

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of STAR LEASING LIMITED. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in the STAR LEASING LIMITED, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was affected.

OPEN OFFER BY

3A Capital Services Limited

having its registered Office at 204, 2nd Floor, Sahyog Building, Above Central bank, S.V.Road, Kandivali (W), Mumbai 400 067,
Tel No. 022 2860 9999, Fax No. 022 2801 9800

and

Mr. Rajan M. Shah

residing at Flat No. 502, 5th Floor, Sky High Tower, Shanker Lane, Orlem, Malad (W) Mumbai 400 064,
Tel No.:022 2864 2552 Fax No. : 022 2801 9800

jointly known as

the "Acquirers" to acquire 48,000 equity shares of Rs. 10/- each at an Offer Price of Rs. 10/- per fully paid up equity share of Rs 10/- each payable in cash, representing 20% of the total paid up equity share capital/ voting rights. Pursuant to Regulation 10 and Regulation 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

Of

STAR LEASING LIMITED (the Target Company)

Registered Office: 6-3-659, Kapadia lane, Somajiguda, Hyderabad – 500 082 Tel No. 040 3062 7878; Fax No. 040 2339 6674

1. The Offer is being made by the Acquirers pursuant to Regulations 10 and 12 of the Regulations for the purpose of substantial acquisition of Shares and voting rights of the Target Company accompanied with change in control and the management of Company consequent to the acquisition of total holding of the existing promoters by the Acquirers.
2. **The Offer is not a conditional Offer on any minimum level of acceptance.**
3. As on the date of this Letter of Offer, the offer is not subject to any statutory and regulatory approvals, however it will be subject to statutory approvals that may become applicable at a later date.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer i.e. March 28, 2009 can withdraw on or before March 24, 2009.
5. Regulation 26 of SEBI (SAST) Regulations, 1997 provides for an upward revision of the Offer Price / Offer Size at anytime, upto seven working days prior to the date of the closure of the Offer i.e. March 18, 2009. In case of a revision in the Offer Price / Offer size, the Public Announcement for revision will be made in the same newspaper in which the original Public Announcement had appeared. In case of a revision in Offer Price, the same price shall be paid by the Acquirers for all the shares tendered anytime during the period the Offer is open and accepted under the Offer.
6. **If there is a Competitive Bid:**
 - The Public Offers under all the subsisting bids shall close on the same date.
 - As the Offer Price can not be revised during 7 working days prior to the closing date of the Offer, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
7. There has been no Competitive bid as on the date of Letter of Offer.
8. A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawals are also available on SEBI's web-site: www.sebi.gov.in

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 & 10 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 18 TO 20) FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THIS LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 Intensive Fiscal Services Private Limited 131, C-wing, Mittal Tower, 13 th floor, Nariman Point, Mumbai- 400021 Tel. Nos.: 022 22870443/44/45 Fax No.: 022 22870446 E-mail:- rishabh@intensivefiscal.com Contact Person:- Brijesh Parekh/Rishabh Jain SEBI Registration No.: INM000011112	 Sharex Dynamic (India) Private Limited Unit-1, Luthra Ind. Premises, M Vasanji Marg, Andheri-Kurla Rd., Safed Pool, Andheri (East), Mumbai 400072. Tel No. 28515606/5644, Fax No.022 28512885. E mail: sharexindia@vsnl.com Contact Person : Mr. B S Baliga SEBI Registration No.: INR000002102

OFFER OPENS ON: March 09, 2009

OFFER CLOSE ON: March 28, 2009

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Original Schedule (Day and Date)
1.	Date of Public Announcement (PA)	Friday, January 16, 2009
2.	Specified Date*	Monday, February 9, 2009
3.	Last Date for a Competitive Bid(s)	Friday, February 6, 2009
4.	Date by which Letter of Offer will Be dispatched to the Shareholders	Friday, February 27, 2009
5.	Offer Opening Date	Monday, March 09, 2009
6.	Last Date for the Revision of the Offer Price / Number of Equity Shares.	Wednesday, March 18, 2009
7.	Last date to withdraw acceptance tendered by shareholders	Tuesday, March 24, 2009
8.	Offer Closing Date	Saturday, March 28, 2009
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and/or the unaccepted equity shares/ share certificate will be dispatched.	Saturday, April 11, 2009

* "Specified Date" is only for the purpose of determining the Shareholders as on such date to whom the letter of offer would be mailed. It is clarified that all owners (registered or unregistered) of the Shares of the Target (except the Acquirers and Sellers who own the shares of the SLL) are eligible to participate in the Offer anytime before the closing of the Offer.

Note: Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 2.00 p.m. on March 28, 2009.

RISK FACTORS

Risk Factors relating to the Proposed Offer

1. In the event of any litigation leading to stay on the Offer, or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.
2. The Share Purchase Agreement (SPA) dated January 13, 2009 contains a clause to the effect that the SPA is subject to the provisions of the Regulations and in case of non-compliance of any provisions of the Regulations by the Acquirers or the Sellers, the SPA shall not be acted upon by the parties.
3. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's share is 50 (Fifty) shares.
4. If, the Acquirers is unable to make the payment to the shareholders who have accepted the Offer within 15 days of the date of closure of the Offer, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time. Further, shareholders should note that after the last date for Withdrawing acceptances, the shareholders who have lodged the shares will not be able to withdraw them even if the acceptance of shares under the offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.
5. The transaction is subject to completion risks as would be applicable to similar transactions.

Probable risks involved in associating with the Acquirers

1. Association of the Acquirers with SLL/taking control of SLL by the Acquirers do not warrant any assurance with respect to the future financial performance of SLL.
2. Post this Offer, the Acquirers will have significant equity ownership and control over the Target Company pursuant to Regulations 10 and 12 of Regulations.
3. The Acquirers also make no assurances with respect to its investment/ divestment decisions relating to its proposed shareholding in the Target Company.

The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of SLL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholders in the Offer or in associating with the Acquirers. The Shareholders of SLL are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

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DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirers or The Acquirers Company	3A Capital Services Limited & Mr. Rajan M. Shah
2.	BSE	Bombay Stock Exchange Limited
3.	Book Value per share	Net worth / Number of equity shares issued
4.	EPS	Profit after tax / Number of equity shares issued
5.	Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
6.	Form of Withdrawal/FOW	Form of Withdrawal cum Acknowledgement
7.	LOO or Letter of Offer or LOF	Offer Document
8.	Manager to the Offer or, Merchant Banker	Intensive Fiscal Services Private Limited
9.	N.A.	Not Applicable
10.	Negotiated Price	Rs. 10/- (Rupee Ten Only) per fully paid-up equity share of face value of Rs.10/- each.
11.	Net worth	Equity Share capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Misc. Exp. not written off.
12.	Offer or The Offer	Open Offer for acquisition of 48,000 equity shares of Rs. 10/- each representing 20% of the total voting capital of Target Company at a price of Rs. 10/- (Rupee Ten Only) per fully paid up equity share, payable in Cash.
13.	Offer Price	Rs. 10/- (Rupee Ten Only) per share for fully paid equity shares of Rs. 10/- each, payable in Cash.
14.	Persons eligible to participate in the Offer	Registered shareholders of Star Leasing Limited, and unregistered shareholders who own the equity shares of Star Leasing Limited any time prior to the Offer closure other than the Parties to SPA i.e. Acquirers & the Sellers under SPA.
15.	Persons not eligible to participate in the Offer	Parties to the Share Purchase Agreement
16.	Public Announcement or "PA"	Announcement of the Open Offer by the Acquirers, which appeared in the newspapers on January 16, 2009.
17.	RBI	Reserve Bank of India
18.	Registrar or Registrar to the Offer	Sharex Dynamic (India) Private Limited
19.	Return on Net Worth	(Profit After Tax/Net Worth) *100
20.	SEBI	Securities and Exchange Board of India

21.	SEBI (SAST) Regulations, 1997 or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
22.	SEBI Act	Securities and Exchange Board of India Act, 1992
23.	Sellers and Outgoing Promoters	Mr. Mir Ahmed Ali Khan, Mr. Mir Hasnain Ali Khan, Mr. Mir Mehdi Ali Khan & Mrs. Rasheeda Fatima
24.	SPA	Share Purchase Agreement
25.	Specified Date	Monday, February 09, 2009
26.	Target Company or SLL	Star Leasing Limited
27.	PAT	Profit after Tax
28.	PACs	Persons Acting in Concert with the Acquirers; in this case none

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 STAR LEASING 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 WHO'S SHARES ARE 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 IS 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 ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, INTENSIVE FISCAL SERVICES PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 28, 2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This open offer (the “Open Offer”) is being made by the Acquirers to the equity shareholders of Star Leasing Limited, a company incorporated and duly registered under the Companies Act, 1956, and having its registered office at 6-3-659, Kapadia lane, Somajiguda, Hyderabad - 500 082 Phone no. : 040 3062 7878 Fax no. 040 2339 6674 (SLL or the Target Company) pursuant to the Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997. The Acquirers propose to do a substantial acquisition of shares of SLL pursuant to the SPA and this offer and take over the management control of SLL.

3.1.2 The Acquirers hereby make this Offer to the shareholders of the Target Company (other than the parties to the SPA) to acquire up to 48,000 equity shares (“Shares”) of the Target Company of face value of Rs.10 each, representing in aggregate 20% of the paid up equity share capital and voting capital of the Target Company at a price of Rs.10.00 (Rupees Ten only) per fully paid up equity share (“Offer Price”) payable in cash subject to the terms and conditions mentioned in the PA and in this Letter of Offer that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations, 1997, (“Letter of Offer”) whose names appear on the register of members on the **Specified Date i.e. Monday, February 09, 2009.**

3.1.3 The Acquirers have entered into a Share Purchase Agreement (**SPA**) on Tuesday, January 13, 2009 with the Promoters of the Target Company namely Mr. Mir Ahmed Ali Khan, Mr. Mir Hasnain Ali Khan, Mrs. Rasheeda Fatima & Mr. Mir Mehdi Ali Khan (together referred hereinafter to as the “**Sellers**”) to acquire 1,76,701 fully paid up equity shares/ voting rights and management control of **Star Leasing Limited, or the Target company**, representing 73.63 % of the total paid up equity/ voting share capital of SLL at a price of Rs. 10.00 (Rupees Ten only) per equity share aggregating of Rs. 17,67,010/- payable in cash.

3.1.4 3A Capital Services Limited & Mr. Rajan M. Shah are the only Acquirers in this open offer and there are no other Person acting in concert (PAC's) with the Acquirers in respect of this Offer.

By the above acquisition, the Acquirers will hold in aggregate (1,76,701 shares Only) number of equity shares representing 73.63% of the total paid up capital and resultant voting rights of the target company, which resulted in triggering of SEBI (SAST) Regulations, 1997.

The Sellers are Mr. Mir Ahmed Ali Khan, Mr. Mir Hasnain Ali Khan, Mrs. Rasheeda Fatima & Mr. Mir Mehdi Ali Khan and details of the Sellers are as under:

Sr. No.	Name of the shareholders/Sellers	Address and Phone No.	No. of Shares	%of Shares	Amount (In Rs)
1.	Mr. Mir Ahmed Ali Khan	6-3-659/c, Kapadia lane, Somajiguda, Hyderabad –500 082 Phone No.:- 040 4035 3535.	82,150	34.23	8,21,500
2.	Mr. Mir Hasnain Ali Khan	Ali Cottage, 2-1-56214, Nallakunta, Hyderabad – 500 032, Phone No.:- 040 3062 7878.	94,351	39.31	9,43,510
3.	Mrs. Rasheeda Fatima	Ali Villa, 6-3-659/A, Kapadia Lane, Somajiguda, Hyderabad – 500 082. Phone No.:- 040 2356 5600.	100	0.04	1,000
4.	Mr. Mir Mehdi Ali Khan	Ali Cottage, 2-1-56214, Nallakunta, Hyderabad – 500 032, Phone No.:- 040 2763 5198.	100	0.04	1,000
	Total		1,76,701	73.63	17,67,010

3.1.5 The salient features of the SPA are as under:-

- The acquirers shall not apply for the registration of any equity shares of the target company, including the shares to be acquired from the sellers under the SPA, in its name, unless and until it's Merchant banker will certify the unconditional fulfilment of the provisions of the SEBI Takeover code by the Acquirers.
- The Sellers provide and shall cause the Company to provide to the Acquirers, authorized representatives and advisers, full access to the Company, its facilities, books, records and documents and provide all required materials, data and information necessary or as the Acquirers may require, to investigate any facts or matters for conducting due diligence of any facts, matters, information relating to the business, affairs operations or prospects of the Company.
- Subject to fulfillment of the requirements under the Takeover Regulations, including without limitations the obligation set forth in sub Regulations (7) of Regulation 22 of the Takeover Regulation, the Acquirers shall have right to appoint its nominee as directors of the Company after a period of 21 days from the date of the PA and, upon exercise of such right by the Acquirers, the Sellers shall take prompt steps for appointment of the persons nominated by the Acquirers as directors of the company.
- The Acquirers undertake that they will not exercise the voting rights, which have been vested by virtue of acquisition of Shares under SPA till the completion of all the formalities under the Regulations.
- There is no non compete fee agreement between the Acquirers and Sellers.
- The Share Purchase Agreements, by its own terms, shall be effective only upon the certification by the Manager of the Offer that the formalities related to the open offer have been duly completed.
- If the provisions of the Takeover code are not complied with, the SPA shall not be acted upon, either by the Sellers or Acquirers.
- In consideration of the purchase of the shares, the Acquirers shall pay total cash consideration of Rs.17, 67,010/- (Rupees Seventeen Lacs Sixty Seven Thousand Ten Only).
- Against the payment of the sale consideration, the Sellers as the legal and beneficial owners of the shares, shall sell, transfer, convey and deliver to the Acquirers and the Acquirers shall purchase and acquire from the Sellers shares free from all liens, encumbrances, all rights, title and interests of the Sellers in the shares together with all accrued benefits, rights and obligations attaching thereto.
- The Acquirers undertakes and covenants to take all steps and actions as may be necessary for compliance with the provisions of the Takeover Code. The Sellers agree to provide the Acquirers with all possible necessary support (within their control), for complying with the provisions of the Takeover Code relating to Open Offer as are applicable to the transaction envisaged herein.

k) In the event, if Acquirers fail to comply with the applicable provisions of the Takeover Code relating to the Public Offer, the SPA shall stand terminated and shall be null and void.

l) The Shares under the SPA will be acquired as under :

Sellers			Acquirers		
Name of the Shareholders	No. of Equity Shares	% w.r.t. to the total paid	Name of the Shareholders	No. of Equity Shares	% w.r.t. to the total paid
Mr. Mir Ahmed Ali Khan	82,150	34.23	3A Capital Services Limited	82,150	34.23
Mr. Mir Hasnain Ali Khan	94,351	39.32	3A Capital Services Limited	33,050	13.77
			Mr. Rajan M. Shah	61,301	25.55
Mrs. Rasheeda Fatima	100	0.04	Mr. Rajan M. Shah	100	0.04
Mr. Mir Mehdi Ali Khan	100	0.04	Mr. Rajan M. Shah	100	0.04
	1,76,701	73.63		1,76,701	73.63

3.1.6 Apart from 1,76,701 (One Lacs Seventy Six Thousand Seven Hundred one only) fully paid up equity shares which the Acquirers agreed to acquire in terms of SPA, the Acquirers do not hold any equity shares/ voting rights of SLL made under the SEBI Act.

3.1.7 As per stock exchange filings as on December 31, 2008 made with BSE, the Sellers are the promoter of the Target Company.

3.1.8 The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued U/s 11B of SEBI Act, 1992 or under any other Regulation under the SEBI Act, 1992.

3.1.9 The shares of the Target Company are listed at Bombay Stock Exchange Limited, Mumbai (BSE) only but are under suspension since January 14, 2003.

3.2 Details of the proposed Offer

3.2.1 The Acquirers have made a Public Announcement on January 16, 2009 in the following newspapers in accordance with the Regulation 15 and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997.

Publication	Language	Editions
Business Standard	English	All Editions
Pratahkal	Hindi	All Editions
Andhra Prabha	Telugu	Hyderabad (place where the Registered office of the Company is situated).

The Public Announcement is also available on the SEBI website at www.sebi.gov.in

3.2.2 Pursuant to the signing of SPA, the Acquirers are making this Open Offer under Regulations 10 & 12 of the SEBI (SAST) Regulations, 1997, to acquire 48,000 equity shares of Rs. 10/- each representing 20% of the total shares/ voting capital of "SLL" at a price of Rs.10 (Rupees Ten only) per fully paid-up equity share ("Offer Price") payable in cash subject to terms and conditions mentioned hereinafter.

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

3.2.4 This Offer is being made to all the shareholders of the Target Company (other than the parties to the SPA) and is **not conditional** upon any minimum level of acceptance. The Acquirers will acquire all the Shares of the Target Company that are validly tendered as per the terms of the Offer up to a maximum of 48,000 equity shares.

3.2.5 The Offer is not a competitive bid.

3.2.6 The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that will be sent to the shareholders of the Target Company.

3.2.7 The Acquirers do not hold any equity shares in SLL as on the date of the PA, except as per the details given above. Further, they have not acquired any shares of SLL during the 12 months period preceding the date of the PA. Also the Acquirers have not acquired any shares of the Target Company after the date of Public Announcement till the date of this Letter of Offer.

3.2.8 This offer is not subject to any statutory and regulatory approvals, however it will be subject to statutory approvals that may become applicable at a later date (as mentioned in Point No. 8.2 of this Letter of Offer). In terms of Regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

- 3.2.9 Neither the Acquirers nor their respective directors have acquired any shares of the Target Company during the 12 months period prior to the date of this Public Announcement. It has however agreed to acquire equity shares in the Target Company under the SPA as stated in Para 3.1.3 above.
- 3.2.10 The Manager to the Open Offer i.e. **Intensive Fiscal Services Private Limited** does not hold any shares in the Target Company as on the date of PA. 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 the Manager to the Open Offer till the expiry of 15 days from the date of closure of Open Offer.
- 3.2.11 The Offer is made to all the shareholders of SLL except the Acquirers and the Sellers.
- 3.2.12 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.2.13 The consideration will be paid in cash. There is no differential price since entire consideration is payable in cash.
- 3.2.14 The Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 3.2.15 The Acquirers have not entered into any inter-se agreement for the purpose of allocation of the shares received in the Offer.

3.3 Object of the Acquisition/ Offer

- 3.3.1 The Offer is being made pursuant to the SPA between the Acquirers and the Sellers as described in Para 3.1.3 above whereby the Acquirers intends to acquire 73.63% of the issued share capital from the Sellers. This has resulted in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations. Hence, this Open Offer is being made in compliance with Regulation 10 and Regulation 12 read with other applicable provisions of the SEBI (SAST) Regulations.
- 3.3.2 The Open Offer to the public shareholders of **SLL** is for acquiring 20.00% of the total paid up equity share capital / voting rights in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations, 1997. After the completing of proposed Open Offer, the Acquirers will achieve substantial acquisition of equity shares and voting rights, accompanied with effective management control over the Target Company.
- 3.3.3 The Acquirers propose to continue financing, trading and investment business of the Company. The Acquirers would like to take this proposed acquisition as strategic alignment in expanding its activities, business into financing, investment & trading of shares & securities etc. The Acquirers believes that the acquisition of a majority stake in Target Company is in line with business strategy and taking step towards becoming a broad based and integrated player in financial services business.
- 3.3.4 As of the date of this Letter of Offer, the Acquirers do not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of the Target Company
- 3.3.5 The Acquirers intend to seek a reconstitution of the Board of Directors of the Target Company after successful completion of Takeover.
- 3.3.6 **Disclosure in terms of Regulation 16 (ix)**

The Acquirers at present have no intention to sell, dispose of or otherwise encumber any significant assets of SLL in the succeeding two years, except in the ordinary course of business of SLL and its future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the prior approval of the shareholders at a General Body Meeting of SLL.

4 BACKGROUND OF THE ACQUIRERS

- 4.1 The Offer is being made jointly by 3A Capital Services Limited & Mr. Rajan M. Shah.
- 4.2 **3A Capital Services Limited, (hereinafter to be referred to as 3A Capital)**, originally incorporated as 3A Capital Services Private Limited & duly registered under the Companies Act, 1956, on February 21, 2005 by Registrar of Companies, Maharashtra, later converted as Limited company on March 1, 2006 having its registered and corporate office at 203, 2nd Floor, Sahyog Building, Above Central bank, S.V.Road, Kandivali (W), Mumbai – 400067, Tel no.:022 6780 9999, Fax no.: 022 2801 9800. The promoters of the 3A Capital are Mr.Rajan M. Shah & Mrs. Bhavna R. Shah. The current Board of Directors of 3A Capital are Mr.Rajan M. Shah, Mrs. Bhavna R. Shah & Mr. Manish Shah. As on the date of the PA and this Offer, none of the Acquirers are on the Board of Directors of the Target Company.
- 4.3 3A Capital being an unlisted Limited Company, its shares is not listed or traded on any Stock Exchange.

- 4.4 3A Capital's main area of operations are investment and to buy, sale, invest in, acquire, underwrite, hold, subscribe in shares, stocks, bonds, units, debentures, debenture stock, commodities and any other financial instruments defined under the Securities Contracts (regulations) act, 1956.
- 4.5 The Authorized share capital of the company constitutes of 75, 00,000 equity shares of Rs. 10/- each. while Issued, subscribed and paid share capital of the Acquirers company constitutes of 37,38,320 fully paid up equity shares of Rs. 10/- each aggregating 3,73,83,200/- (Rupees Three Crores Seventy Three Lacs Eighty Three Thousand Two Hundred only) out of which 13,58,000 equity shares of Rs. 10/- each fully paid up issued for consideration other than cash.. The shareholding patterns of 3A Capital as on the date of public announcement are as under:

Sr. No.	Category	No. of shares held	% of Shareholding
1.	Promoters	37,38,320	100.00
2.	Mutual Funds/FIs/FIs/ Banks	-	-
3.	Public & Others	-	-
	TOTAL	37,38,320	100.00

- 4.6 The Board of Directors of 3A Capital as on PA date consists of following members:-

Sr. No.	Name of Director	Designation	Residential Address	Date of Appointment	Qualification & Field of Experience
1.	Mr. Rajan M. Shah	Director	502, 5 th Floor, Sky High Tower, Shanker Lane Extn., Orlem, Malad (W)	28-02-2005	Chartered Accountant and having business experience of over 10 Years.
2.	Mrs. Bhavna Shah	Director	502, 5 th Floor, Sky High Tower, Shanker Lane Extn., Orlem, Malad (W)	28-02-2005	Chartered Accountant and having business experience of over 10 Years.
3.	Mr. Manish M. Shah *	Director	4, Hem Niwas, Kilachand Road, Opp. Shanker Lane Kandivali (W), Mumbai – 400 067	24-12-2005	Metric Pass having Business experience of over 9 Years.
4.	Mr. Manubhai C. Shah	Director	502, 5 th Floor, Sky High Tower, Shanker Lane Extn., Orlem, Malad (W)	15-01-2009	Metric Pass having Business experience of over 40 years

None of the above directors are on the board of the Target Company.

* Mr. Manish has resigned and Mr. Manu Bhai C. Shah has become director of 3A Capital with effect from January 15, 2009.

- 4.7 The Brief Financials of 3A Capital are as under:-

(Rs. in Lacs)

Profit & Loss Statement	Year ended 31.03.2006 (Audited)	Year ended 31.03.2007 (Audited)	Year ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Income from operations	Nil	128.82	387.46	134.13
Other Income	Nil	-	-	-
Total Income	Nil	128.82	387.46	134.13
Total Expenditure	Nil	20.40	8.69	0.55
Profit/ (Loss) Before Tax & Depreciation	Nil	108.42	378.77	133.58
Depreciation	Nil	0.43	0.29	-
Profit/ (Loss) Before Tax	Nil	107.99	378.48	133.58
Provision for Tax	Nil	29.60	51.75	21.42
Profit / (Loss)After Tax	Nil	78.39	326.73	112.16

Balance Sheet Statement	Year ended 31.03.2006 (Audited)	Year ended 31.03.2007 (Audited)	Year ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Sources of funds				
Paid up equity share capital	147.60	344.36	373.83	373.83
Reserves and Surplus(excluding revaluation reserves)	141.04	467.77	579.92	
Secured loans	-	-	-	
Networth	147.60	485.40	841.60	953.75
Unsecured loans	4.20	-	-	
Deferred Tax Liability	-	-	-	
Total Source of Funds	151.80	485.40	841.60	953.75
Uses of funds				
Net fixed assets	1.22	44.50	44.20	44.20
Investments	129.15	373.40	459.67	378.46
Net current assets	15.31	62.60	334.05	527.41
Misc. Expenditure	6.12	4.90	3.68	3.68
Total	151.80	485.40	841.60	953.75

Other Financial Data	Year ended 31.03.2006 (Audited)	Year ended 31.03.2007 (Audited)	Year ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Dividend (%)	Nil	Nil	Nil	Nil
Earning Per Share (In Rs)	Nil	2.28	8.74	3.00
Net worth	1,41,47,300	4,80,50,137	8,37,92,170	9,50,08,044
Return on Net worth (%)	Nil	16.31	38.99	11.76
Book Value Per Share	9.58	14.10	Rs. 22.41/-	25.41

*As certified by Mr. Anantray B. Mehta (Membership No. 013207), Chartered Accountants, Proprietor of A.B.Mehta & Co. having office at 5/7, Dhus Wadi, Narayan Niwas, Near Churchgate, Marine Lines, Mumbai – 400 002,, Tel No. 022 2201 9807, Fax. 022 22065163 has certified vide certificate dated January 1, 2009, the financial data & key financial ratio of the company.

4.8 Reasons for Fall & Rise in Income/PAT in relevant years are given as under:

- **Comparison between 2007 – 08 and 2006 – 07**

Profit after Tax in 2007 – 08 stood at Rs. 326.73.46 Lacs as against Rs. 78.39 Lacs in 2006 – 07. The main reason behind increase in Profit after Tax was Profit on Sale of Investment in shares.

- **Comparison between 2006 – 07 and 2005 – 06**

Profit after Tax in 2006-07 stood at Rs. 78.39 Lacs. In the year 2005-06, Company has not started its operations hence there was no revenue .

4.9 There has been no merger / de-merger, spin-off in 3A Capital during the past three years.

4.10 There is no change in Accounting Policies adopted by 3A Capital since incorporation.

Significant Accounting Policies adopted by 3A Capital:

Basis of Accounting

- The Financial statements have been prepared under Historical Cost Convention and in accordance with generally accepted Accounting Principles, applicable Standards issued by the Institute of Chartered Accountants of India except otherwise stated and as per the relevant applicable provisions of the Companies Act, 1956. The Company generally follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

- b) Deferred tax is not accounted since the tax impact on account of temporary timing differences are not material.
- c) 3A Capital being an unlisted limited company, the Corporate Governance as per Listing Agreement of the Stock Exchange does not apply.
- d) There are no Litigations pending against 3A Capital.
- e) There has been no merger / de-merger and/or spin off involving 3A Capital since incorporation.
- f) There are no contingent liabilities as on March 31, 2008.
- g) 3A Capital being an unlisted limited company, appointment of Compliance officer is not applicable.
- 4.11 3A Capital has not promoted any Company(s) / Firm(s) since its inception.
- 4.12 3A Capital had not acquired earlier any shares in Star Leasing Limited including any acquisition through Open Offer prior to SPA dated January 13, 2009.
- 4.13 **Mr. Rajan M. Shah**, aged 37 years, is the son of Mr. Manubhai Chandulal Shah and resides at Flat No. 502, 5th Floor, Sky High Tower, Shanker Lane, Orlem, Malad (W) Mumbai – 400 064 Tel No.:022 2864 2552, Fax No. : 022 2801 9800. He is a Chartered Accountant and having 10 years experience in the field of Investment & finance. Mr. Rajan M. Shah is Director of 3A Capital Services Limited. He is also Promoter – Director of Dwar Software Limited.
- 4.14 Mr. Anantray B. Mehta(Membership No. 013207), Proprietor of M/s. A.B.Mehta & Co., Chartered Accountants, having their office at 5/7, Dhus Wadi, Narayan Niwas, Near Churchgate, Marine Lines, Mumbai – 400 002, (Membership No. 013207), Tel No. 022 2201 9807, Fax. 022 22065163 has certified vide certificate dated January 1, 2009, that the net worth of Mr. Rajan M. Shah, as on September 30, 2008 are Rs. 352.53 Lacs.
- 4.15 Mr. Rajan M.Shah is not on the Board of any listed company
- 4.16 The provisions of Chapter II of SEBI (SAST) Regulations, 1997, are not applicable to Acquirers as they have never held the shares of SLL in the past.
- 4.17 He has not made any acquisition of shares in SLL either through open offer or in any other manner.
- 4.18 **Brief Details of other Ventures/Unlisted Companies promoted by the Mr. Rajan M. Shah.**
- 1) Name of the Company : Dwar Software Limited (DSL)
- Date of Incorporation : 8th January, 1999
- Board of Directors : Mr. Rajan M. Shah
- Mr. Manubhai Shah
- Mr. Manish Shah
- Name of activities: DSL is engaged in activities investment and financial activities.
- Brief financials based on audited accounts are given below:

(Rs. In Lacs)

Details	Year ended 31.03.2006 (Audited)	Year ended 31.03.2007 (Audited)	Year ended 31.03.2008 (Audited)
Paid up Equity Capital (As at March 31)(including application money)	5.00	43.83	380.48
Reserves & Surplus (after adjusting miscellaneous expenditure) (As at March 31)	-	-	16.16
Total Income	-	-	114.79
Profit after Tax	(0.06)	(9.32)	25.63
Earnings per Share (Rs.10/- paid up) in Rs.	Negative	Negative	51.27
Book Value per Share of Rs.10/- each (Rs.)	9.43	Negative	42.12

DSL is not a Sick Industrial Company.

- 4.19 The Acquirers have sufficient resources to fulfill the obligation under this open offer.
- 4.20 There has been no agreement between the Acquirers for the shares to be acquired under the Open Offer.

4.21 The Acquirers at present has no intention to sell, dispose of or otherwise encumber any significant assets of SLL in the succeeding two years, except in the ordinary course of business of SLL. SLL's future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of SLL.

4.22 DISCLOSURE IN TERMS OF REGULATION 16 (IX)

- a) The Acquirers do not have any plan to dispose of or otherwise encumber any assets of SLL within two years from the date of closure of the offer except in the ordinary course of business of SLL.
- b) Further, the Acquirers undertake that in the next two years they shall not sell, dispose off, or otherwise encumber any substantial part of SLL except with the prior approval of the SLL shareholders.

5. DISCLOSURE UNDER REGULATION 21(2)

Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of shares under the SPA, the Acquirers will hold 2,24,701 shares constituting 93.63 % of the equity share capital of the Target Company. As per Clause 40A of the Listing Agreement with the BSE, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirers undertake to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the Listing Agreements and other applicable laws, within the time period mentioned therein or in accordance with such other directions as may be provided by the relevant stock exchanges, as of the date of the Letter of Offer, the Acquirers have confirmed that presently they do not have any intention to delist the Target Company from the Stock Exchanges in the next three years from the date of the Letter of Offer.

6. BACKGROUND OF THE TARGET COMPANY

- 6.1 SLL was incorporated on August 1, 1983 with the Registrar of Companies, Maharashtra as a Limited Company, in the name of Star Leasing Company Limited. It got commencement certificate on September 20, 1983 & it later changed its name to Star Leasing Limited in the year 1996. The Corporate Identification number of the Company is L65921AP2002PLC039031. The Target Company has its registered and corporate office at 6-3-659, Kapadia lane, Somajiguda, Hyderabad – 500 082. Tel.: 040 3062 7878 Fax No.: 040 2339 6674.
- 6.2 The promoters of the Target Company are Mr. Mir Ahmed Ali Khan, Mr. Mir Hasnain Ali Khan, Mrs. Rasheeda Fatima & Mr. Mir Mehdi Ali Khan who collectively hold 1, 76,701 fully paid up Equity Shares/Voting Right in the Target Company as on December 31, 2008 constituting 73.63% of the fully paid up capital.
- 6.3 SLL is engaged in financing, trading and Investment in shares and securities. As on date the Company is not carrying on any business operation. Due to overall bad market conditions during the year 2001, the old Promoters have not been able to generate any significant business & in the year 2001, they have sold off their Controlling Stake to Mr. Mir Ahmed Ali Khan & Mr. Mir Hasnain Ali Khan (The old Acquirers). The old Acquirers were active in the business of development and marketing of Enterprise-wide Accounting Software Package. The old Acquirers have acquired control over the management of SLL inter alia for benefits of listing status, easier finance raising, etc & planned to diversify activities into E-learning, Application Software of Accounting, Inventory, Order Management, Manufacturing, etc. which could not have taken off as per expectation due to Software Bubble at that time & later on due to stiff competition. So again in the year 2008, the acquirers decided to sell their controlling Stake to 3A Capital Services Limited & Mr. Rajan Shah (the new Acquirers) having background of Investment & financials Activities. Mr. Rajan Shah is a Chartered Accountant & Promoter Director of 3A Capital Services Limited is having sound knowledge of the business. The Acquirers would like to take this proposed acquisition as strategic alignment in expanding its activities, business into financing, investment & trading of shares & securities etc. By taking management control, the new Acquirers will enter into any compromise or arrangement, reconstruction, restructuring, merger, amalgamation, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company.
- 6.4 SLL is not a Non Banking Finance Company (NBFC) and is not registered with Reserve Bank of India (RBI). Also it is not registered with SEBI in any capacity.
- 6.5 BSE has suspended trading of SLL with effect from January 14, 2003 due to the non compliance of clauses of listing agreement. As per letter dated July 2, 2007 vide ref no: DCS/COMP/OT/VC/489/2007-08, BSE has informed the company that the exchange will consider the revocation of suspension in trading of equity shares only after the company will wipe off accumulated losses, commencement of substantial activity, signing of tripartite agreement & compliance of clauses 41 & 35 of the Listing agreement. The Company is taking necessary steps for revocation of suspension of trading of the shares of the Target Company with BSE. On January 10, 2009, the Company has put a request in writing to know final requirements as per latest criteria of BSE for Revocation of Suspension of Trading of Equity Shares. With reference to the same, on February 2, 2009, BSE has informed to comply with Clause 47, 31, 35, 41 and 55 and the Company has submitted the same to BSE on February 6, 2009.

- 6.6 The Promoters of the Target Company have complied with the reporting requirements under applicable provisions of the Chapter II of SEBI (SAST) Regulation 1997 except delay in filing of Regulation 7(1A) to the exchange. However there has been delay by Target Company with the reporting requirements under regulations 6(2), 6(4) & 8(3) of chapter II of the SEBI (SAST) Regulations, 1997 for the year 1997 to March 2002, which were filed under SEBI regularization scheme 2002. Disclosure under regulation 8(3) for the year ended March 31, 2003 was timely filed, however there was delay in filing of Regulation 8(3) for the year 2004, 2005, 2006, 2007 & 2008 and Regulation 7(3). SEBI may initiate action against the Promoters & the Target Company for the delay in the compliances with the chapter II of the Regulations.
- 6.7 The Target company has not fully complied with the listing requirements of the concerned stock exchange and no punitive action has been taken against the company by the Stock Exchange except the suspension in the trading in the securities of the Company by Bombay Stock Exchange Limited.
- 6.8 There are no outstanding partly paid equity shares or any other instrument convertible into equity shares at a future date, in the books of the Target Company on the date of the PA. There are no preference shares or outstanding convertible instruments / warrants.
- 6.9 As on the date of PA, SLL has an authorized share capital of Rs. 300.00 Lacs, comprising 30, 00,000 equity shares of Rs. 10/- (Rupees Ten Only) each. It has an issued, subscribed and paid-up equity share capital of Rs. 24.00 Lacs, consisting of 2, 40,000 fully paid up equity shares of Rs.10/- each.

As on the date of PA, the share capital structure of the target company is as given under:

Paid up Equity Shares of SLL	No. of Equity shares/ voting rights	% of Shares / voting rights
Fully paid-up equity shares	2,40,000	100.00
Partly paid-up equity shares	Nil	Nil
Total paid-up equity shares	2,40,000	100.00
Total voting rights in the Target Company	2,40,000	100.00

- 6.10 The Current capital structure of the Company has been built up since inceptions are as under:

Date of allotment	No of shares Issued capital (Rs.)	% of shares issued	Cumulative paid up	Mode of allotment	Identity of (Promoters/Others) Allotees	Status of Compliance
On incorporation 1/8/1983	7	0.003	70	Cash	Subscribers to the Memorandum	Capital issue prior to the IPO
25/01/1984	95993	39.997	9,60,000	Cash	Promoters/Directors/ their Friends & Relatives	Capital issued in the IPO
25/01/1984	1,44,000	60.00	24,00,000	Cash	General Public	Capital issued in the IPO
Total	2,40,000	100.00				

- 6.11 Details of changes in the Shareholding of the Promoters

Details of Shareholding of Promoters	No. of Shares & %	Cumulative Share & %	Status of Compliances
Purchase of Shares Purchase Agreement on March 12, 2001	1,89,400 (78.92%)	1,89,400 (78.92%)	The Acquirers have in compliance with the provisions of Reg. 10 and 12 of SEBI (SAST) Regulations, 1997, made an open offer to acquire additional 20% shares from the public vide PA dated March 16, 2001
Shares acquired under the open offer to public	24,551 (10.23%)	2,13,951 (89.15%)	Complied with the SEBI(SAST) Regulations, 1997
Reduction/Dilution of the Promoters' stake	37,250 (15.52%)	1,76,701 (73.63%)	Off-Market sale on July 15, 2008

The promoters have not purchased or sold any Shares other than mentioned above till the date of this Letter of Offer. Also the promoters have not engaged in any inter-se transfers among themselves.

6.12 The composition of the Board of Directors of SLL as on the date of Public Announcement is as follows:-

Name of the Director	Designation	Qualification	Experience	Residential Address	Date of Appointment.
Mr. Mir Ahmed Ali Khan	Director	B.E. Computer science from Osmania University	Computer Software Engineer with experience in software development, business management and administration.	6-3-659/C, Kapadia lane, Somajiguda, Hyderabad – 500082	19.07.2001
Mr. Mir Mehdi Ali Khan	Director	M.com.	40 years of general administration and accounts in various private and public sector companies.	Ali Cottage, 2-1-56214, Nallakunta, Hyderabad– 500 032	31.01.2003
Mr. Mir Hasnain Ali Khan	Director	B.E. Computer science from Osmania University	Computer Software Engineer with 18 years of extensive experience in development of ERP applications.	Ali Cottage, 2-1-56214, Nallakunta, Hyderabad– 500 032	19.07.2001
Mrs. Rasheeda Fathima	Director	Intermediate.	House Wife	Ali Villa, 6-3-659/A, Kapadia Lane, Somajiguda, Hyderabad– 500 082	31.01.2003
Mr. Madan Kumar Chary	Director	F.C.A.	Chartered Accountant with 22 years of experience with various MNC organizations in senior positions in finance departments.	Ali Villa, 6-3-659/A, Kapadia Lane, Somajiguda, Hyderabad– 500 082	19.07.2001

None of the above Director(s) is/are neither representative of the Acquirers nor associated / related with them in any manner.

6.13 As on date of the Letter of Offer, none of the directors on the board of the Target Company represent the Acquirers. However, the Acquirers have opened Fixed Deposit Accounts for more than 100% of the amount required for the Open Offer in cash. In terms of second proviso to Regulation 22(7) of the Regulations, the Acquirers are entitled to appoint directors on the Board of Directors of the Target Company after a period of twenty one days from the date of PA.

6.14 There has been no merger / de-merger, spin-off during the past three years in SLL.

6.15 The Brief Financials of SLL are as under:-

(Rs. In Lacs)

Profit & Loss Statement	Year ended 31.03.2006 (Audited)	Period ended 31.03.2007 (Audited)	Period ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Income from operations	-	-	-	-
Other Income	-	-	-	-
Total Income	-	-	-	-
Total Expenditure	1.23	1.18	0.30	0.42
Profit/ Loss before Depreciation, Interest and Tax	(1.23)	(1.18)	(0.30)	(0.42)
Interest	-	-	-	-
Depreciation	2.27	2.27	2.39	-
Profit (Loss) before Tax	(3.50)	(3.45)	(2.69)	(0.42)
Provision for tax	-	-	-	-
Profit (Loss) after Tax (PAT)	(3.50)	(3.45)	(2.69)	(0.42)

Balance Sheet Statement	Period ended 31.03.2006 (Audited)	Period ended 31.03.2007 (Audited)	Period ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Sources of Funds				
Paid up Share Capital	24.00	24.00	24.00	24.00
Reserves and Surplus(excluding Revaluation Reserve, if any)	(12.80)	(19.21)	(21.90)	(22.32)
Deferred Tax asset	(2.96)			
Net worth	8.24	4.79	2.10	1.68
Total Source of funds	8.24	4.79	2.10	1.68
Application of Funds				
Net Fixed Assets	4.92	2.65	1.67	1.67
Investment	-	-	-	-
Net Current Assets	3.32	2.14	0.43	0.01
Deferred Tax Asset	-	-	-	-
Miscellaneous Expenses not written off	-	-	-	-
Profit & Loss Account				
Total	8.24	4.79	2.10	1.68

Other Financial Data	Period ended 31.03.2006 (Audited)	Period ended 31.03.2007 (Audited)	Period ended 31.03.2008 (Audited)	6 Months ended 30.09.2008 (Unaudited & Certified)*
Dividend (%)	Nil	Nil	Nil	Nil
Earning Per Share (Rupees)	Negative	Negative	Negative	Negative
Net worth	8,24,314	4,78,988	2,10,353	1,67,623
Return on Net worth (%)	Negative	Negative	Negative	Negative
Book Value Per Share (Rupees)	3.43	2.00	0.88	0.70

*As certified by Mr.G.R.Venkatesan (Membership No. 024480), Chartered Accountants, having office at Suraj Mansion, 7-1-27/2, Ameerpet, Hyderabad -500 016 Phone No 040 23739727 & Fax No 040 2373 9727 , the financial data & key financial ratio of the company for the six month ended September 30, 2008 vide certificate dated December 10, 2008.

6.16 Reasons for Fall & Rise in Income & PAT in relevant Years:

There are no major business activities and any revenue. However, the company is regularly paying related statutory dues which lead to accumulation of losses.

6.17 Pre and Post-Offer shareholding pattern of the Target Company as on the date of PA is as per the following table:

Sr. No		Shareholder category Shareholding & Equity Capital prior to the acquisition and Offer		Shares to be acquired which triggered off the Regulation		Shares/Voting rights to be acquired in the open Offer (assuming full Acceptance)		Shareholding after the acquisition and Offer i.e.(D)	
		(A)		(B)		(C)		(A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group								
	a. Parties to agreement	1,76,701	73.63	(1,76,701)	(73.63)	-	-	-	-
	b. Promoters other than (a) above	-	-	-	-	-	-	-	-
	Total (a+b) [A]	1,76,701	73.63	(1,76,701)	(73.63)	-	-	-	-
2.	Acquirers								
	(i) 3A Capital	-	-	1,15,200	48.00	} 48,000	20.00	2,24,701	93.63
	(ii) Mr. Rajan M. Shah	-	-	61,301	25.55		-	-	-
	Total [B]	-	-	1,76,701	73.63	48,000	20.00	2,24,701	93.63
3.	Parties to agreement other than 1(a) & 2								
		-	-	-	-	-	-	-	-
	Total [C]	-	-	-	-	-	-	-	-
4.	Public (other than 1 to 3)								
	a. FIs /MFs /FIIs/ Banks /SFIs etc.	-	-	-	-	-	-	-	-
	b. Private Corporate Bodies	-	-	-	-	-	-	-	-
	c. Indian Public	63,299	26.37	-	-	(48,000)	(20.00)	15,299	6.37
	d. NRI/OCB	-	-	-	-	-	-	-	-
	e. Any other	-	-	-	-	-	-	-	-
	Total [D]	63,299	26.37	-	-	(48,000)	(20.00)	15,299	6.37
	Total [A+B+C+D]	2,40,000	100.00	-	-	-	-	2,40,000	100.00

Note:

The data within bracket or shown –ve indicates sale of equity shares.

6.18 The number of the shareholders in SLL in public category as on the date of PA is 36 (Thirty Six Only).

6.19 Status of Corporate Governance compliances by SLL: - Provisions of Clause 49 of the Listing agreement are not applicable to the Company as its Present paid up share capital is Rs. 24.00 Lacs only. As per Circular No SEBI/CFD/DIL/CG/1/2004/12/10 dated October 29, 2004, issued by SEBI, the provisions under Clause 49 of the Listing Agreement is not applicable to the Target Company since the Paid up Capital is less than Rs. 300 Lacs and Net Worth has been less than Rs. 2500 Lacs at any time in the history of the Target Company.

6.20 There are not any litigation matters pending by and against the Company as on date of PA.

6.21 Yamin Rizvi is the Compliance officer of the Target Company and his address is 6-3-659, Kapadia Lane, Somajiguda, Hyderabad – 500082. Tel. No. 040 30627878.

6.22 SLL has not declared any dividend in the last 5 years.

6.23 None of the Directors of SLL represent the Acquirers.

(Source: All the data about Target Company is provided by Star Leasing Limited.)

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Equity shares of SLL are presently listed in India on the Bombay Stock Exchange Limited (BSE), Mumbai only but are under suspension at BSE.

The annualized trading turnover during the preceding six calendar months ending November, 2008 in Bombay Stock Exchange is detailed below:-

Name of the Stock Exchange	Total Number of shares traded during the preceding 6 calendar months prior to the December, 2008	Total No. of Equity shares listed	Annualized trading turnover (as % of total number of listed shares)
Bombay Stock Exchange	Nil	2,40,000	0.00

Source : www.bseindia.com

- 7.1.2 The offer price of Rs. 10.00 is justified in terms of Regulation 20 (5) of the SEBI (SAST) Regulations, 1997, since the annualized trading turnover is less than 5% (by number of equity shares) of the total number of listed equity shares. Accordingly, the equity shares of the Target Company are deemed to be infrequently traded at the Bombay Stock Exchange. The Offer Price of Rs. 10.00 (Rupees Ten only) per fully paid-up equity share of face value of Rs. 10/- each is justified and the same has been determined after considering the following facts:

1.	Negotiated price payable under the Agreement	Rs. 10.00
2.	Highest price paid by the Acquirers for acquisition including by way of allotment in a public or rights issue or preferential issue, if any during the 26 weeks period preceding the date of PA	Not Applicable
3.	Highest average Price calculated as per Regulation 20(4)(c) during the 26 weeks preceding the date of PA	Not applicable
4.	Highest average Price calculated as per Regulation 20(4)(c) during the 2 weeks preceding the date of PA	Not applicable
5.	Other Parameters Based on Unaudited & Certified results as on September 30, 2008*	
	i. Return on Net worth (%)	Negative
	ii. Book Value (Rs.)	0.70
	iii. Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	Negative
	iv. Price to Earnings ratio with reference to offer price of Rs 10.00 for fully paid up equity shares	N.A.

* As certified by Mr.G.R.Venkatesan (Membership No. 024480), Chartered Accountants, having office at Suraj Mansion, 7-1-27/2, Ameerpet, Hyderabad -500 016 Tel No 040 2373 9727& Fax no 040 2373 9727 , the financial data & key financial ratio of the company for the six month ended 30th September 2008 vide certificate dated December 10, 2008.

- 7.1.3 The Manager to the Offer confirms that the offer price is justified in terms of Regulation 20 (5) of SEBI (SAST) Regulations and is based on the last Audited financial data. Further, they confirm that the Offer price of Rs. 10.00 per Fully paid up equity shares of Rs. 10.00 each is justified in terms of Regulation 20(11) of SEBI (SAST) Regulations.
- 7.1.4 There is no non-compete fees payable under the agreement.
- 7.1.5 The Acquirers shall not acquire any Shares in SLL during the Offer Period except in compliance with the Regulations and the details of such acquisitions shall be disclosed to the Stock Exchange and to the Manager within 24 hours thereof in terms of Regulation 22(17) of the Regulations.
- 7.1.6 If the Acquirers acquire shares of the Target Company after the date of this Public Announcement and up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer

7.2 Financial Arrangements

- 7.2.1 Assuming full acceptance, the total requirement of funds for the open Offer would be Rs. 4, 80,000/- (Rupees Four Lacs Eighty Thousand Only). The Acquirers have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997, the Acquirers have **opened Fixed Deposit Accounts with HDFC BANK LIMITED, S.V.ROAD, Kandivali (W), Mumbai-400067 of Rs. 5,00,000/- (Rupees Five Lacs only), being more than 100% of the amount required for the Open Offer and lien marked in favour of the Manager to the Offer, Intensive Fiscal Services Private Limited.**
- 7.2.2 The Acquirers have adequate resources to meet the financial requirements of the Open Offer. The Acquirers have made firm arrangement for the resources required to complete the Open Offer in accordance with the SEBI (SAST)

Regulations, 1997. No borrowing from any Bank/ Financial Institution is being made for this purpose.

- 7.2.3 The total obligation for the Acquisition of shares through Share Purchase Agreement (Acquisition of 1,76,701 fully paid up equity shares/voting capital of Rs 10/- each) and Acquisition of shares through Open offer (Acquisition of up to 48,000 fully paid up equity shares/voting capital of Rs. 10/- each) amounting to Rs. 22, 47,010/- would be financed through owned funds and no borrowing is sought by the company. As per the arrangement under the SPA, the Acquires 3A Capital and Mr. Rajan M. Shah will acquire 1,15,200 and 61,501 Equity Shares respectively. So, 3A Capital will pay Rs. 11,52,000 and Mr. Rajan M. Shah will pay Rs. 6,15,010 out of their own fund/ Internal Accruals for the acquisition of the shares. As certified by Mr. Anantray B. Mehta (Membership No. 013207), Chartered Accountants, Proprietor of A.B.Mehta & Co. having office at 5/7, Dhus Wadi, Narayan Niwas, Near Churchgate, Marine Lines, Mumbai - 400 002,, Tel No. 022 2201 9807, Fax. 022 22065163 has certified vide certificate dated January 1, 2009 as per Para 4.7 and 4.14, Net Worth of 3A Capital Rs. 953.75 Lacs and Mr. Rajan M. Shah Rs. 352.53 Lacs as on September 30, 2008.
- 7.2.4 The Manager to the Offer, Intensive Fiscal Services Private Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations, 1997.
- 7.2.5 In case of revision in the offer price, the Acquirers will further make Demand Deposit with the bank of difference amount between previous open offer fund requirements and revised open offer fund requirements to ensure compliance with Regulation 28 of the SEBI (SAST) Regulations, 1997.
- 7.2.6 The Acquirers have duly empowered Intensive Fiscal Services Private Limited, Manager to the Offer, to realize the value of the Demand Deposit kept separately with bank account in terms of the SEBI (SAST) Regulations, 1997. The Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations and lien has been marked in favour of the Manager of the offer, Intensive Fiscal Services Private Limited.
- 7.2.7 Mr. Anantray B. Mehta (Membership No. 013207), Chartered Accountants, Proprietor of A.B. Mehta & Co., located at 5/7, Dhus Wadi, Narayan Niwas, Near Churchgate, Marine Lines, Mumbai-400 002; Tel. no. 91 22 2201 9807 Fax No. 91 22 2206 5163 certified that the Acquirers have made firm arrangements to meet the financial obligations under the Open Offer to be made to the share holders of the Target Company.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer:-

- 8.1.1 Registered shareholders of SLL and unregistered shareholders who own the equity shares of SLL any time prior to the date of Closure of the Offer, other than the parties to the SPA, i.e. Acquirers and Sellers.
- 8.1.2 None of the existing shares of SLL are under any lock-in requirements as per SEBI guidelines.

8.2 Statutory Approvals

- 8.2.1 As of the date of this Letter of Offer, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations, 1997.
- 8.2.2 No approvals are required from Financial Institutions/Banks for the Offer.
- 8.2.3 The open offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the open offer.
- 8.2.4 In case of delay in receipt of the above statutory approvals, SEBI has the power to grant extension of time to the Acquirers for the payment of consideration to the shareholders of the Target Company, 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, 1997. Further, if the delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.
- 8.2.5 The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the offer.
- 8.2.6 If the Acquirers fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non action on his part, the amount lying as the demand deposit kept separately for the open offer shall be forfeited in the manner provided in Regulation 28(12)(e) of SEBI(SAST) Regulations.

8.3. Others

- 8.3.1 Accidental omission to dispatch the LOF to any member entitled to the Open Offer or non receipt of the LOF by any

member entitled to the Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein and in the LOF that would be sent to the shareholders of SLL as on the Specified date.

8.3.2 This Letter of Offer has been mailed to all the shareholders of SLL (other than parties to the Agreement), whose names appeared on the Register of Members of SLL as **on Monday, February 09, 2009** being the **Specified Date**.

8.3.3 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

8.3.4 Consideration for equity shares accepted would be paid by crossed account payee cheques / demand drafts / pay orders/electronic Clearing System (ECS) and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

8.3.5 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected.

9. PROCEDURE FOR ACCEPTANCE

9.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to the Registrar to the Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 9.15 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.2 Shareholders of SLL to whom this Offer is being made, are free to offer his / her / their equity shares of SLL for sale to the Acquirers, in whole or part, while tendering his/her/ their equity shares in this Offer.

9.3 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 2.00 pm upto the date of closure of the offer i.e. Saturday, March 28, 2009

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with SLL.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of SLL or on the Share Certificate issued by SLL) as per the specimen signature(s) lodged with SLL and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognized stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.
- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

9.4 A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/FIIs).

9.5 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

9.6 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in SLL.

9.7 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarized copy of the legal representation obtained from a Competent Court.

9.8 No document should be sent to the Acquirers or to SLL or to the Manager to the Offer.

9.9 The Target Company has not dematerialised its shares and all the shares are in physical form. Hence, no special depository account has been opened for the purpose of this offer.

9.10 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper** stating the **name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **1700 hours** upto the date of closure of the offer i.e. **Saturday, March 28, 2009**. Such shareholders can also obtain the Letter of Offer from the Registrar to the Offer by giving an application in writing clearly marking the envelope **“Star Leasing Open Offer”**.

- 9.11 Persons who own equity shares of SLL any time prior to the date of Offer Closure, but are not registered holders, can tender their equity shares for purchase by the Acquirers, by communicating his / her / their desire to tender, in writing to the Registrar to the Offer and obtain from them a copy of the Letter of Offer, the Application Form and Transfer Deed(s) and lodge the same along with the relevant Share Certificate(s) and other documents, as mentioned hereinabove together with the Original Contract Note issued by a registered Stock Broker of a recognized Stock Exchange, only at the address of the Registrar to the Offer as mentioned hereinabove. Such shareholders can also obtain the Letter of Offer from the Registrar to the Offer by giving an application in writing clearly marking the envelope **"Star Leasing Open Offer"**.
- 9.12 An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a plain paper stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before 1700 hours on **Saturday, March 28, 2009**. Such shareholders can also obtain the Letter of Offer from the Registrar to the Offer by giving an application in writing clearly marking the envelope **"Star Leasing Open Offer"**.
- 9.13 No indemnity is required from the unregistered shareholders.
- 9.14 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with SLL, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by SLL to individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by SLL. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by SLL.
- 9.15 The collection centre would be accepting the documents as specified below

City	Contact Person	Address	Tel. No.	Fax No.	E-mail ID
1. Mumbai	Mr. B S Baliga	Sharex Dynamic (India) Pvt. Ltd. Unit 1, Luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai- 400072.	022-28515606/44	022 – 28512885	sharexindia @vsnl.com

Banking hours: Monday to Friday 10:00 to 17:00 hours

Saturday 10:00 to 14:00 hours

Holidays: Sundays and Bank Holidays

- 9.16 The Registrar to the Offer will hold in trust the shares / share certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of SLL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.
- 9.17 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, 1997, the shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. **Saturday, March 28, 2009**. The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. **Tuesday, March 24, 2009**.
- 9.18 The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum- Acknowledgement / Plain paper application submitted and the Acknowledgement slip. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper so as to reach the Registrar to the Offer either by hand delivery or by registered post on or before **Tuesday, March 24, 2009** along with the details including Name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares.
- 9.19 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.
- 9.20 The intimation of returned shares to the Shareholders will be sent at the address as per the records of Target Company.
- 9.21 The Acquirers will acquire up to all the 48,000 Equity Shares tendered in the Offer with valid applications.
- 9.22 Physical shares withdrawn by the shareholders under the Offer will be returned by registered post.

10. METHOD OF SETTLEMENT

- 10.1 Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by the Acquirers, Acquirers will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of SLL is 50{Fifty} equity share.
- 10.2 The Form of Acceptance, relevant Original Share Certificate(s), valid Share Transfer Deed(s) and other documents or/ and shares tendered by the shareholders of SLL under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirers only upon the fulfillment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.
- 10.3 In case of acceptance on a proportionate basis, the 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.
- 10.4 On fulfillment of all the conditions herein mentioned in the Letter of Offer and Form of Acceptance, the Acquirers will pay the Offer Price by a crossed and "Account Payee Only" cheque(s) or electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer) or demand draft(s) or pay order(s) drawn in favour of the sole shareholder or first named shareholder in case of joint holding.
- 10.5 The payment consideration will be sent by Registered Post to the sole / first named shareholder of SLL whose equity shares are accepted by the Acquirers at his address registered with SLL. It is desirable that shareholders holding shares in physical mode provide bank details of the first/ sole shareholder in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/demand draft.
- 10.6 Dispatches involving payment of a value in excess of Rs. 1500/- will be made by registered post/speed post at the shareholder's sole risk. In the case shareholders residing in any of the centres specified by the SEBI and have opted an option to get payment consideration through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India should provides **all the necessary Bank details including MICR code or RTGS code or IFSC code in Form of Acceptance cum Acknowledgement** and the payment intimation will be sent to the sole / first named shareholder of SLL whose equity shares are accepted by the Acquirers at his address registered with SLL.
- 10.7 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.
- 10.8 The Acquirers shall endeavor to complete all procedures relating to the Offer within fifteen days from the date of Closure of the Offer, including payment of consideration to the shareholders of SLL whose equity shares are accepted for purchase by the Acquirers.
- 10.9 While tendering the Shares under the Offer, the NRIs/OCBs/FIIs will be required to submit the No Objection Certificate/ Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration, from the Income Tax Authorities under Income Tax Act, 1961. In case the aforesaid No Objection Certificate/Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.
- 10.10 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirers will pay interest for the delayed payment beyond fifteen days of the closure of the Offer, at such rate as may be prescribed by SEBI.
- 10.11 The physical shares withdrawn by the shareholders would be returned by the registered post.

11. GENERAL

- 11.1 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.
- 11.2 Neither the Acquirers nor the Manager nor the Registrar nor the Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s), copy of delivery instructions or other documents.
- 11.3 The Offer Price is denominated and payable in Indian Rupees only.

- 11.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.
- 11.5 If there is any upward revision in the Offer Price (in terms of Regulation 26) by the Acquirers till the last day of revision i.e. **Wednesday, March 18, 2009**, viz., at any time upto seven working days prior to the date of Closure of the Offer i.e. **Saturday, March 28, 2009**, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised offer price would be payable to all the shareholders who tender their shares in the Offer.
- 11.6 If there is any competitive bid:-
- 11.6.1 The Public Offers under all the subsisting bids shall close on the same date.
- 11.6.2 As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
- 11.7 Wherever necessary, the financial figures are rounded off to nearest Lacs or Crores.
- 11.8 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 1700 hours upto three working days prior to the date of Closure of the Offer, i.e. **Tuesday, March 24, 2009**.
- 11.9 Alternatively, a copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement can be obtained from SEBI's official website: www.sebi.gov.in
- 11.10 The Manager to the Offer i.e. Intensive Fiscal Services Private Limited does not hold any shares in SLL as on the date of PA and provisions of Regulation 16(via), 24(1)(e) and 24(5A) are duly complied with.

12 DOCUMENTS FOR INSPECTIONS

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 131, C-wing, Mittal Tower, 13th floor, Nariman Point, Mumbai-400021, **Contact Person:** Mr. Brijesh Parekh/Mr. Rishabh Jain from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

- 12.1 Certificate of Incorporation, Certificate of Commencement, Memorandum of Association and Articles of Association of Star Leasing Limited,
- 12.2 Certificate of Incorporation, Memorandum of Association and Articles of Association of 3A Capital Services Limited.
- 12.3 Memorandum of Understanding between Lead managers i.e. Intensive Fiscal Services Private Limited. & Acquirers.
- 12.4 Undertaking from the Acquirers, stating full responsibility for all information contained in the PA and the Letter of Offer.
- 12.5 Annual Reports of 3A Capital Services Limited for years ended on March 31, 2006, 2007 and 2008.
- 12.6 Annual Reports of SLL for years ended on March 31, 2006, 2007 and 2008 and unaudited certified financial data for the period ending on September 30, 2008.
- 12.7 Balance Sheet & Profit and loss of Mr. Rajan M. Shah for years ended on March 31, 2006, 2007 and 2008.
- 12.8 Certificate from Mr. Anantray B. Mehta (Membership No. 013207), Chartered Accountants, Proprietor of A.B.Mehta & Co., certifying that 3A Capital Services & Mr. Rajan M. Shah Limited has sufficient funds to meet its obligations under the Open Offer.
- 12.9 Certificate from Statutory Auditors for financial data audited and Unaudited for the purpose of open offer of SLL, Target Company.
- 12.10 Certificate from Statutory Auditors for financial data audited and Unaudited for the purpose of open offer of 3A Capital Services Limited and the Acquirers.
- 12.11 Certificate from HDFC Bank dated January 10, 2009 confirming the amount kept as Demand Deposit separately for this open offer as per SEBI (SAST) Regulation 1997.
- 12.12 A copy of the Share Purchase Agreement between the Acquirers and the Sellers dated January 13, 2009 for acquisition of 1,76,701 equity shares, which triggered the Open Offer.
- 12.13 Published copy of the PA, which appeared in the newspapers on Friday, January 16, 2009.
- 12.14 Undertaking from the Acquirers that if they acquire any Shares of the Target Company after the date of the Public Announcement till the closure of the offer, they shall inform Stock Exchange and the Manager within 24 hours.

- 12.15 Undertaking from the Acquirers for unconditional payment of the considerations within 15 days of closure to all the Shareholders of the target company whose applications are accepted in the Open Offer.
- 12.16 Due Diligence Certificate dated Thursday, January 28, 2009 Submitted to SEBI by Intensive Fiscal Services Private Limited, Manager to the Offer.
- 12.17 SEBI observation letter dated February 12, 2009 bearing reference no. CFD/DCR/TO/SA/153980/09

13. DECLARATION BY THE ACQUIRERS

- 13.1 We have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- 13.2 Acquirers are severally and jointly responsible for ensuring compliance with the Regulations. All information contained in this document is as on date of the Public Announcement, unless stated otherwise.
- 13.3 We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997.

**For and on behalf of Board of Directors
of 3A Capital Services Limited**

Place: Mumbai
Date: February 24, 2009

Sd/-
Rajan M. Shah
(Managing Director)

and

Mr. Rajan M. Shah

14. ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)

From

OFFER OPEN ON	MONDAY, MARCH 09, 2009
OFFER CLOSSES ON	SATURDAY, MARCH 28, 2009

Please read the Instructions overleaf before filling-in this Form of Acceptance

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

To,

Sharex Dynamic (India) Private Limited (REGISTRAR),

Unit 1, Luthra Ind. Premises,

Andheri-Kurla Road,

Safed Pool, Andheri (East),

Mumbai- 400072.

Tel no.: 022-28515606/44

Fax no.: 022 - 28512885

E-mail: sharexindia@vsnl.com

Dear Sir,

Sub: Open Offer to acquire 48,000 equity shares of Rs. 10/- each representing 20 % of the total equity/ voting share capital of Star Leasing Limited, at an offer price of Rs. 10 (Rupees Ten Only) per fully paid equity share of Rs.10/- each by 3A Capital Services Limited & Mr. Rajan M. Shah (Acquirers) Pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

I/ We, refer to the Letter of Offer dated February 24, 2009 for acquiring the equity shares held by me / us in Star Leasing Limited.

- I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
- I / We, unconditionally offer to sell to the "Acquirers" the following equity shares in Star Leasing Limited (hereinafter referred to as "SLL"), held by me / us, at a price of Rs. 10/- per fully paid-up equity share.

SHARES HELD IN PHYSICAL FORM

- I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No _____	Number of share certificates attached _____
Representing _____	equity shares
Number of equity shares held in SLL	Number of equity shares offered
In figures	In words

S. No.	Share Certificate No.	Distinctive No(s)		No. of equity shares
		From	To	
1				
2				
3				
Total no. of Equity Shares				

- I / We confirm that the equity shares of SLL which are being tendered herewith by me / us under the Offer are free from any liens, charges and encumbrances of any kind whatsoever.

TEAR ALONG THIS LINE

ACKNOWLEDGEMENT SLIP

Sub: Open Offer to acquire 48,000 equity shares of Rs. 10/- each representing 20 % of the total equity/ voting share capital of Star Leasing Limited, at an offer price of Rs. 10 (Rupees Ten Only) per fully paid equity share of Rs.10/- each by 3A Capital Services Limited & Mr. Rajan M. Shah (Acquirers) Pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Received from Mr. / Ms. / Mrs. _____

Ledger Folio No _____ Number of certificates enclosed _____ under the Letter of

Offer dated _____, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

S. No.	Share Certificate No.	Distinctive No(s)		No. of equity shares
		From	To	
1				
2				
3				
4				
5				
Total no. of Equity Shares				

Date	Stamp	Authorized Signatory

5. I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorize the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
6. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me/us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
7. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
8. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
9. I / We irrevocably authorize the Acquirers to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with SLL:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with SLL): _____

 _____ Place: _____ Date: _____ Tel. No(s). _____
 Fax No.: _____

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/ sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Bank Account No.: _____ Type of Account: _____
 (Savings / Current/ Other (please specify))

Name of the Bank: _____

Name of the Branch and Address: _____

I/We want to receive the payment through ECS/RTGS/NEFT

In case of ECS, 9- digit code number of the Bank & Branch
 (Appearing on the MICR Cheque issued by the Bank)

In the case of RTGS/NEFT, 8 digit code number issued by the Bank

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

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

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

----- TEAR ALONG THIS LINE -----

Note: All future correspondence, if any, should be addressed to Registrar to the Offer

Sharex Dynamic (India) Private Limited (REGISTRAR),

Unit 1, Luthra Ind. Premises,
 Andheri-Kurla Road,
 Safed Pool, Andheri (East),
 Mumbai- 400072

Tel no.: 022-28515606/44

Fax no.: 022 - 28512885

E-mail: sharexindia@vsnl.com

Contact person: Mr. B.S.Baliga

INSTRUCTIONS

- 1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- 2 The Form of Acceptance should be filled-up in English only.
- 3 Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official seal.
- 4 Mode of tendering the Equity Shares Pursuant to the Offer:
 - I. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of SLL.
 - II. Shareholders of SLL to whom this Offer is being made, are free to offer his / her / their shareholding in SLL for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.
5. Business Hours : Mondays to Friday : 1000 hours to 1700 hours
Saturday : 1000 to 14.00 hours
Holidays : Sundays and Bank Holidays

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FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From

OFFER OPEN ON	MONDAY, MARCH 09, 2009
LAST DATE OF WITHDRAWAL	TUESDAY, MARCH 24, 2009
OFFER CLOSSES ON	SATURDAY, MARCH 28, 2009

Please read the Instructions overleaf before filling-in this Form of Acceptance

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

To,

Sharex Dynamic (India) Private Limited (REGISTRAR),
Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road,
Safed Pool, Andheri (East),
Mumbai- 400072.
Tel no.: 022-28515606/44
Fax no.: 022 - 28512885
E-mail: sharexindia@vsnl.com

FOR OFFICE USE ONLY	
Acceptance Number	
Number of equity shares offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

Dear Sir,

Sub: Open Offer to acquire 48,000 equity shares of Rs. 10/- each representing 20 % of the total equity/ voting share capital of Star Leasing Limited, at an offer price of Rs. 10 (Rupees Ten Only) per fully paid equity share of Rs.10/- each by 3A Capital Services Limited & Mr. Rajan M. Shah (Acquirers) Pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Dear Sir,

I/We refer to the Letter of Offer dated February 24, 2009 for acquiring the equity shares held by me/us in Star Leasing Limited

I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on _____ along with original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

S. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1	Tendered			
2				
3				
	Withdrawn			
1				
2				
3				
Total no. of Equity Shares				

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

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed.

TEAR ALONG THIS LINE

Folio No.

Serial No.:

Sharex Dynamic (India) Private Limited (REGISTRAR) Unit 1, Luthra Ind. Premises Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai- 400072 Tel no.: 022-28515606/44 Fax no.: 022 - 28512885 E-mail: sharexindia@vsnl.com Contact person: Mr. B.S.Baliga	Serial No.: (Acknowledgment Slip)	
Received from Mr./Ms. _____ Address:- _____	Signature of Official and Date of Receipt to the Offer	Stamp of Registrar
Form of withdrawal in respect of _____ Number of Share Certificates representing _____ number of shares.		

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise 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.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned in the Letter of Offer on or before the last date of withdrawal.

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 for the equity shares held in physical form.

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 etc.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours up to the last date of withdrawal i.e. Tuesday, March 24, 2009.

2. Shareholders should enclose the following:-

Registered Shareholders should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
- In case of partial withdrawal, Valid Share Transfer 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 Target Company and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip.

3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.

4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company.

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

6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from SLL. The facility of partial withdrawal is available only on to registered shareholders.

— — — — — TEAR ALONG THIS LINE — — — — —

Note: All future correspondence, if any, should be addressed to Registrar to the Offer

Sharex Dynamic (India) Private Limited (REGISTRAR),

Unit 1, Luthra Ind. Premises,
Andheri-Kurla Road,
Safed Pool, Andheri (East),
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Tel no.: 022-28515606/44

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E-mail: sharexindia@vsnl.com

Contact person: Mr. B.S.Baliga