acquire 8,00,000 Shares of Rs.10/- representing 20% of subscribed capital & voting capital comprising of 40,00,000 Shares from the existing shareholders of SFL (other than parties to the Agreement), at a price of Rs. 6.50/- per share ("Offer Price").

3.2.3 The Acquirers and the Target Company shall issue a Public Notice of the Offer in compliance with the circular No. DNBS (PD) C.C. No. 63-/02.02/2005-06 issued by the Reserve Bank of India on January 24, 2006.

3.2.4 The consideration will be paid in Cash. There is no differential price since entire consideration is payable in cash.

3.2.5 As on the date of the Public Announcement, there are no outstanding instruments convertible into Shares or partly paid-up Shares of the Target Company.

3.2.6 This is not a competitive bid.

3.2.7 In terms of Regulation 25(1) of the SEBI (SAST) Regulations, no competitive bid can be made after 21 days from the date of Public Announcement made by the Acquirers.

3.2.8 This Offer is not conditional as to any minimum level of acceptance. Accordingly, the Acquirers will accept all Shares tendered by the Shareholders pursuant to the Offer at the Offer Price subject to the Offer Size not being exceeded. In case the number of Shares received in the Offer exceeds the Offer Size, the acceptance will be made on a proportionate basis and will be contingent on the level of subscription in accordance with Regulation 21 (6) of the SEBI (SAST) Regulations.

3.2.9 The Acquirers have not made any further acquisition of Shares since the Public Announcement was made and till date of this Letter of Offer.

3.2.10 Any decision for withdrawal of the Offer would be communicated by way of a public announcement in the same newspapers in which the Public Announcement had appeared.

3.2.11 This Offer is being made to all Persons eligible to participate in the Offer.

3.2.12 Asit C. Mehta Investment Interrmediates Ltd., Manager to the Offer does not hold any 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.

3.2.13 The Acquirers have not entered into any agreement with any person/entity, in connection with this 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 in the Offer.

3.2.14 The Acquirers has not acquired any Share of SFL after the date of PA. In the event of any further acquisition of Shares from the date of P.A. up to 7 days prior to closure of Offer by the Acquirers 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, they shall not be acquiring any Shares of SFL during the period of 7 working days prior to the date of closure of the Offer.

3.2.15 The Offer is not pursuant to an indirect acquisition of Shares of or control over the Target Company.

3.3 Object and Purpose of Acquisition and Further Plans

3.3.1 The Offer has been made pursuant to regulations 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.

3.3.2 The prime objective of the Acquirers behind the Acquisition is to have substantial holding of shares and voting rights accompanied with change of control and management of the Target Company.

4. BACKGROUND OF THE ACQUIRERS

4.1 Mr. Manish Jagdish Chaudhari, son of Mr. Jagdish S. Chaudhari, aged 38 years, is residing at B/601, Bianca, Off Yari Road, Versova, Mumbai - 400061. He is a commerce graduate and also has a Masters in Business Administration. He is having 15 years experience in Garment Export Trade. The networth of Manish Jagdish Chaudhari, as on 31st March, 2011 as certified by Mr. Nilesh Lakhani (Membership No. 047459) proprietor of M/s Nilesh Lakhani & Associates, Chartered Accountants, having office at 8, 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064 vide his certificate dated 18th October, 2011 is Rs.6, 23, 06,264/-.

4.2 Mrs. Deepa Kishor Tracy, wife of Kishor Sukumar Tracy, aged 56 years, is residing at 23, Exotic Palace, Off Yari Road, Versova, Mumbai - 400061. She is a Science Graduate. She is having 22 years experience in the Garment Industry. The networth of Mrs. Deepa Kishor Tracy, as on 31st March, 2011 as certified by Mr. Nilesh Lakhani (Membership No. 047459) proprietor of M/s Nilesh Lakhani & Associates, Chartered Accountants, having office at 8, 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064 vide his certificate dated 18th October, 2011, is Rs.12, 56, 48,562/-.

4.3 There is one case pending against Mrs. Deepa Tracy, the 2nd Acquirer before Addl. Chief Metropolitan Magistrate Court, Patiala House, New Delhi. The case was filed by the State of Delhi at the instance of Prasar Bharti against Western Co-operative Bank and its directors (including the 2nd Acquirer) in respect of alleged criminal offence of cheating and criminal breach of trust. The said directors are not attributed any specific role in the alleged offence except plain contention on behalf of the prosecution that all the directors of the bank at the time of offence should be impleaded in the matter for they being responsible for the day to day affairs of the bank.

4.4 Mr. Manish Jagdish Chaudhari is the son in law of Mrs. Deepa Kishor Tracy

4.5 None of the Acquirers have acquired Shares of the Target Company during the preceding 12 months of the date of the Public Announcement.

4.6 As on date of the Public Announcement the Acquirers do not hold any Shares in the Target Company.

4.7 As per Certificate dated 18th October, 2011 , issued by Nilesh Lakhani (Membership No. 047459) of M/s Nilesh Lakhani and Associates, Chartered Accountants, having office at 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064., (Tel No. 2888 7479, E-mail: lakhanint@hotmail.com, the Net Worth of Mr. Manish Jagdish Chaudhari, as on 31st March, 2011 was Rs. 6,23,06,264/- (Rs. Six Crores Twenty Three Lakhs Six Thousand Two Hundred and Sixty Four Only).

4.8 As per Certificate dated 18th October, 2011 , issued by Nilesh Lakhani (Membership No. 047459) of M/s Nilesh Lakhani and Associates, Chartered Accountants, having office at 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064., (Tel No. 2888 7479, E-mail: lakhanint@hotmail.com), the Net Worth of Mrs. Deepa Tracy, as on 31st March, 2011 was Rs. 12,56,48,562/- (Rs. Twelve Crores Fifty Six Lacs Forty Eight Thousand Five Hundred and Sixty Two Only).

4.9 The Acquirers have not promoted any listed Company nor have any control over any listed Company.

4.10 Brief details of the ventures/ unlisted companies promoted by the acquirers.

1. Name of the company: **MANTRA EXPORTS PRIVATE LIMITED**

Date of Incorporation:	**04/07/1996**
Board of Directors:	Mrs. Deepa Tracy Mr. Manish Chaudhari
Nature of activities:	The company is engaged in the business of Manufacture and Export of readymade Garments

Brief financials based on Audited Accounts for the last three years are given below:

			(Rupees in Lacs)
Details (Year ending March 31)	**2010-2011**	**2009-2010**	**2008-2009**
Paid up Equity Capital	499.80	499.80	499.80
Reserve & Surplus (excluding Revaluation Reserve, if any)	2,707.47	2,762.15	1,693.09
Revaluation Reserve (if any)	NIL	NIL	NIL
Profit/ (Loss) after Tax	237.69	1,249.22	1,304.27
Earnings per Share (Rs.10/- paid up) in Rs.	4.76	24.99	27.87
Book Value per Share of Rs.10/- each (Rs.)	64.17	65.27	43.87

2. Name of the company: **MANTRA FASHIONS PRIVATE LIMITED.**

Date of Incorporation: 08/04/2002

Board of Directors: Mrs. Deepa Tracy
Mr. Manish Chaudhari

Nature of activities: The company is engaged in the business of Manufacture and Export of Readymade Garments

Brief financials based on Audited Accounts for the last three years are given below:

			(Rupees in Lacs)
Details (Year ending March 31)	**2010-2011**	**2009-2010**	**2008-2009**
Paid up Equity Capital	1.05	1.05	1.05
Reserve & Surplus (excluding Revaluation Reserve, if any)	0.43	0.44	0.45
Revaluation Reserve, if any	NIL	NIL	NIL
Profit/ (Loss) after Tax	(0.01)	(0.01)	(0.06)
Earnings per Share (Rs.10/- paid up) in Rs.	(0.06)	(0.08)	(0.55)
Book Value per Share of Rs.10/- each (Rs.)	14.14	14.20	14.29

3. Name of the company: **SHLOKA OVERSEAS PRIVATE LIMITED.**

Date of Incorporation: **23/06/2009**

Board of Directors: Mrs. Deepa Tracy
Mr. Manish Chaudhari

Nature of activities: The company intends to commence business of Manufacture and Export of Ready made Garments

Brief financials based on Audited Accounts for the last three years are given below:

			(Rupees in Lacs)
Details (Year ending March 31)	**2010-2011**	**2009-2010**	**2008-2009**
Paid up Equity Capital	1.00	1.00	Not Applicable
Reserve & Surplus	NIL	NIL	Not Applicable
Profit/ (Loss) after Tax	(0.03)	(0.51)	Not Applicable
Earnings per Share (Rs.10/- paid up) in Rs.	(0.31)	(6.76)	Not Applicable
Book Value per Share of Rs.10/- each (Rs.)	4.62	4.93	Not Applicable

4. Name of the company: **M4 MANTRA ENTERTAINMENT PRIVATE LIMITED**

Date of Incorporation: **01/04/2010**

B Board of Directors: Mrs. Deepa Tracy
Mr. Manish Chaudhari

Nature of activities: The Company intends to commence business in the Entertainment sector.

Brief financials based on Audited Accounts for the last three years are given below:

			(Rupees in Lacs)
Details (Year ending March 31)	**2010-2011**	**2009-2010**	**2008-2009**
Paid up Equity Capital	1.0	Not Applicable	Not Applicable
Reserve & Surplus	NIL	Not Applicable	Not Applicable
Profit/ (Loss) after Tax	(0.89)	Not Applicable	Not Applicable
Earnings per Share (Rs.10/- paid up) in Rs.	(8.87)	Not Applicable	Not Applicable
Book Value per Share of Rs.10/- each (Rs.)	1.06	Not Applicable	Not Applicable

4.11 Disclosures in Terms of Regulation 16(ix) of the SEBI (SAST) Regulations

The Acquirers do not currently intend to dispose of or otherwise encumber any assets of the Target Company in the next two years, except such disposals or encumbrances which are in the ordinary course of business of the Target Company. Further, the Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

4.12 Future Plans of the Acquirers with Respect to SFL

The prime objective of the Acquirers behind the Acquisition is to have substantial holding of shares and voting rights accompanied with the change of control and management of the Target Company.

5. DISCLOSURE IN TERMS OF REGULATION 21(2) OF THE REGULATIONS

Assuming full acceptance, the Offer would not reduce the public shareholding below the minimum limit specified in the listing agreement with the Stock Exchange for the purpose of listing on a continuous basis. As per the listing agreement, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. Hence, Regulation 21(2) of the Regulations is not applicable.

6. BACKGROUND OF THE TARGET COMPANY

6.1 Savani Financials Limited. is a public limited company incorporated under the Companies Act, 1956 on 21/12/1983 by the name of 'Savani Investment and Leasing Limited' in the state of Maharashtra, under Company Identification Number - L67120MH1983PLC031614. The certificate of commencement of business was obtained from Registrar of Companies, Maharashtra on 27/04/1984. Subsequently on 18/05/1987 the name was changed to 'Savani Freight and Finance Limited' and on 14/10/1993 to 'Savani Financials Limited'. The registered office of the Target Company is presently situated at 809 A, Broadway Shopping Centre, 2nd Floor, Dr. Ambedkar Road, Dadar (East), Mumbai 400 014. Tel No: +91 22 24125640, Fax No: +91 22 24145177.

6.2 The Target Company was incorporated with the object of doing business of Investments and Financial Services. SFL is also registered with the Reserve Bank of India as a Non-Deposit Accepting-Non-Banking Financial Company (NBFC) vide the RBI Certificate of registration bearing No B-13.01071 dated 27th October, 1998. The present Directors of the Target Company are Mr. Nayant M. Savani, Mr. Rasiklal V. Savani, Mr.Manoj R. Shah and Mr. Samir R. Mehta.

The Company is a medium sized Non-Banking Financial Services Company engaged in the sole business segment of financial services. The Reserve Bank of India, with a view to effectively regulate NBFC's brought in wide ranging changes on deposit mobilization and prudential norms. These changes, along with other economic changes, have brought major consolidation in the financial services sector including the NBFC sector. The management continued its thrust on recoveries; cost efficiencies, loss monitoring and strict credit norms. The company continues to recover certain amounts from its Non-Performing Assets, however currently the company does not have any active business operations.

6.3 The Shares of Target Company are listed on BSE and the ASE.

6.4 As on the date of PA, the Authorized Share Capital of the Target Company is Rs.12,50,00,000/- comprising of 1,00,00,000 Rs.10/- each and 25,00,000 Redeemable Preference Shares of Rs.10/- each. And the issued, subscribed & paid up share capital/total voting capital of the Target Company is Rs. 4 00, 00,000 comprising of 4,000,000 fully paid up equity shares of Rs.10 each.

6.5 There are no outstanding instruments in the nature of warrants/fully convertible debentures/partly convertible debentures etc., which are convertible into Shares at a later date. There are no shares subject to lockin. There are no partly paid up shares in the share capital of the Target Company.

6.6 The Target Company is not a sick company and does not have any overdue liabilities to banks/financial institutions.

6.7 There is no pending litigation against the Target Company. There has not been any merger or demerger or spin-off of activity in the preceding 3 years.

6.8 The Target Company has no arrears of listing fee to the Stock Exchanges.

6.9 Following is the list of material non-compliances/ delayed compliances:

Listing Agreement:

Clause 16 - Intimation of date of AGM and closure of Share transfer books and register of members (seven days in advance)

Year	Status Of Compliance - ASE	Status Of Compliance - BSE	Nature of Non-Compliance
1997-1998	Not complied	Not complied	Intimation to SE's not on record

Clause 35 - Filing of shareholding pattern with SE (within 21 days from the end of each quarter)

Year	Status Of Compliance - ASE	Status of Compliance - BSE	Nature of Non-Compliance
2003-2004 4th Quarter	Complied	Not complied	Intimation to BSE not on record for IV Qtr. Only.
2004-2005 4th Quarter	Complied	Not complied	Intimation to BSE not on record for IV Qtr. Only.

Clause 54 – Maintenance of functional website containing basic information about the company.

Year	Nature of Non Compliance
2011-2012	The provision came into effect w.e.f. 1st April 2011. Company is yet to host a website.

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997

Regulation 6 (2) (one time filing to the stock exchanges, within 3 months from date of notification disclosing the aggregate number of shares held by each person (who holds 5% of shares or voting rights.)

Year	Status of Compliance - ASE	Status of Compliance – BSE	Nature of Non-Compliance
20 Feb 1997	Delayed Compliance	Not complied	Filed with ASE on 13 April 2010 (delay).

Regulation 6 (4) (one time filing to the stock exchanges, within 3 months from date of notification disclosing the names and addresses of the promoters and or persons having control over the company and the number and % of shares or voting rights held by such person) [Onetime requirement on 20 Feb 97]

Year	Status Of Compliance- ASE	Status of Compliance – BSE	Nature of Non-Compliance
1997	Delayed Compliance	Not complied	Filed with ASE on 13 April 2010 (delay).

Regulation 8 (3) (Yearly disclosure to the stock exchanges within 30 days from the year ending 31 March, in respect of persons who hold more than 15% of shares or voting rights in a company)

Year	Status of compliance- ASE	Status of compliance – BSE	Nature of Non-Compliance
1996-1997	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
1997-1998	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
1998-1999	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
1999-2000	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
2000-2001	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
2001-2002	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
2002-2003	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
2003-2004	Not complied	Complied	Filed with BSE, on 28th June 2007 (delay). ASE intimation not on record.
2006-2007	Complied	Complied	Filed with BSE, on 25th May 2007 (delay) and 27 Oct 2007 (revised one)
2007-2008	Complied	Complied	Filed with BSE on 13 Aug 2008. ASE no acknowledgement or covering letter on record.

SEBI may initiate action against the Target Company at a later stage in terms of the Listing Agreement and regulations and provisions of the SEBI Act for the aforementioned non compliance of Chapter II of the Takeover Regulations as well as delayed compliance of the Listing Agreement.

The trading of the equity shares of the Target Company has never been suspended by either of the Stock Exchanges on account of any non-compliance as reported above.

6.10 As per the information provided by the Target Company the promoters (including the promoter group) of the Target Company, Sellers and other major shareholders of the Target Company have complied with the provisions of Chapter II of the SEBI (SAST) Regulations.

6.11 The Target Company has confirmed that it has not been prohibited by SEBI from dealing in securities in terms of section 11B of the Securities and Exchange Board of India Act, 1992, as amended.

6.12 5,000 Shares of SFL were traded on 21st October 2011 i.e. the date of PA.

6.13 Equity Share Capital Structure of SFL as on date of PA was as under:

Paid-up Shares	No. of Shares/Voting Rights	% Shares/Voting Rights
Fully Paid-up Equity Share	40,00,000/40,00,000	100%/100%
Partly Paid-up Equity Share	Nil/Nil	Nil/Nil
Total Paid-up Equity Share	40,00,000/40,00,000	100%/100%

6.14 The Target Company has no subsidiaries

6.15 Build-up of the current capital structure of SFL since inception and, in this regard, the status of compliance with the applicable provisions of the SEBI (SAST) Regulations and other statutory requirements are as follows:

Sr. No.	Date of Allotment	No & % of Shares issued		Cumula-tive No. of Shares	Mode of Allotment	Identification of the allottees (Promot-ers/ Ex-Promoters/ Others)	Status of-Compliance
		No.	%				
1	On Incorporation	7	0.00%	7	Subscribers to MOA	Promoters	Complied
2	28-Oct-1985	5255	1.31%	5262	Allotment for Cash	Promoters and Others	Complied
3	30-Dec-1985	6333	1.58%	11595	Allotment for Cash	Promoters and Others	Complied
4	14-Mar-1986	3405	0.85%	15000	Allotment for Cash	Promoters and Others	Complied
From Sr. no. 1-4 the Company allotted 15,000 shares of Rs. 100/- each and subsequently, on 30th June, 2006 the company subdivided the shares of Rs. 100/- each to shares of Rs. 10/- each							
5	02-Dec-1986	60000	1.50%	2,10,000	Allotment for Cash	Promoters and Others	Complied
6	23-Feb-1987	90000	2.25%	3,00,000	Allotment for Cash	Promoters and Others	Complied
7	22-Jun-1987	26100	0.65%	3,26,100	Allotment for Cash	Promoters and Others	Complied
8	27-Jul-1987	23900	0.60%	3,50,000	Allotment for Cash	Promoters and Others	Complied
9	05-Dec-1987	23100	0.58%	3,73,100	Allotment for Cash	Promoters and Others	Complied
10	15-Apr-1988	2200	0.06%	3,75,300	Allotment for Cash	Promoters and Others	Complied
11	13-Feb-1989	17200	0.43%	3,92,500	Allotment for Cash	Promoters and Others	Complied
12	30-Jun-1989	5500	0.14%	3,98,000	Allotment for Cash	Promoters and Others	Complied
13	01-Nov-1990	12000	0.30%	4,10,000	Allotment for Cash	Promoters and Others	Complied
14	30-Mar-1991	90000	2.25%	5,00,000	Allotment for Cash	Promoters and Others	Complied
15	28-Aug-1992	347300	8.68%	8,47,300	Allotment for Cash	Promoters and Others	Complied
16	25-Nov-1992	250000	6.25%	10,97,300	Allotment for Cash	Promoters and Others	Complied
17	15-Nov-1994	2902700	72.57%	40,00,000	Initial Public Offer	Promoters and Others	Complied
	Total	40,00,000	100%				

6.16 Same as stated in Para 6.9 the Letter of Offer the Target Company has been complying with the applicable clauses of the Listing Agreement entered into with the Stock Exchanges. The Target Company has addressed all investor's complaints as and when received and there is no pending complaint as on date. Till date no punitive action has been taken by both BSE and ASE.

6.17 Present Composition of the Board of Directors of SFL:

As on date of PA 21st October, 2011, the Directors on the Board of SFL were:

Sr. No	Name	Address	Qualification	Experience	Directors' Identification Number (DIN)	Date of Appointment
1	Mr. NayantSavani	210/E, OM JAYALAXMI, LAXMIBAI KELKARROAD, SION EAST, MUMBAI, 400022, Maharashtra, INDIA	M.Com., MBA (Finance)	Chairman of Savani Group, with over 25 years experience in managing group's varied businesses and allied activities.	014400500	2nd February 1985
2	Mr. Rasiklal V. Savani	2/2 NORTH PUBLIC, SQUARE ROAD, BASA- VANGUDI, BANGALORE,560004, Karnataka, INDIA	Matriculate	Over 35 years of experience in the management of the group's transport business and is instrumental in consolidating the group's transport business in Southern India.	01440465	21st December 1983
3	Mr. Manoj R.Shah	1ST FLR. BLOCK 3, PLOT133, VAIKUNTHA NIWAS, SION, MUMBAI, 400022, Maharashtra, INDIA	B.Com., MBA	Businessman with vast experience in varied business segments	01229231	10th March 1987
4	Mr. Samir R. Mehta	503, Phatak Building, Nehru Road, Ville Parle (E), Mumbai – 400 057	B. Com., FCA	Practicing Chartered Accountant having vast experience in the profession and expertise of financial services	00398813	28th August 1991

Note: None of the above appointees are related to the Acquirers or nominees of the Acquirers

6.18 SFL has confirmed that it has not been prohibited by SEBI from dealing in securities in terms of section 11B of the Securities and Exchange Board of India Act, 1992, as amended.

6.19 Financial Information:

Brief audited financials of SFL for the last 3 Years are as follows:

6.20 Profit & Loss Statement:

				(Rs. In Lacs)
For the Year/period ended	**30.06.2011 (Audited)**	**31.03.2011 (Audited)**	**31.03.2010 (Audited)**	**31.03.2009 (Audited)**
Income	-	-	-	-
Other Income	0.25	14.64	9.29	2.89
Total Income	0.25	14.64	9.29	2.89
Total Expenditure	0.66	4.95	4.98	4.54
Profit/(Loss) before Interest, Dep.& Tax	(0.41)	9.69	4.31	(1.65)
Interest	-	0.20	-	-
Depreciation	-	0.10	0.14	0.14
Profit/(Loss) before Tax	(0.41)	9.39	4.17	(1.79)
Exceptional Item	-	24.06	-	-
Provision for Tax	-	-	14.87	-
Profit/(Loss) after Tax	(0.41)	33.45	19.04	(1.79)
Prior Period Adjustments	-	-	-	-
Bal. Brought Forward from earlier years	(576.55)	(610.00)	(629.04)	(627.25)
Transfer To Statutory Reserve U/s 451C of RBI Act	-	-	-	-
Bal. Transferred to Balance Sheet	(576.96)	(576.55)	(610.00)	(629.04)

Notes:

- It can be observed from the above table, the total other income for the year ending 31st March 2011 is Rs.14.64 Lacs out of which Rs 14.10 Lacs were received as compensation for legal settlement. Apart from that company also earned dividend and interest income. Target Company had also written back the excess provision on investment.
- For Year ending 31st March 2010, Out of the total other income of Rs.9.29 Lacs Target Company had received Rs.8.91 Lacs as interest on income tax refund.
- For year ending 31st March 2009, TC made Rs 1.67 Lacs profit on sale of investment and Rs 1.21 lacs was written back as excess provision on investment.
- The major expenses incurred during the above years are towards Legal and Professional fees and Travelling and Conveyance expenses. The Company has retained qualified legal representatives and authorised persons to represent the Company at the various courts where its legal cases are pending so as to make faster recovery of its dues and also to process its pending tax recoveries from the department. The other expenses incurred such as Printing and Stationery and Communication expenses include major expense incurred towards Printing and Postage of the Annual reports to the shareholders. The advertisement expenses incurred are towards the advertisements for notices and other documents to be released in press and Listing and Registration expenses incurred are as per requirements of the Listing agreement.

6.21 Balance Sheet Statement

				(Rs. In Lacs)
As On	**30.06.2011**	**31.03.2011**	**31.03.2010**	**31.03.2009**
Sources of funds:				
Paid up Share Capital	400.00	400.00	400.00	400.00
Reserves & Surplus	338.58	338.58	338.58	338.58
NETWORTH	738.58	738.58	738.58	738.58
Secured Loan	-	-	-	-
Unsecured Loans	-	-	4.00	4.00
Deferred Tax Liability(Net)	-	-	-	-
TOTAL	**738.58**	**738.58**	**742.58**	**742.58**
Application of Funds:				
Net Fixed Assets	**-**	**-**	**1.04**	**1.18**
Investments	-	-	0.02	0.29
Deferred Tax Asset	-	-	-	-
Net Current Assets	161.62	162.03	131.52	112.07

Profit and Loss Account	576.96	576.55	610.00	629.04
TOTAL	**738.58**	**738.58**	**742.58**	**742.58**

6.22 Other Financial Data

For year ended	**30th June 2011 (Audited)**	**31st March 2011 (Audited)**	**31st March 2010 (Audited)**	**31st March 2009 (Audited)**
Dividend (%)	-	-	-	-
EPS (Rs.)	(0.01)	0.84	0.48	(0.04)
Return on Net worth (%)	-	-	-	-
Book Value per share (Rs.)	4.04	4.05	3.21	2.74

Notes:

(i) EPS = Profit after tax/ number of outstanding Shares at the close of the year/period.

(ii) Return on Net Worth = Profit after Tax/ Net Worth

(iii) Book Value per Share = Net Worth/ No. of Shares

(iv) Source: Audited Annual Reports

(v) Reason for fall/rise in Total Income, Expenditure and PAT in the relevant year if applicable: -

The Company does not have any active business operations for the past five years; hence there is no significant change in its Financial Performance on a year to year basis.

6.23 : Pre and Post-Offer Shareholding Pattern of SFL

Shareholders' Category	**Shareholding & Voting Rights prior to the Agreement(s)/ Acquisition and Offer**		**Shares/ Voting Rights Acquired Through SPA.**		**Shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances).**		**Shareholding/ Voting Rights after the Acquisition and Open Offer.**	
	(A)	(B)	(C)	(A)+(B)+(C)=(D)				
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group: a) Parties to Agreement, if any)	17,19,590	42.99	(17,19,590)	(42.99)	Nil	Nil	Nil	Nil
Promoters other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (a+b)	17,19,590	42.99	(17,19,590)	(42.99)	Nil	Nil	Nil	Nil
2. Acquirers a. Manish Jagdish Chaudhari	Nil	Nil	8,59,795	21.495	4,00,000	10.00	12,59,795	31.495
b. Deepa Kishor Tracy	Nil	Nil	8,59,795	21.495	4,00,000	10.00	12,59,795	31.495
Total (1+2)	17,19,590	42.99	17,19,590	42.99	8,00,000	20.00	25,19,590	62.99
3. Parties to Agreement other than (1) (a) & 2 above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Public: (Other than Promoters & Acquirers)	2,280,410	57.01	Nil	Nil	(8,00,000)	(20.00)	1,480,410	37.01
Total (3+4)	2,280,410	57.01	Nil	Nil	(8,00,000)	(20.00)	1,480,410	37.01

GRAND TOTAL (1+2+3+4)	4,000,000	100.00	1,719,590	42.99	Nil	Nil	4,000,000	100.00

(i) There are 6,910 (57.01%) equity shareholders under Public category as on 31st March, 2011.

(ii) The Compliance Officer of the Target Company is Mr. Rajnikant P Shah, residing at 205/ 23, Sindhu Building, First Floor, Sion East, Mumbai 400022, Email: sfl@savani-india.com, Tel: 022-24125640, Fax: 022-24145177

6.24 As on the date of the PA, the promoters (including the promoter group) held 17, 19,590 Shares representing 42.99% of Share Capital of SFL. The break-up of which is as under:

S r. No	**Name of Shareholders**	**Total Shares Held**	**Shares Pledged or otherwise Encumbered**			
		Number	**As a % of Grand Total (A(+(B)+(C)**	**Number**	**As a percentage of**	**As a % of Grand Total (A)+(B)+(C) of Sub-Clause (I)(a)**
(I)	(II)	(III)	(IV)	(V)	VI)=(V)/ (III)*100	(VII)
(A) Individuals						
1	RASIKLAL VADILAL SAVANI	19990	0.50	-	-	-
2	RASIKLAL VADILAL SAVANI(HUF)	1000	0.03	-	-	-
3	NAYANT KARTA OF M V SAVANI (HUF)	30000	0.75	-	-	-
4	NAYANT SAVANI	285700	7.14	-	-	-
5	RASIKLAL V SAVANI	5000	0.13	-	-	-
6	JIGISH R. SAVANI	9000	0.23	-	-	-
7	LALITABEN R. SAVANI	22000	0.55	-	-	-
8	HINA CHANDRAKANT SHAH	1000	0.03	-	-	-
9	MANISH R. SAVANI	9000	0.23	-	-	-
10	SHARMI JIGISH SAVANI	2000	0.05	-	-	-
11	SHANTABEN M. SAVANI	8400	0.21	-	-	-
12	SHANTABEN M. SAVANI	1600	0.04	-	-	-
13	JIGISH R SAVANI	5000	0.13	-	-	-
14	LALITABEN R SAVANI	5000	0.13	-	-	-
15	MANISH R SAVANI	10000	0.25	-	-	-
16	NIYATI MANISH SAVANI	10000	0.25	-	-	-
17	PRITI SAVANI	145500	3.64	-	-	-
18	SHARMI J SAVANI	10000	0.25	-	-	-
19	SONAL SAVANI	145500	3.64	-	-	-
20	SHANTABEN SAVANI	42200	1.06	-	-	-
21	SHANTABEN SAVANI	27200	0.68	-	-	-
22	SHANTABEN SAVANI	5600	0.14	-	-	-
23	HANSAT SAVANI	32500	0.81	-	-	-
24	HANSAT SAVANI	154500	3.86	-	-	-
25	MRIDULA K SHAH	12400	0.31	-	-	-
26	SHANTABEN SAVANI	15000	0.38	-	-	-
	TOTAL (A)	1015090	25.38	-	-	-
(B) Bodies Corporate						
1	SAVANI HOLDING PRIVATE LIMITED	704500	17.61	-	-	-
	TOTAL (B)	704500	17.61	-	-	-

	TOTAL (A+B)	1719590	42.99	-	-	-
				-	-	-

6.25 Details of change in the Shareholding of the present Promoter Group of the Target Company since 1997.

Date of Acquisition/ Sale	Mode of Acquisition / Sale	No. of Shares Acquired/ (sold)	% to the Paid-up Shares	Cumulative	% of Paid-up Shares	Total Paid up Capital	Status of Compliance
Shares held by Promoters as on 20th February 1997				1,697,590	42.44%	4,000,000	
27-Feb-1998	Cash Purchase	16,300	0.41%	1,713,890	42.85%	4,000,000	Not Applicable
31-Mar-1998	Cash Purchase	5,100	0.13%	1,718,990	42.97%	4,000,000	Not Applicable
20-Jul-1998	Cash Purchase	400	0.01%	1,719,390	42.98%	4,000,000	Not Applicable
17-Aug-1998	Cash Purchase	200	0.01%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-1999	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2000	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2001	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2002	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2003	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2004	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2005	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2006	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2008	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2009	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2010	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
31-Mar-2011	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable
21-Oct-2011	-	-	0.00%	1,719,590	42.99%	4,000,000	Not Applicable

6.26 Status of Corporate Governance

The Target Company has complied with the conditions of Corporate Governance as envisaged under clause 49 of the listing agreement. M/s. P. P. Bhandari and Co., Chartered Accountants have certified compliance of conditions of corporate governance as per their certificate attached with annual report of the Target Company.

There is no pending litigation filed against the Target Company as of the date of LOO.

Compliance Officer: The Target Company has appointed Mr. Rajnikant P Shah, Tel No: 022-24125640, Fax No: 022-24145177 as the Compliance Officer.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

(i) The Shares of SFL are presently listed on BSE and ASE. The Shares of the company are not traded on any other Stock Exchanges under Permitted Category.

(ii) The annualized trading turnover during the preceding 6 calendar months prior to the month in which PA is made i.e. 1st April, 2011 to 30th September, 2011 (both Inclusive) at the Stock Exchange(s) is as under: -

Name of Stock Exchange	**Total No. of Shares traded during the 6 calendar months prior to the month in which PA was made**	**Total No. of Listed Shares**	**Annualized Trading turnover (in terms of % to total listed shares)**
BSE	2,000	40,00,000	0.10%
ASE	Nil	40,00,000	Nil
Source: Official Data from BSE and ASE			

(iii) Based on the above information, the Shares of SFL are deemed to be infrequently traded within the meaning of Explanation (i) to Regulation 20(5) of the Regulations and hence, the Offer Price has been determined taking into account the following parameters:

a)	Negotiated Price under the Agreement	Rs. 6.50/-
b)	The highest price paid by the Acquirers for acquisition during the 26 week period prior to the date of this PA	Not Applicable
	Other Parameters based on the Audited Accounts for the year ended 31.03.2011	
c)	Book Value per Equity Share (Rs.)	Rs. 4.05/-
d)	Earnings Per Equity Share (Rs.)	Rs. 0.84/-
e)	Return on Net worth (%)	20.64%
f)	Industry Average P/E Multiple*	13.04
g)	Offer price P/E Multiple**	7.73
Source: Capitaline Plus, 19th October, 2011 ** Offer Price/EPS		

(iv) Mr Rajesh R Shah, Chartered Accountants (Membership No 039464) proprietor of M/s Rajesh R Shah & Associates, Chartered Accountants, having office at A-203 Ekta Bhoomi, Panchsheel Enclave, Mahavir Nagar, Kandivali West, Mumbai – 400 067, Tel no. 022-2967 4258, has certified vide their certificate dated 24th October, 2011 the value of equity shares of the Target Company. The four methods considered for valuation were 1) Net Asset Value method, 2) Profit earning method, 3) PE multiple method, and 4) Market value method. As, in the previous three years, the Company did not have any operating business income the Profit earning method and PE multiple method would not have formed the basis for arriving at the fair value. Therefore, appropriate weightage was assigned by the valuer to the Net Asset Value Method and the Market Value Method (market value was based on the highest price paid for acquisition during the 26 week period) to arrive at the fair value of the equity share. The Fair value of the Equity share of M/s Savani Financials Limited on Weighted average of the above methods is Rs.4.87/- per share. In view of this, the offer price of Rs.6.50/- per share is justified in terms of the regulation 20(11) of the Regulations.

(v) If the Acquirers acquire Shares after PA and up to seven working days prior to closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisitions shall be payable for all acceptances received under this Offer as per Regulation 20(4) of the Regulations. Any revision in the Offer Price shall be notified by advertisement in the same newspapers in which the Public Announcement dated 21st October, 2011 appeared.

(vi) The Acquirers have not entered into any non-compete agreement with the Sellers. There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made by the Acquirers as non-compete fee.

(vii) As per the SEBI (SAST) Regulations, the Acquirers can revise the Offer Price upwards up to 7 (seven) working days prior to the closure of this Offer and the revision, if any, in the Offer Price would be an- nounced in the same newspapers where the Public Announcement has appeared and the revised price will be paid for all Shares acquired pursuant to this Offer.

7.2 Details of Firm Financial arrangements:

7.2.1 The maximum fund requirement for the Offer assuming full acceptance of the Offer would be Rs. 52,00,000/- (Rupees Fifty Two Lakhs Only only) (i.e. 8,00,000 Shares of Rs.10/- each at a price of Rs. 6.50/- per share).

7.2.2 In accordance with the provisions of regulation 28 of the Regulations, the Acquirers have created an escrow in the form of cash deposit of Rs. 14,00,000/- (Rupees Fourteen Lakhs only) in Account Number 0004103000049285 opened with IDBI BANK LTD. Nariman Point, Mumbai. The amount placed in the Escrow Account is more than25% of the maximum consideration payable under the Offer. The Manager to the Offer is authorised to operate and release the value of the Escrow Account in terms of the Regulation 28 of the SEBI (SAST) Regulations.

7.2.3 The Acquirer Mr. Manish Jagdish Chaudhari has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Nilesh Lakhani (Membership No. 047459) proprietor of M/s Nilesh Lakhani & Associates, Chartered Accountants, having office at 8, 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064 vide their certificate dated 18th October, 2011 have confirmed that sufficient resources are available with Mr. Manish Jagdish Chaudhari for fulfilling the obligations under this 'Offer' in full.

7.2.4 The Acquirer Mrs. Deepa Kishor Tracy has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Nilesh Lakhani (Membership No. 047459) proprietor of M/s Nilesh Lakhani & Associates, Chartered Accountants, having office at 8, 1st Floor, Patel Shopping Centre, Sainath Road, Malad (W), Mumbai – 400 064 vide their certificate dated 18th October, 2011 have confirmed that sufficient resources are available with Mrs. Deepa Kishor Tracy for fulfilling the obligations under this 'Offer' in full.

7.2.5 The combined networth of the Acquirers is as under:

Particulars	**Amount (Rs in Lacs.)**
Mr. Manish Chaudhari	Rs.623.06
Mrs. Deepa Tracy	Rs.1,256.49
Total	Rs.1,879.55

7.2.6 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money, for payment through verifiable means are in place to fulfill the Offer obligations in accordance with the SEBI (SAST) Regulations.

8. TERMS & CONDITIONS OF THE OFFER

8.1 This Offer is being made to all the shareholders of SFL (except the parties to the Agreement, Acquirers and Promoter group shareholder's whose names appear in the Register of Members of SFL at the close of business hours on 18th November, 2011 ['Specified date'] and to also those persons, who own the Shares at any time prior to closure of the Offer, but are not registered shareholders.

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding Shares in the physical form only) is being mailed to those shareholders of SFL whose names appear on the Register of Members of SFL at the close of business hours on 18th November, 2011 ['Specified Date']. Owners of Shares at any time prior to the closure of the Offer but not registered as shareholder(s) are also eligible to participate in the Offer. No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will be mailed to the parties to the Agreement.

8.3 All owners of the Shares, Registered or Unregistered (except the parties to the Agreement, Acquirers and promoter group shareholders) who own the Shares any time prior to the Closing of the Offer are eligible to participate in the Offer.

8.4 Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatso ever.

8.5 None of the Shares of SFL as on date are under lock-in.

8.6 Attention of the shareholders is invited to the fact that the Letter of Offer along with the Form of Acceptance would also be available on the SEBI website at www.sebi.gov.in and Persons eligible to participate in Offer may download the Form of Acceptance cum Acknowledgement from the website for participating in the offer.

8.7 If the aggregate of the valid responses to the Open Offer exceeds the Open Offer size of 8,00,000 Shares of the Target Company (representing 20% of the paid-up Equity Share Capital of the Target Company), then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. The market lot for the dematerialized Shares will be 1 (One) Share(s) and for the physical share the market lot will be 100 Share(s).

8.8 The payment of acquisition of Shares will be made by the Acquirers in Cash through a crossed Demand Draft/ Pay Order/ NECS/RTGS/NEFT/DC to the equity Share holders of SFL whose equity share certificates and other documents are found in order and accepted, within 15 Days from the date of Closing of the Offer. The Acquirers undertakes to pay interest pursuant to Regulation 22 (12) to the shareholders for the delay, if any, in payment of consideration.

8.9 The Offer is subject to receiving necessary approval(s), if any; from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring Shares tendered by Non Resident Shareholders, if any and requirement under the circular No. DNBS (PD) C.C. No. 63 / 02.02 / 2005-06 issued by the Reserve Bank of India on January 24, 2006 of prior public notice to be given by the Acquirers, the transferors in the Agreement, Sellers and the Target Company. The transfer of Shares and change in management shall not be affected earlier than 30 days from the date of such public notice. In case of acceptances from Non Residents, then the Acquirers shall make requisite application to the RBI after the closure of the offer. Except for the RBI approval as on date of this Letter of Offer, no statutory approvals are required to acquire the 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. The dispatch of consideration can be delayed beyond 15 days from date of closure of offer, in case any statutory approval, which becomes so applicable on a later date, is not received. 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 date of closure of Offer. The Acquirers also reserve the right to withdraw the Offer in accordance with Regulation 27 of the SEBI (SAST) Regulations in the event the requisite statutory approval(s) for the purpose of this Offer or those that may be necessary at a later date are refused.

8.10 No other statutory approvals are required to acquire the Shares that are tendered pursuant to the Offer.

8.11 The Acquirers do not require any approvals from financial institutions or banks for the Offer.

8.12 In case of a delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to the tendering Shareholders, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default or neglect or inaction or non-action by the Acquirers in obtaining the requisite statutory approval(s), Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

8.13 The form of Acceptance along with Share Certificate(s) and other documents delivered as per the requirements mentioned above, shall become acceptance on your part, but will become a fully valid and binding contract between you and the Acquirers only upon the fulfillment of all the conditions mentioned herein.

8.14 Shares tendered in the Offer by the Shareholders of SFL shall be free from lien, charges and encumbrances of any kind whatsoever.

8.15 Shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of SFL may be precluded from transferring the Shares during pendency of the said litigation, are liable to be rejected unless directions/ orders regarding the free transferability of such Shares tendered under the offer prior to the date of closure of the offer.

8.16 The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed (applicable for Shareholders holding Shares in physical form) constitute an integral part of the terms of the Offer.

8.17 Barring unforeseen circumstances and factors beyond their control, the Acquirer intends to complete all formalities pertaining to the purchase of Shares, including dispatch payment of consideration to the Shareholders who have accepted the Offer, by 24th March, 2012.

8.18 As per the provisions of Section 196D (2) of the Income Tax Act, 1961 ('Income Tax Act'), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ('FII') as defined in section 115 AD of the Income Tax Act. However, while tendering their Shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate (NOC) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.

8.19 The consideration to those shareholders whose Shares or share certificates and/or other documents are found complete, valid and in order and accepted by Acquirers in part or in full will be made within 15 Days from the date of closing of the Offer. The Acquirers undertake to pay interest pursuant to regulation 22(12) to the shareholders for the delay, if any, in payment of consideration. The consideration will be paid by crossed account payee cheques/demand drafts. Such considerations in excess of Rs.1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by Registered Post/Speed Post at the shareholder's/unregistered owner's sole risk to the sole/first shareholder/unregistered owner. Shares in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. All dispatches involving payment of a value up to Rs.1, 500/- will be made under certificate of posting at the shareholders sole risk.

8.20 The acquisition of Shares and the acquisition of control and management of the Target Company by the Acquirers are subject to the regulations of RBI governing Non Banking Finance Companies (NBFCs). RBI has, vide circulars DNBS (PD) CC No. 11/02.01/99 –2000 dated Nov 15, 1999, paragraph A (5) (III) Of Circular DNBS (PD) CC No. 12/02.01/99 – 2000 dated Jan 13, 2000 and paragraph 2 (II) Of Circular DNBS (PD) CC No. 63/02.02/2005 – 06 dated Jan 24, 2006 and circular DNBS (PD) CC No. 82/03.02.02/2006 – 07, stipulates that change in management of NBFCs and transfer of Shares to new promoter(s) shall be subject to the Acquirers, Sellers and the Target Company giving prior public notice and that the transfer of Shares and change in management shall not be effected earlier than 30 days from the date of such public notice. The Acquirers undertake that they shall comply with the stipulation of giving a public notice as aforesaid, jointly with the Target Company and Sellers and undertake that they will apply for transfer to themselves of the equity Shares covered under the Agreement as well as Offer only after 30 days of such public notice. The Acquirers also undertake that they or their nominees shall not join the Board of Directors of SFL before expiry of 30 days from the date of the aforesaid public notice.

8.21 Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Registrar's Special Depository Account should be received on or before the date of closure of the offer, i.e. 10 th March, 2012, else the application would be rejected.

8.22 Any Shares credited in the Registrar's Special Depository Account prior to the opening of the Offer, i.e., 20th February, 2012, would be rejected.

8.23 The securities transaction tax will not be applicable to the Shares accepted in the Offer.

8.24 A Schedule of the activities pertaining to the Offer is given below:

Activity	Original Schedule as per PA Date	Day	Revised Schedule	Day
Date of Public Announcement (PA)	21st October, 2011	Friday	21st October, 2011	Friday
Specified Date*	18th November, 2011	Friday	18th November, 2011	Friday
Last date for Competitive bid	10th November, 2011	Thursday	10th November, 2011	Thursday
Date by which Letter Of Offer to be posted to shareholders	4th December, 2011	Sunday	15th February, 2012	Wednesday
Date of Opening Of the Offer	7th December, 2011	Wednesday	20th February, 2012	Monday
Last date for revising the Offer Price / Number of Shares	15th December, 2011	Thursday	29th February, 2012	Wednesday
Last date for withdrawal of acceptance by Shareholders who have accepted the Offer	21st December, 2011	Wednesday	6 th March, 2012	Tuesday
Date of Closing of the Offer	26th December, 2011	Monday	10th March, 2012	Saturday
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	9th January, 2012	Monday	24th March, 2012	Saturday

*Specified date is only 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 SFL (except the Acquirers, parties to the Agreement and promoter group shareholders) whose names appear on the register of members of the Target Company and as regards the beneficial owners of the dematerialized Shares, whose names appear as beneficiaries on the records of the respective depositories, at the close of business on 18th November, 2011.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

9.1 The Acquirers made the Public Announcement on 21st October, 2011 for the Offer. This Offer is made to all Persons eligible to participate in the Offer.

9.2 Equity Shareholders who hold the Shares of the Target Company and wish to tender their Shares pursuant to the Offer will be required to submit the Form of Acceptance, original share certificate(s) and transfer deed(s) duly signed, photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in 'Off-Market' mode, duly acknowledged by DP in favour of the Special Depository Account to the Registrars to the Offer, Bigshare Services Pvt Ltd. at their office mentioned below, so as to reach on or before the Offer Closing Date, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

Sr. No.	Collection Center	Address of Center	Contact Person	Tel. No./ Fax No.	Mode Of Delivery
1.	Mumbai	E-2, Ansa Industrial Estate,Sakivihar Road, Saki Naka,Andheri(E), Mumbai-400072Tel: 022 28470652Fax:022 28475207	Mr. Babu Raphel	Tel No.: 022-28470652/ 40430200 FaxNo.: 022-28475207	Post and HandDelivery
2	Ahmedabad	C/o. Vishwam Advisory Pvt. Ltd.310, Aditya Plaza, Nr. Kamavai Apartments, Satellite, Ahmedabad – 380 015.	Mr. Hitesh Buch	Tel No.: 079 – 40321260	Post and HandDelivery
3	Hyderabad	306, Right Wing, AmruthaVille Opp. Yashodha Hospital, Somajiguda, Raj Bhaavan Rd., Hyderabad – 5000 082.	Mr. Bojimon	Tel.: 040 – 23374967 Fax:040 – 23370295	Post and Hand Delivery

The documents can be tendered at any of the above address between Monday to Friday from 10.30 am to 1.00 pm and 2.00 pm to 4.30 pm and on Saturdays from 10.00 am to 1.00 pm. The Registrars to the Offer will be closed on Sundays and other public holidays.

The shareholders who cannot hand-deliver their documents at the address referred to above may send the same by registered post/ speed post, at their own risk, to the Registrar to the Offer at their office at the above mentioned address, so as to reach their office on or before the Offer Closing Date.

Shareholders are advised to ensure that the Form of Acceptance and other relevant documents are complete in all respects; otherwise the same is liable to be rejected. In the case of demat Shares, the shareholders are advised to ensure that their Shares are credited in favour of the Special Depository Account before the Offer Closing Date. The Form of Acceptance of such demat Shares not credited in favour of the special depository account before the Offer Closing Date will be rejected.

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

(i) For Shares held in Physical Form

Registered Shareholders should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share Certificate(s).
- Original Share Certificate(s).
- Valid share Transfer Deed / Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with S FL and duly witnessed at the appropriate place.

Unregistered Shareholders should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, or application on plain paper.
- Original share certificate(s).
- Original broker contract note.
- Valid share Transfer Deed / Form(s) as received from market.

The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested, if the signature(s) of the transferor(s) differs from the Specimen signature(s) recorded with SFL or are not in the same order, such Shares are liable to be rejected under the open Offer even if the Offer has been accepted by bonafide owner of such Shares.

(ii) For Shares held in Demat form:-

The Registrar to the Offer has opened a Special Depository Account with HDFC BANK LTD., (Registered with NSDL), styled ‘BSPL ESCROW A/C – SFL OPEN OFFER’, with the following particulars:

DP Name:	HDFC BANK LTD.
DP ID Number:	IN301549
Client ID Number:	33972083

Shareholders having their beneficiary account in CDSL/ NSDL have to use Inter depository delivery instruction slip for the purpose of crediting their Shares in favour of the Special Depository Account.

Beneficial Owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
- Photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in 'Off-Market' mode, duly acknowledged by DP in favour of the Special Depository Account.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. All beneficial owners maintaining accounts with CDSL/ NSDL are required to fill in an additional inter depository slip, maintained with the DP while giving instructions to their respective DPs.

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

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

a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired. In case succession certificate has not been obtained, the legal heir may approach the registrar.

b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).

c) No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.5 The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above. They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.

9.6 In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their Shares, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer i.e. 10 th March, 2012, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in the 'Off-Market' mode, duly acknowledged by the DP, in favour of the aforesaid Special Depository Account, so as to reach the Registrar to the Offer i.e. 10th March, 2012, on or before the closure of the Offer. No indemnity is required from the unregistered owners.

Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

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

Persons eligible to participate in Offer can write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Closure of the Offer.

Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website at www.sebi.gov.in from the date of opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply in the same.

9.7 Non resident shareholders should also enclose copy of permission received from RBI for the Shares held by them in SFL and 'no-objection' certificate/ tax clearance certificate from the Income Tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.

9.8 The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so up to three working days prior to the date of the Closure of the Offer, i.e. on or before 6th March, 2012. The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, so as to reach them on or before 6th March, 2012. In case of non-receipt of 'Form of Withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the following details:

(i) In case of Physical Shares: Name, Address, distinctive numbers, folio nos., number of Shares tendered/ Withdrawn, and Shares withdrawn by the shareholders would be returned by Registered Post.

(ii) In case of Dematerialized Shares: Name, Address, number of Shares tendered/ withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in 'Off-Market' mode, duly acknowledged by the DP in favour of the Special Depository Account.

(iii) Shares [Physical/ Dematerialized form] withdrawn by the shareholders would be returned by the Registered post/ Speed Post.

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

9.10 The Registrar to the Offer will hold in trust the Shares/ Share Certificates, Transfer Deed(s), Shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques/ drafts for the consideration and/ or the unaccepted Shares/ Share certificates are despatched/ returned.

9.11 In case of shareholders holding Shares in dematerialized form, the bank details of the Shareholder as per the records of the Depository participant will be incorporated in the Cheque/demand draft. In case of shareholders holding Shares in physical form, it is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that same can be incorporated in the Cheque/ demand draft.

9.12 The withdrawal of Shares will be available only for the Shares/Share certificates that have been received by the Registrar to the Offer. The Shares returned to the Shareholders will be at the address as per the records of the Target Company/ depository as the case may be. The Form of Withdrawal should be sent only to the Registrars to the Offer. In case of partial withdrawal of Shares tendered in physical form by the registered Shareholder, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from the Target Company. Partial withdrawal of tendered Shares can be done only by the registered Shareholders/beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance cum Acknowledgement will stand revised to that effect. Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.13 The payment to the Shareholders would be done through various modes as follows:

9.13.1 Shareholders, while tendering their Shares in the Offer may indicate an option to receive the payment of Offer Price through electronic form by indicating in the space provided in the Form of Acceptance cum Acknowledgement. The payment consideration for Shares accepted under the Offer, in such cases, may be made through National Electronic Clearing Services (NECS), Direct Credit, Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), as applicable, at specified centers where clearing houses are managed by the Reserve Bank of India, wherever possible. In other cases, payment of consideration would be made through cheque / demand draft / pay order sent by registered post / speed post. Shareholders who opt for receiving consideration through electronic form are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance cum Acknowledgement, provide the Magnetic Ink Character Recognition / Indian Financial System Code of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance cum Acknowledgement. In case of joint holders / unregistered owners, payments will be made in the name of the first holder / unregistered owner.

9.13.2 For the purposes of electronic transfer, in case of Shareholders opting for electronic payment of consideration and for purposes of printing on the cheque / demand draft / pay-order for the other cases, the bank account details will be directly taken from the depositories' database, wherever possible. A Shareholder tendering Shares in the Offer, is deemed to have given consent to obtain the bank account details from the Depositories, for this purpose. Only if the required details cannot be obtained from the depositories' database then the particulars provided by the Shareholders would be used.

9.13.3 For Shareholders, who do not opt for electronic mode of transfer and for those Shareholders, whose payment consideration is rejected / not credited through NECS / Direct Credit / RTGS / NEFT, due to any technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through speed post / registered post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the Shareholder is registered. It is advised that Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/ demand draft / pay order. It will be the responsibility of the tendering Shareholders to ensure that correct bank account details are mentioned with the Depositories and in the Form of Acceptance cum Acknowledgement.

9.14 For all Shareholders, including physical Shareholders, to whom payments cannot be made by RTGS or NEFT, the payments will be dispatched under certificate of posting for value up to Rs.1,500.00 and through speed post/ registered post for payments above Rs.1,500.00 and above. Such payments will be made by cheques, pay orders or demand drafts drawn on the Escrow Agent and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Shareholders.

9.15 The Registrar to the Offer will hold in trust the Shares/ Share certificates, Shares lying to the credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of Persons eligible to participate in Offer who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted Shares/Share certificates are dispatched/ returned, as applicable.

9.16 If the aggregate of the valid responses to the Offer exceeds the Offer Size, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. Since the Shares are compulsorily traded in dematerialized form, minimum acceptance will be one Share.

9.17 Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the Shareholders'/ unregistered owners' sole risk, to the sole/ first Shareholder/ unregistered owners. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant, as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.18 While tendering the Shares under the Offer, NRIs/OCBs/foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring the Shares. In case previous RBI approvals are not submitted, the Acquirers reserve the right to reject such Shares.

9.19 While tendering their Shares under the Offer, NRIs, OCBs and other Non-Resident Shareholders will be required to submit a No Objection Certificate ("NOC") or Tax Clearance Certificate ("TCC") or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by the Acquirers before remitting the consideration, failing which the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such Shareholder.

Shareholders are advised to consult their tax advisors for their taxability or any other procedural aspects including the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Manager to the Offer, Asit C. Mehta Investment Interrmediates Ltd., Nucleus House, Saki Vihar, Andheri (E), Mumbai -400072, on any working day between 10.0 A.M. to 2.00 P.M. during the period the Offer is open i.e., from 20th February, 2012 to 10th March, 2012:

(a) Memorandum of Association & Articles of Association of the Target Company along with Certificate of Incorporation.

(b) Copy of the Share Purchase Agreement dated 20th October, 2011 between the Acquirers and the Promoter Group of SFL.

(c) Copy of the Escrow Agreement dated 21st October, 2011 between the Acquirers, Merchant Bankers and Escrow Bank entered into in relation to the Share Purchase Agreement.

(d) Annual Reports of the Target Company for the financial years ended 31.03.2009, 31.03.2010 and 31.03.2011.

(e) Chartered Accountant's Certificate dated 18th October, 2011 certifying the Net worth of Mr. Manish Jagdish Chaudhari.

(f) Chartered Accountant's Certificate dated 18th October, 2011 certifying the Net worth of Mrs. Deepa Kishor Tracy.

(g) Chartered Accountant's Certificate dated 18th October, 2011 certifying the adequacy of financial resources with Mr. Manish Jagdish Chaudhari to fulfill the obligations under the Offer.

(h) Chartered Accountant's Certificate dated 18th October, 2011 certifying the adequacy of financial resources with Mrs. Deepa Kishor Tracy to fulfill the obligations under the Offer.

(i) Letter from IDBI BANK dated 2nd November, 2011 confirming the amount kept in an escrow account and empowering the Manager to the Offer to deal with the escrow account in accordance with the Regulations.

(j) Copy of confirmation regarding opening of Special Depository account in the name and style of "BSPL Escrow A/C – SFL Open Offer".

(k) Published copies of the Public Announcement made on 21st October, 2011.

(l) Copy of Letter No.CFD/DCR1/OW/3196/12 dated, February 06, 2012 from SEBI in terms of Provisions of Regulation 18(2) of the Regulations.

(m) Other relevant documents such as:

    (i) Copy of the Memorandum of Understanding between the Acquirers and the Manager to the Offer dated 11th April, 2011.
    (ii) Copy of the Escrow Agreement dated 21st October with IDBI BANK LTD. for the Offer.
    (iii) Copy of consent letter from Registrar dated 21st October, 2011 for acting as Registrar to the issue.
    (iv) Copies of undertakings if any from Target Company and the Acquirers.

(n) Public notice jointly issued by The Target Company along with the Acquirers on 9th November, 2011.

(o) The Corrigendum published on 10th February 2012 & 11th February 2012.

11. DECLARATION BY AQUIRERS

The Acquirers accept full responsibility for the information contained in the letter of Offer. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirers shall be jointly and severally responsible for ensuring compliance of the SEBI (SAST) Regulations.

The Acquirers

Mr. Manish Jagdish Chaudhari **Mrs. Deepa Kishor Tracy**

Place: Mumbai
Date:________

Encl.:

1. **Form of Acceptance cum Acknowledgement**
2. **Form Withdrawal**
3. **Share Transfer Form**

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

Date:

Offer Opens on	20th February, 2012
Offer Closes on	10th March, 2012
Last Day of withdrawal	6th March, 2012

To,
Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Tel.: 022- 28470652
Fax No. 022-28475207
Email: openoffer@bigshareonline.com
Contact Person: Mr. Babu Raphel

Dear Sir,

Subject: **Open Offer by Mr. Manish Jagdish Chaudhari,** residing at Flat B/601 Bianca Building, Off. Yari Road, Versova, Mumbai 400061 (Tel no.: 022-67604100, Fax no.: 022-28561540, Email: manish@mantrax.co.in and **Mrs. Deepa Kishor Tracy**, residing at 23, Exotic Palace, Off Yari Road, Versova, Mumbai 400061.(Tel no.: 022-67604100, Fax no. 022-28561540, Email: deepa@mantrax.co.in) to the equity shareholders of SAVANI FINANCIALS LTD. (SFL) **to acquire from them 8,00,000 Equity Shares of Rs.10/- each aggregating 20% of the Equity and Voting capital of the Target Company at Rs. 6.50 /- per fully paid up equity share.**

I/We refer to the Letter of Offer dated 14th February, 2012 for acquiring the equity Shares held by me/us in SAVANI FINANCIALS LTD. (SFL).
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES IN PHYSICAL FORM
I/We, hold Shares in the physical form, accept the offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

Sr.No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of Shares
Total No of Equity shares				

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers gives the purchase considerations as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirers will play the purchase considerations only after verification of the documents and signatures.

SHARES IN DEMATERIALISED FORM

I/We holding Shares in the dematerialized Form accept the Offer and enclose the photocopy of the Delivery instruction in “Off -market“mode, duly acknowledged by the Depository Participant (“DP”) in respect of my/our Shares, as detailed below

DP Name	DP ID	Client ID	No. of Shares	ISIN No.
Total number of Equity shares				

I/We have done an off market transaction for crediting the Shares to the special account opened for the purposes of the offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirers accepts the Shares and make the payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the Shares of SAVANI FINANCIALS LTD. (SFL), which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid /not accepted.

I/We authorize the Acquirers and the Registrars to the Offer and the Manager to the Offer to send by Registered Post/ UCP, as may be applicable at my/our risk, the draft/ cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

I/We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split/consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,

Signed and Delivered

Full name(s) of the holders	Address	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note:In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations.

Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place: Date:

Bank Details

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

I/We permit the Acquirers or the Manager to the offer to make the payment of Consideration through Electronic Clearing Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photocopy of cheque is enclosed

Savings/Current/ (Others; please specify):---------------------------

Account Number: ----------------

Name of the Bank Branch ---------------------------------------

IFSC Code of Bank ---------------------------------

-- Tear along this line ---

Acknowledgement Slip

Ledger Folio No ………………………………… DP ID ……………………………..

Client ID …………………………………………

Received from Mr./Ms./M/s..……………….... an application for sale of ……………………… Equity share(s) of SAVANI FINANCIALS LTD. (SFL) together with ……………….. share certificate(s) bearing Certificate Numbers …………………………………………….. and ……………………… transfer deed(s)/photocopy of “Off-market” delivery instruction duly acknowledged by the DP.

Note: - All future correspondence, if any, should be addressed to the Registrar to the offer at the address mentioned above

Date of receipt Signature of the official

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FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Offer Opens On	20th February, 2012
Offer Closes on	10th March, 2012
Last Day of withdrawal	6th March, 2012

From:
Name:

Address:
Tel No:
Fax No:
E-mail:

To
Bigshare Services Pvt. Ltd. E-2,
Ansa Industrial Estate, Sakivihar
Road, Saki Naka, Andheri (E),
Mumbai-400072
Tel.: 022- 28470652
Fax No. 022-28475207
Email: openoffer@bigshareonline.com
Contact Person: Mr. Babu Raphel

Dear Sir,

Subject: Open Offer by Mr. Manish Jagdish Chaudhari, residing at Flat B/601 Bianca Building, Off. Yari Road, Versova, Mumbai 400061 (Tel no.: 022-67604100, Fax no.: 022-28561540, Email: manish@mantrax.co.in and Mrs. Deepa Kishor Tracy, residing at 23, Exotic Palace, Off Yari Road, Versova, Mumbai 400061. (Tel no.: 022-67604100, Fax no.022-28561540, Email: deepa@mantrax.co.in) to the equity shareholders of SAVANI FINANCIALS LTD. (SFL) to acquire from them 8,00,000 Equity Shares of Rs.10/- each aggregating 20 % of the Equity and Voting capital of the Target company at Rs. 6.50/- per fully paid up equity share.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered equity share certificate(s)/share(s) at my/our sole risk. I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirers/ Manager to the Offer/Registrar to the Offer. We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.6th March 2012. I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Shares held in the physical form and also for the non-receipt of Shares held in the dematerialized form in the DP Account due to inaccurate/incomplete particulars/instructions. I/We also note and understand that the Acquirers will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures and beneficiary position as available from the depositories from time to time.

--- TEAR HERE --

ACKNOWLEDGEMENT RECEIPT

Received Form of Withdrawal from Mr./Mrs./Ms.…………………………………………………………………………………

Folio No. ….………………………….. DP ID ………..……………………… Client ID No. …………………………………

Number of share tendered ………………………………………..

Number of share withdrawn ………………………………………

Stamp of Registrar **Signature of Official**

Date of Receipt

SHARE HELD IN PHYSICAL FORM

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

Sr.No.	Ledger Folio No.	Certificate No.	Distinctive No.	No. of Shares		
			From	To	Tendered	Withdrawn
Total No of Shares						

SHARE HELD IN DEMAT FORM

We have tendered the Shares in the offer which was done in an off market transaction for crediting the Shares to the "BSPL Escrow A/c – SFL Open Offer" as per the following particulars:

DP ID No: IN301549
DP Name: HDFC Bank Ltd.
Client ID No.: 33972083

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my/our Shares have been tendered and Shares withdrawn are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares Tendered	No. of Shares Withdrawn

I/We note that the Shares will be credited back only to that Depository Account from which the Shares have been tendered and necessary standing instructions have been issued in this regards.
I /We confirm that the particulars given above are true and correct.
In case of dematerialized Shares, I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,
Signed and Delivered

	Full name(s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

be exercised by submitting the form of Withdrawal, dully signed and completed, along with the copy of acknowledgment slip issued at the time of submission of the Form of Acceptance cum acknowledgment .Applicants are requested to clearly mark the documents with the words, "SAVANI FINANCIALS LTD." (SFL) "Open offer" while sending the documents to the registrar to the offer. All future correspondence, if any, should be sent to the registrar to the offer, BIG Shares Services Pvt. Ltd. (Unit: SAVANI FINANCIALS LTD. (SFL)) at their aforesaid address.

Place: date: