

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 EXIM FINANCE LIMITED. If you require any clarifications about the action to be taken, you may consult your Stock Broker or investment consultant or Manager/Registrar to the Offer. In case you have recently sold your shares in the company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was affected.

OPEN OFFER

By

Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha

all residing at Flat No A-231, Century Park Appt., #48, Richmond Road, Bangalore-560025

Ph: 080-25550956/25599799, Fax: 080-2213243

to the shareholders of

EXIM FINANCE LIMITED (EFL)



(Regd. Office: 15, Chittaranjan Avenue, Ground floor, Kolkata-700 072)

Ph no: 033-22378134, Fax: 033-22361452

for the purchase of upto 620300 fully paid-up Equity Shares of Rs.10/- each, representing 20% of its paid up equity and voting share capital at a price of Rs.10/- per share. These shares will be acquired in cash from the existing shareholders except sellers/parties to the agreement, in accordance with regulation 20(2)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof, from the existing equity shareholders of EFL.

Please Note:

1. This Offer is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").
2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of EFL to the Acquirers. There are no other statutory approvals required to acquire equity shares that are tendered pursuant to this Offer.
3. If there is any upward revision in the Offer Price/Size at any time up to seven working days prior to the date of closure of the Offer viz. 25/07/2006 or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the original Public Announcement dated 03/02/2006 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.
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 closure of the Offer i.e. 20/07/2006.**
5. **Equity Shareholders may note that as the offer price cannot 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 and tender their acceptance accordingly.**
6. The Procedure for acceptance is set out in Para 8 of this Letter Of Offer. A Form of Acceptance and a Form of Withdrawal is enclosed with this Letter of Offer.
7. The Public Announcement, Corrigendum to the Public Announcement, Letter of Offer & Form of Acceptance cum Acknowledgement would also be available at SEBI's website www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>ASHIKA CAPITAL LIMITED SEBI REGN NO:INM00010536 'Trinity', 226/1, A.J.C. Bose Road, 7TH Floor, Kolkata-700 020 Phone No: (033) 2283-9952 Fax: (033) 2289-2551/1555 Email: astha@ashikagroup.com</p>	 <p>MAHESHWARI DATAMATICS PVT. LTD. SEBI REGN NO: INR000000353 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 Phone No: (033) 2243-5029/5809 Fax: (033) 2248-4787 E-mail: mdpl@cal.vsnl.net.in</p>

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activity	Original Schedule		Revised Schedule	
	Date	Day	Date	Day
Date of Public Announcement	03/02/2006	Friday	03/02/2006	Friday
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be sent)	03/02/2006	Friday	03/02/2006	Friday
Date by which the Letter of Offer will be despatched to shareholders	17/03/2006	Friday	30/06/2006	Friday
Date of Opening of the Offer	23/03/2006	Thursday	06/07/2006	Thursday
Date of Closing of the Offer	11/04/2006	Tuesday	25/07/2006	Tuesday
Last Date for a Competitive Bid	24/02/2006	Friday	24/02/2006	Friday
Last date for revising the Offer Price / No. of Shares	31/03/2006	Friday	14/07/2006	Friday
Last Date for withdrawal of acceptance by shareholders who have accepted the Offer	06/04/2006	Thursday	20/07/2006	Thursday
Date of communicating rejection / acceptance and payment of consideration for applications accepted.	24/04/2006	Monday	07/08/2006	Monday

Risk Factors relating to the transaction, the proposed Offer and probable risks involved in associating with the Acquirers

1. Irrespective of the Agreement for purchase of Shares, the Acquirers can take control of the Target Company/get the Shares transferred in her name only after completing the Offer formalities as set out under Regulations.
2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of EFL whose Shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed.
3. The Acquirers intends to acquire upto 620300 fully paid-up Equity Shares of Rs.10/- each, representing 20% of its paid up equity and voting share capital at a price of Rs.10/- per share under the SEBI (SAST) Regulations, 1997. Further, the Shares tendered in the Offer in demat form will lie to the credit of a designated escrow account and the shares tendered in physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities. The Acquirers makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

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DEFINITIONS/ABBREVIATIONS

Acquirers	Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha
CSE	The Calcutta Stock Exchange Association Limited
EFL/Target Company	Exim Finance Limited
LO	Letter of Offer
Manager to the Offer	Ashika Capital Limited
Offer	Cash Offer being made by the Acquirers to acquire upto 620300 fully paid-up Equity Shares of Rs.10/- each, representing 20% of its paid up equity and voting share capital at a price of Rs.10/- per share
Offer Period	31/01/2006 to 07/08/2006
Offer Price	Rs.10/- payable in cash
PA	Public Announcement
Persons acting in concert (PACs)	Santosh Devi Giriraj Ladha, Ruby Ladha, Santosh Devi Rajkumar Ladha, Sri Rajkumar Ladha (HUF), Sri Giriraj Ladha (HUF) and Sri Omprakash Ladha (HUF). They are not participating in this Offer.
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of EFL, except the parties to the Agreement.
RBI	Reserve Bank of India
Registrar	Maheshwari Datamatics Pvt. Ltd.
Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent Amendments thereof.
SEBI	Securities & Exchange Board of India
Sellers	Group of Investors
Specified date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of EFL or the Records of the Depositories, to whom the Letter of Offer should be sent, i.e. 03/02/2006

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT 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 DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF EFL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 16, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILLING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.

2. DETAILS OF THE OFFER:

2.1. Background of the Offer:

2.1.1. This Offer is being made by the Acquirers in compliance with regulation 10 & 12 of the Regulations. The prime object of the Offer by the Acquirers is substantial acquisition of shares and voting rights accompanied with change in control / management of EFL.

2.1.2. The Acquirers have entered into Share Purchase Agreement dated 31/01/2006 ("SPA or Agreement") to acquire in aggregate 1298800 fully paid-up equity shares of Rs.10/- each representing 41.88% of the paid up and voting share capital of EFL from a group of investors as detailed below:

Name of Sellers to the Agreement	Address	No. of Shares	% of the paid up equity & voting share capital
Arihant Holdings Limited	98, G. N. B. Road, Guwahati 781 003 Ph: 0361-2662868	128100	4.13
Cemin Consultants Pvt. Limited	15, Chittaranjan Avenue, Kolkata 700 072 Phone: (033) 22129636	149200	4.81
Shouvik Kundu	32/C Garfa Main Road, Kolkata 700 075	149910	4.83

	Phone: (033) 30954366		
Chamberlain Investments Pvt. Limited	C/o S.K. Loonker & Co. 11/13, Botawala Building, 2 nd Floor, Room No. 205, Horniman Circle, Mumbai 400 051 Ph:022-26442660	149000	4.80
Tanay Financial Services Pvt. Limited	4, Synagogue Street, 3 rd Floor, Kolkata 700 071 Phone: 033- 2242 4227	138500	4.47
FMS Leasing and Finance Ltd.	NIFD Campus, Opposite Goswami Service, Silpukhuri, Guwahati 781 003 Phone: 0361-2661521	135000	4.35
Mahavir Prasad Agarwal	7, Guha Park, Liluah, Howrah 711 204 Phone: 033-22129636	149660	4.83
Santanu Chattopadhyay	36, J. N. Lahiri Road, Srerampur, Hoogly 712 201 Phone: 033 2212 9537	149500	4.83
Samar Gayen	Bidyadharpur, P.O. Indrabala, 24, Pargana (S) Pin: 743 610 West Bengal Phone: 033-21146204	149930	4.83
TOTAL		1298800	41.88

(hereinafter collectively referred to as "Sellers") at a fixed price of Rs.2/- per share payable in cash.

As on the date of this Public Announcement, the Acquirers & the Persons deemed to be Acting in Concert ("PACs") hold 396000 equity shares of the EFL, representing 12.76% of its paid up equity share capital as detailed below: -

Name	Number of shares	Percent of paid up equity share capital
Acquirers		
Sri Rajkumar Ladha	46800	1.51
Sri Giriraj Ladha	46200	1.49
Sri Omprakash Ladha	39800	1.28
Sub total	132800	4.28
Persons deemed to be acting in concert*		
Santosh Devi Giriraj Ladha	66500	2.14
Ruby Ladha	43200	1.39
Santosh Devi Rajkumar Ladha	28000	0.90
Sri Rajkumar Ladha (HUF)	41200	1.33
Sri Giriraj Ladha (HUF)	42500	1.37
Sri Omprakash Ladha (HUF)	41800	1.35

Sub total	263200	8.48
TOTAL	396000	12.76

* Persons Deemed to be Acting in Concert with the Acquirers as mentioned above are not participating in this offer.

For the purpose of this offer, there are no other persons acting in concert as per the provisions of Regulations 2(1)(e) of the Regulations.

The details of the 12.76% shares held by the Acquires acquired through open market purchases are as follows:

Date of Purchase	Name of the Purchaser	Quantity	Sub Total (Qty)
11/06/04	Rajkumar Ladha	10,000	10,000
14/06/04	Smt. SantoshDevi Giriraj Ladha	10,000	50,000
	Rajkumar Ladha	15,000	
	Giriraj Ladha	10,000	
	Smt. SantoshDevi Rajkumar Ladha	15,000	
15/06/04	Smt. SantoshDevi Giriraj Ladha	20,000	50,000
	Rajkumar Ladha	10,000	
	Smt. SantoshDevi Rajkumar Ladha	20,000	
17/06/04	Raj Kumar Ladha (HUF)	10,000	95,000
	Om Prakash Ladha (HUF)	20,000	
	Ruby Ladha	25,000	
	Giriraj Ladha	25,000	
	Giriraj Ladha (HUF)	15,000	
21/06/04	Raj Kumar Ladha (HUF)	15,000	55,000
	Om Prakash Ladha	25,000	
	Giriraj Ladha (HUF)	15,000	
24/06/04	Raj Kumar Ladha (HUF)	15,000	1,10,000
	Smt. SantoshDevi Giriraj Ladha	15,000	
	Om Prakash Ladha (HUF)	15,000	
	Rajkumar Ladha	10,000	
	Ruby Ladha	15,000	
	Giriraj Ladha	10,000	
	Smt. SantoshDevi Rajkumar Ladha	10,000	
	Om Prakash Ladha	10,000	
	Giriraj Ladha (HUF)	10,000	
25/06/04	Raj Kumar Ladha (HUF)	1200	26,000
	Smt. SantoshDevi Giriraj Ladha	1500	
	Om Prakash Ladha (HUF)	6800	
	Rajkumar Ladha	1800	
	Ruby Ladha	3200	
	Giriraj Ladha	1200	
	Smt. SantoshDevi Rajkumar Ladha	3000	
	Om Prakash Ladha	4800	
	Giriraj Ladha (HUF)	2500	
	TOTAL		3,96,000

The Acquirers have not acquired any shares of the Target Company during the twelve months preceding the date of Public Announcement other than those acquired as per agreement dated 31/01/2006.

As on date, the Manager to the Offer M/s. Ashika Capital Ltd. does not hold any shares in the Target Company.

Some of the main features of the Agreement are mentioned below:-

- a) That the Seller subject to the terms and conditions hereinafter have agreed to sell, transfer and assign 1298800 Equity Shares of M/s. Exim Finance Limited (hereinafter referred to as "Seller's Shares") to the Acquirers and/or their nominee(s) / associate(s) @ Rs.2/- (Rupees Two only) per share payable in cash.
- b) That the sale of shares under SPA shall be completed on or before the expiry of 5 working days of certification by the Merchant Banker that all the formalities under the SEBI (SAST) Regulations, 1997 and subsequent amendments thereto, for the offer have been duly completed.
- c) That the Acquirers shall comply with all the requirements of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
- d) That in case of non-compliance of any provisions of this Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997, the agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

2.1.3. The proposed change in control is consequent to the Agreement whose salient features are described in 2.1.2. above.

2.1.4. The Acquirers will comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Share Purchase Agreement and its related conditions.

2.1.5. After the completion of all formalities related to the acquisition and after complying with formalities required by the Regulations, the Board of Directors may be reconstituted to include the representatives of the Acquirers on the Board of EFL.

2.1.6. As per the available information and the confirmation received from the Acquirers, the Sellers and the Target Company, we confirm that they have not been prohibited by SEBI from dealing in securities, in terms of the direction issued u/s 11B of the SEBI Act or under any other regulations made under the SEBI Act.

2.2. Details of the proposed Offer:

2.2.1. The Public Announcement dated 03/02/2006 in respect of the Offer was made in all editions of Financial Express (English Daily), Jansatta (Hindi Daily) and Dainik Statesman (Bengali Daily) in compliance with Regulation 15(1) of the Regulations. The Corrigendum to Public Announcement dated 15/06/2006 also appeared in the same newspapers.

2.2.2. The Acquirers proposes to acquire from the existing equity shareholders of EFL (other than the parties to the Agreement) upto 620300 fully paid-up Equity Shares of Rs.10/- each, representing 20% of its paid up equity and voting share capital at a price of Rs.10/- per share ("Offer Price") payable in cash. EFL does not have any partly paid up shares.

- 2.2.3.** The Offer is not subject to any minimum level of acceptances. The Acquirers will accept all fully paid up equity shares of EFL in terms of this Offer upto a maximum of 620300 equity shares. The shares shall be accepted on proportionate basis.
- 2.2.4.** Since the date of the PA to the date of this Letter of Offer, the Acquirers have not acquired any shares of EFL.
- 2.2.5.** The Public Announcement made on 03/02/2006 and the Corrigendum to the Public Announcement dated 15/06/2006 is available on the SEBI web-site at www.sebi.gov.in

2.3. Object of the Offer:

- a) This offer has been made pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Regulations. The acquisition is for substantial acquisition of shares and voting rights accompanied with change in control / management.
- b) The Acquirers by virtue of their managerial expertise and experience in the related activities propose to expand the fund based and investment related activities. The acquisition of EFL would facilitate such motive as EFL is already engaged in these activities. By virtue of this acquisition the Acquirers will get majority shareholding entitling them to exercise management control over the Target Company.

3. BACKGROUND OF THE ACQUIRERS:

3.1 The Acquirers:

- 3.1.1.** Sri Rajkumar Ladha, M. Com aged about 42 years is residing at Flat No A-231, Century Park Appt., #48, Richmond Road, Bangalore-25. He is engaged in the business of trading in marble, granite and other stones for the last 20 years. He is the presently the managing director of Marble Centre International Pvt. Ltd. He is a director in RPG Marble Pvt. Ltd. and is also associated with the companies namely, Equity Financial Services Pvt. Ltd. and Yesh Real Estates Pvt. Ltd. as Director, which are engaged in financing and real estate business. His networth as certified by Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 vide certificate dated 03/04/2006 is Rs.393.96 Lacs.
- 3.1.2.** Sri Giriraj Ladha, M. Com aged about 40 years is residing at Flat No A-231, Century Park Appt., #48, Richmond Road, Bangalore-25. He is a director in Marble Centre International Pvt. Ltd and RPG Marble Pvt. Ltd. and has gained 15 years of experience in trading in marble, granite and other stones. His other directorships include companies namely, Equity Financial Services Pvt. Ltd. and Yesh Real Estates Pvt. Ltd. which are engaged in financing and real estate business. His networth as certified by Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 vide certificate dated 03/04/2006 is Rs.404.54 Lacs.
- 3.1.3.** Sri Omprakash Ladha, B. Com aged about 35 years is residing at Flat No. A-231, Century Park Appt., #48, Richmond Road, Bangalore-25. He is a director in Marble Centre

International Pvt. Ltd and RPG Marble Pvt. Ltd. and has gained 10 years of experience in trading in marble, granite and other stones. His other directorships include companies namely, Equity Financial Services Pvt. Ltd. and Yesh Real Estates Pvt. Ltd. which are engaged in financing and real estate business. His network as certified by Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 vide certificate dated 03/04/2006 is Rs.322.80 Lacs.

- 3.1.4. Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha are real brothers. Smt. Santosh Devi Rajkumar Ladha is the wife of Sri Raj Kumar Ladha, Smt. Santosh Devi Giriraj Ladha is the wife of Sri Giriraj Ladha and Smt. Ruby Ladha is the wife of Sri Omprakash Ladha and are deemed to be acting in concert with the Acquirers. Sri Rajkumar Ladha is the Karta of Rajkumar Ladha (HUF), Sri Giriraj Ladha is the Karta of Giriraj Ladha (HUF) and Sri Omprakash Ladha is the Karta of Omprakash Ladha (HUF).
- 3.1.5. The Acquirers have not entered into any formal agreement with respect to the present acquisition and are acting together under an informal understanding.
- 3.1.6. The Acquirers, till date have complied with the relevant provisions of Chapter II of the Regulations wherever applicable.
- 3.1.7. For the purpose of this Offer there are no persons acting in concert as per the provisions of regulations 2(1) (e) of the Regulations.
- 3.1.8. The Acquirers do not have a controlling stake in any listed company as on date.
- 3.1.9. The details of the companies in which the Acquirers are holding directorships are detailed as below:

Marble Centre International Pvt. Ltd., incorporated on 23rd August, 2002 under the Companies Act 1956, is engaged in the business of dealing in marble, granite and other stones.

Brief financials based on Audited Accounts for the last three years are given below:
(Amount -Rs. In Lacs)

Particulars	31.03.2005	31.03.2004	31.03.2003
Equity Share Capital	62.64	62.64	2.00
Reserves (excluding revaluation reserves)	92.60	23.90	9.30
Total Income	2087.92	1706.93	544.32
Profit After Tax (PAT)	68.70	14.60	9.30
Earnings Per Share (EPS) in Rs.	109.67	26.78	1004.92
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	246.60	136.30	487.42

Source: Audited financial statements

The Company is not a Sick Industrial Company.

RPG Marble Pvt. Ltd., incorporated on 3rd April, 2000 under the Companies Act 1956, is engaged in the business of dealing in marble, granite and other stones.

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

(Amount -Rs. In Lacs)

Particulars	31.03.2005	31.03.2004	31.03.2003
Equity Share Capital	25.00	25.00	25.00
Reserves (excluding revaluation reserves)	80.71	48.06	17.25
Total Income	1031.10	1377.55	786.60
Profit After Tax (PAT)	32.65	31.07	91.40
Earnings Per Share (EPS) in Rs.	130.58	124.31	36.56
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	422.34	291.66	168.29

Source: Audited financial statements

The Company is not a Sick Industrial Company.

Equity Financial Services Pvt. Ltd., incorporated on 20th September, 1995 under the Companies Act 1956, is engaged in the business of finance, investments and letting out of premises.

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

(Amount -Rs. In Lacs)

Particulars	31.03.2005	31.03.2004	31.03.2003
Equity Share Capital	31.00	31.00	31.00
Reserves (excluding revaluation reserves)	45.23	44.30	39.59
Total Income	6.19	14.66	14.85
Profit After Tax (PAT)	0.93	4.70	8.31
Earnings Per Share (EPS) in Rs.	0.30	1.52	2.68
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	24.59	24.28	22.75

Source: Audited financial statements

The Company is not a Sick Industrial Company.

Yesh Real Estates Pvt. Ltd., incorporated on 28th June, 1999 under the Companies Act 1956, is engaged in the business of letting out of premises.

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

(Amount -Rs. In Lacs)

Particulars	31.03.2005	31.03.2004	31.03.2003
Equity Share Capital	9.54	9.54	9.54
Reserves (excluding revaluation reserves)	83.50	47.85	15.12
Total Income	75.97	72.06	36.81
Profit After Tax (PAT)	35.65	32.73	15.12
Earnings Per Share (EPS) in Rs.	37.37	34.31	15.85
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	97.41	60.03	25.71

Source: Audited financial statements

The Company is not a Sick Industrial Company.

3.2. Disclosures in terms of Regulations 16(ix) of the Regulations:

- 3.2.1** This offer has been made pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Regulations.
- 3.2.2** The acquisition is for substantial acquisition of shares and voting rights accompanied with change in control / management.
- 3.2.3** The Acquirers by virtue of their managerial expertise and experience in the related activities propose to expand the fund based and investment related activities. The acquisition of EFL would facilitate such motive as EFL is already engaged in these activities. By virtue of this acquisition the Acquirers will get majority shareholding entitling them to exercise management control over the Target Company.
- 3.2.4** The Acquirers do not have any plans to dispose off or otherwise encumber any assets of EFL in the next two years except in the ordinary course of business of EFL.
- 3.2.5** The Acquirers undertake that they will not sell, dispose of or otherwise encumber any substantial assets of EFL except with the prior approval of the shareholders.

4. Option in terms of Regulation 21(3)

Assuming full acceptance, the offer would not reduce the public shareholding below the minimum limit specified in the listing agreement with the Stock Exchange for the purpose of listing on a continuous basis.

5. BACKGROUND OF THE TARGET COMPANY – EFL

5.1. Brief History and Main Areas of Operations:

- 5.1.1** Exim Finance Ltd. having its registered office at 15, Chittaranjan Avenue, Ground Floor, Kolkata – 700 072 was incorporated on 01/12/1993 under the Companies Act, 1956. The company received certificate of commencement of business pursuant to section 149 of the Companies Act, 1956 on 07/12/1993. The erstwhile promoter of the Company as mentioned in its public issue prospectus of 1996 is Shri D. N. Barua.
- 5.1.2** Exim Finance Ltd. is engaged in the activities of investments in shares & securities and in providing advisory services in areas like company law matters, income tax matters, mergers & acquisitions etc.
- 5.1.3** The Company is registered with the Reserve Bank of India as a NBFC vide registration number 05.02754. EFL has not raised any public deposits till date. No penal action has been taken against EFL till date by RBI.

- 5.2.** As on the date of the Public Announcement, the paid-up share capital of EFL is Rs.310.15 Lacs divided into 3101500 equity shares of Rs.10/- fully paid up. The equity share capital structure of EFL is as follows:

Paid-up Equity Shares	No. of Shares / Voting rights	% of Shares/Voting Rights
Fully Paid-up Equity Shares	3101500	100%
Total paid-up Equity Shares	3101500	100%

The Equity Shares of EFL are listed at CSE only.

- 5.3. Current equity capital structure of the company has been built up since inception as per the details given below:

Date of allotment	Shares Issued		Cumulative paid up capital	Mode of allotment	Identity of allottees	Compliance status
	Number	%				
01/12/1993	70	0.002	700	Cash	Subscription	Complied
30/10/1995	1199930	38.69	12000000	Cash	Private Placement	Complied
15/10/1996	1901500	61.31	31015000	Cash	Public Issue	Complied
Total	3101500	100				

- 5.4. As on the date there are no outstanding convertible instruments such as warrants/FCDs/PCDs etc.

- 5.5. The Board of Directors of EFL as on the date of the PA is as follows:

Names of Directors	Designation	Date of Appt	Qualification	Residential Address	Experience	No. & % of shares of EFL held as on date of P.A. i.e. 03/02/06	No. & % of shares sold through agreement dated 31/01/06
Shri Mahesh Dudhoria	Director	04/09/2003	B. Com	23/2, B.K.M.Road, Howrah – 711106	5 years of experience in finance & accounts.	Nil	Nil
Shri Santanu Chattopadhyay	Director	04/09/2003	B. Com	36, J.N. Lahiri Road, Hoogly, Sreerampur, West Bengal	10 years of experience in investment, consultancy and advisory services.	Nil	Nil
Shri Shouvik Kundu	Director	04/09/2003	B. Com, MBA (Finance)	32/C Garfa Main Road, Jadavpur, Kolkata – 700075	9 years of experience in finance and advisory services.	Nil	149910

- 5.6. Neither the Acquirer nor any of her representatives are on the Board of Directors of EFL.

- 5.7. There has been no merger / demerger or spin off involving EFL during the last 3 years.

- 5.8. We confirm that EFL has:

- Paid up to date Listing Fees to CSE.
- The Company has complied with the Listing Agreement requirements of the Stock Exchanges and no punitive actions were taken against it by any of the Stock Exchanges.
- The Company has addressed all investor's complaints as and when received and there is no pending complaint as on date.

- 5.9. As per the available information, we state that the Chapter II of the Regulations are not applicable for the Sellers. The promoter holding of the company has gradually gone down to

nil since 31/03/2003. However, till then the promoters, other major shareholders & Target Company have duly complied with the applicable provisions of Chapter II of the Regulations. As on the date of filing of this Letter of Offer, there are no promoters in the company and hence the Chapter II provisions are not applicable to the same.

5.10. Financial Information:

The financial information of EFL for the last 3 financial years ending 31/03/2005 and six months ending 30/09/2005 are as follows:

Profit & Loss Statement				(Rs. in Lacs)
For the Year Ended	30th September 2005 (Audited)	31st March, 2005 (Audited)	31st March, 2004 (Audited)	31st March, 2003 (Audited)
Income from Operations	-	0.21	0.82	11.93
Other Income	-	-	-	-
Total Income	-	0.21	0.82	11.93
Total Expenditure	0.19	6.74	1.00	12.23
Profit/(Loss) before Interest, Depreciation and Tax	(0.19)	(6.53)	(0.18)	(0.30)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/(Loss) before Tax	(0.19)	(6.53)	(0.18)	(0.30)
Prior period expenses	-	-	-	-
Prior period Depreciation written back	-	-	-	-
Provision for Tax (including deferred tax)	-	-	-	-
Profit/(Loss) after tax	(0.19)	(6.53)	(0.18)	(0.30)

Balance Sheet**(Rs. in Lacs)**

For the Year Ended	30 th September, 2005 (Audited)	31 st March, 2005 (Audited)	31 st March, 2004 (Audited)	31 st March, 2003 (Audited)
Sources of funds				
Paid up equity share capital	310.15	310.15	310.15	309.44
Reserves & Surplus (excluding revaluation reserves)	(18.74)	(18.55)	(12.01)	(11.83)
Less: Miscellaneous Expenditure not written off	1.05	1.05	2.10	3.15
Net Worth	290.36	290.55	296.04	294.46
Secured loans	-	-	-	-
Unsecured loans	10.51	10.51	10.51	12.80
Total	300.87	301.06	306.55	307.26
Uses of funds				
Net Fixed Assets				
Investments	5.25	5.26	11.60	1.22
Net Current Assets	295.62	295.80	294.95	306.04
Total	300.87	301.06	306.55	307.26

Financial Data

For the Year Ended	30 th September, 2005 (Audited)	31 st March, 2005 (Audited)	31 st March, 2004 (Audited)	31 st March, 2003 (Audited)
Dividend	-	-	-	-
Earning Per Share (Rs.)				
Return on Networth (%)	(0.06)	(2.25)	(0.06)	(0.10)
Book Value Per Share (Rs.)	9.36	9.37	9.54	9.52

Note:

EPS = Profit after tax / weighted number of equity shares for the year

Return on Net Worth = Profit after Tax / Net Worth

Book Value per Share = Net Worth / No. of equity shares

Source: Audited Financial Statements

5.11. Pre and Post-Offer Shareholding Pattern of EFL (based on Issued, Subscribed & Paid-up Equity Share Capital) is as under: -

Shareholders' Category	Share holding prior to the Agreement/ acquisition and Offer		Shares agreed to be acquired which triggered off the Regulation		Shares to be acquired in open Offer (assuming full acceptances)		Share holding after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
1. Promoter Group								
a) Parties to Agreement	-	-	-	-	-	-	-	-
b) Promoter other than (a) above	Nil	Nil	-	-	-	-	Nil	Nil
TOTAL 1 (a + b)	Nil	Nil	-	-	-	-	Nil	Nil
2. Acquirers:								
a) Main Acquirers								
Sri Rajkumar Ladha	46800	1.51	448500	14.46	206767	6.67	702067	22.64
Sri Giriraj Ladha	46200	1.49	427800	13.79	206767	6.67	680767	21.95
Sri Omprakash Ladha	39800	1.28	422500	13.62	206766	6.66	669066	21.57
b) Persons acting in concert								
Santosh Devi Giriraj Ladha	66500	2.14	-	-	-	-	66500	2.14
Ruby Ladha	43200	1.39	-	-	-	-	43200	1.39
Santosh Devi Rajkumar Ladha	28000	0.90	-	-	-	-	28000	0.90
Sri Rajkumar Ladha (HUF)	41200	1.33	-	-	-	-	41200	1.33
Sri Giriraj Ladha (HUF)	42500	1.37	-	-	-	-	42500	1.37
Sri Omprakash Ladha (HUF)	41800	1.35	-	-	-	-	41800	1.35
Total 2 (a+b)	396000	12.77	-	-	-	-	2315100	74.65
3. Parties to the agreement (Other than 1(a) & 2)	1298800	41.88	(1298800)	(41.88)	-	-	-	-
4. Public Share Holding (other than 1 to 3)*								
a) FIs/Banks	-	-	-	-	-	-	-	-
b) NRIs	-	-	-	-	-	-	-	-
c) MF's	-	-	-	-	-	-	-	-
d) Others	1406700	45.35	-	-	(620300)	(20.00)	786400	25.35
Total 4(a+b+c+d)	1406700	45.35	-	-	(620300)	(20.00)	195490	25.35
GRANDTOTAL (1+2+3+4)	3101500	100.00	-	-	-	-	3101500	100.00

*The total number of shareholders in Public category is 22

- 5.12.** The last traded price of the equity shares on CSE was on 25/06/2004 at Rs.1.45 per share. (Source: CSE Official Quotation). There was no trading in the shares of EFL at CSE as on the date of Public Announcement i.e. 03/02/2006.
- 5.13.** Corporate Governance: Mr. Bidyut Behari Das, Partner, M/s. B. Das & Associates, Company Secretaries, vide their Report on Corporate Governance dated 17/07/2005 which formed part of the Annual Report for the year 2005 confirmed that (a) the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement (b) the company has maintained records to show the investors grievances against the company and that as on 31st December, 2004 there were no investor grievances remaining unattended / pending for more than 30 days and (c) such compliance is neither as assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.
- 5.14.** Sri Shouvik Kundu, Director of the company is acting as the compliance officer and his address is 15, Chittaranjan Avenue, Ground floor, Kolkata-700 072, Ph no: 033-22378134, Fax: 033-22361452

6. OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

- 6.1.1.** The Equity Shares of EFL are listed at CSE only.
- 6.1.2.** The Annualised trading turnover during the preceding six calendar months ended February 2006 in CSE is as follows:

Name of Stock Exchange	Total no of shares traded during the 6 calendar months prior to the month in which PA was made	Total No. of listed Shares	Annualised Trading Turnover (in terms of % to total listed shares)
CSE	Nil	3101500	Not Applicable

Source: As per information from CSE

- 6.1.3.** The shares of EFL are listed on the Calcutta Stock Exchange Association Ltd. (CSE) only. The equity shares of EFL are infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters: -
- The Negotiated price under the Agreement is Rs.2/- per share.
 - The Acquirers have not acquired any equity shares of EFL during the 26 weeks prior to the date of PA including by way of allotment in a public, rights or preferential issue.
 - Other parameters as per audited results for the period ended 30/09/2005 such as the Earning per share and return on networth is negative. The book value per equity share as on 30/09/2005 is Rs.9.40.
 - The P/E multiple of the EFL considering the Offer Price of Rs.10/- per share works out to infinite. The average industry P/E for the sector in which EFL operates is 16.7 (Source: Capital Market Journal Vol.XX/22 Jan2-15, 2006 Industry-Finance-Investments)

The last traded price of the equity shares on CSE was on 25/06/2004 at Rs.1.45 per share. (Source: CSE Official Quotation).

Thus, in the opinion of the Manager to the Offer and the Acquirers, the Offer price of Rs.10/- per share is justified in terms of Regulation 20(11) of the Regulations.

- 6.1.4. The Acquirers has not entered into any non-compete agreement.
- 6.1.5. The Acquirers would be responsible for ensuring compliance with the Regulations for the consequences arising out of the acquisition of shares, if any, made after the date of Public Announcement (i.e. 03/02/2006) in terms of Regulation 20(7) of the Regulations. However, no such acquisition shall be made by the Acquirers during 14/07/2006 to 25/07/2006.
- 6.1.6. It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirers for any Acquisition of shares of EFL from the date of Public Announcement upto 7 working days prior to the closure of the Offer viz. 14/07/2006.

6.2. Financial arrangements:

- 6.2.1. The total fund requirement for the Offer is Rs.62,03,300/- (Rupees Sixty Two Lacs Three Thousand Three Hundred Only) assuming that the entire Offer is accepted. The Acquirers have adequate financial resources and have made firm financial arrangement for the implementation of the Offer in full out of their own sources / networth and no borrowings from Banks/ FIs or Foreign sources is envisaged. Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 vide certificate dated 31/01/2006 has certified that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.
- 6.2.2. In accordance with Regulation 28 of the Regulations, the Acquirers have opened an Escrow account in Tamilnad Mercantile Bank Limited, 58D, N. S. Road, Kolkata-700 001 in the form of a fixed deposit of Rs.16,00,000/- being more than 25% of the total consideration payable to shareholders under the Offer.
- 6.2.3. The Manager to the Offer, Ashika Capital Limited, Kolkata has been duly authorised by the Acquirers to operate & realize the value of Escrow Account in terms of the Regulations.
- 6.2.4. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfil the offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER:

- 7.1. The LO together with the Form of Acceptance and Form of Withdrawal will be mailed to the shareholders of EFL (except the parties to the agreement) whose names appear on the register of the members of EFL and the beneficial owners of the shares of EFL, whose names appear on the beneficial records of the respective depositories, at the close of the business hours on 03/02/2006.
- 7.2. All the owners of the shares, registered or unregistered (except the parties to the agreement) are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.3. Accidental omission to despatch this LO or the non-receipt or delayed receipt of this LO will not invalidate the Offer in anyway.

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

7.5. Locked-in Shares:

There are no locked-in shares in EFL.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (except the Acquirers and Sellers who are also parties to the agreement) whose names appeared in the register of shareholders on 03/02/2006 and also to those beneficial owners ("Demat holders") of the equity shares of EFL, whose names appeared as beneficiaries on the records of the respective depository participants ("DP") at the close of the business hours on 03/02/2006 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

- a) The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders, if any.
- b) As on the date of the PA, to the best of the knowledge of the Acquirers, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.
- c) In case of delay in receipt of statutory approvals beyond 07/08/2006, SEBI has power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the regulations will become applicable. The Acquirers does not require any approval from its bankers / lending Institutions for the aforesaid Offer.

7.8. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 07/08/2006.

7.9. 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 closure of the Offer i.e. 20/07/2006.

7.10. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

8.1. The Shareholder(s) of EFL who qualify and who wish to avail of this Offer will have to send their shares to the Registrar to the Offer as mentioned in the Form of Acceptance at the following address:

MAHESHWARI DATAMATICS PVT. LTD.

SEBI REGN NO: INR000000353

6, Mangoe Lane, 2nd Floor,

Kolkata-700 001

Phone No: (033) 2243-5029/5809, 2248-2248

Fax: (033) 2248-4787

E-mail: mdpl@cal.vsnl.net.in

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before 25/07/2006. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday – Friday	10.00 a.m. upto 5.00 p.m.	Hand Delivery
Saturday	10.00 a.m. upto 1.00 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

8.2. Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent.

8.2.1. For Equity Shares held in physical form:

(i) **Registered shareholders** should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- **Original share Certificates**

- **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 EFL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

(ii) **Unregistered owners should enclose:**

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein.
- **Original share Certificate(s)**
- **Broker contract note.**
- **Valid share transfer form(s) as received from the market.** The details of the buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

8.2.2. For equity shares held in Demat Form:

Beneficial owners should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.
- **Photocopy of the delivery instruction in “ Off-market” mode or counterfoil of the delivery instruction in “Off- market “ mode**, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on 25/07/2006.

8.3. The Registrar to the Offer, M/s. Maheshwari Datamatics Pvt. Ltd. has opened a special depository account with Shri Bahubali International Ltd. The details of the special depository account are as under:

DP Name	Shri Bahubali International Ltd.
DP ID	IN300773
Client ID	10131526
Account name	Maheshwari Datamatics Pvt. Ltd.-EFL Open Offer Escrow A/c
Depository	National Securities Depository Limited

8.4. For each delivery instruction, the beneficial owner should submit a separate Form of acceptance. **In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure**

of the Offer. The Form of acceptance of such Demat shares not credited in favour of the special depository Account before the closure of the Offer is liable to be rejected.

- 8.5.** The share Certificate(s), share transfer form, Form of Acceptance, Form of Withdrawal and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. **They should not be sent to the Manager to the Offer, parties to the Agreement or the Acquirers or the Target Company.**
- 8.6.** In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of EFL. The PA, Corrigendum to PA, LO, Form of Acceptance Cum Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares Offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 25/07/2006. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of beneficial owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number, and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off- market " mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer , on or before the closure of the Offer.
- 8.7.** Non resident shareholders should also enclose copy of permission received from RBI for the shares held by them in EFL and 'no-objection' certificate / tax clearance certificate from the Income Tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid ' no-objection' certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.
- 8.8.** The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 07/08/2006. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 07/08/2006.
- 8.9.** Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders and will be sent by registered post, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirers in part or in full except in case of joint holders, cheques / demand drafts/ pay orders, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques / demand drafts / pay orders.

- 8.10.** Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders/ unregistered owners sole risk to the sole / first shareholder. Shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners.
- 8.11.** In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be in accordance with Regulation 21(6) of the Regulations, on a proportionate basis. The marketable lot for both physical and demat shares is 1.
- 8.12.** The Registrar to the Offer will hold in trust the shares/ share certificates, shares lying in the credit of the special depository account, Form of Acceptance cum Acknowledgement, the transfer Form(s) and Form of Withdrawal, if any, on behalf of the shareholders of EFL who have accepted the Offer, till the Cheques/ demand draft / pay orders for the consideration and / or the unaccepted shares/ share certificates are despatched or credited back to the beneficial owners DP account.
- 8.13.** In case any person has lodged shares of EFL for transfer & such transfer has not yet been effected, the concerned person may apply as per the instructions in Para 8.4 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct EFL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.
- 8.14.** In case any person has tendered his physical shares in EFL for dematerialisation & such dematerialisation has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the special depository account on or before the Offer closing date together with a copy of delivery instructions acknowledged by the DP in favour of Special depository account.
- 8.15.** In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold.
- 8.16.** The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of closure of the Offer, i.e. on or before 20/07/2006 in terms of Regulation 22(5A).
- 8.17.** The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 20/07/2006. The withdrawal option can be exercised by submitting the form of withdrawal.
- 8.18.** In case of non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
- a. In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.

- b. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in “off market” mode or counterfoil of the delivery instruction in “off market” mode, duly acknowledged by the DP in favour of the Depository Escrow Account.

8.19. The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

8.20. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. Ashika Capital Limited at ‘Trinity’, 7th Floor, 226/1, A. J. C. Bose Road, Kolkata – 700 020 on any working day between 10.00a.m to 2.00p.m during the period the Offer is open i.e., from 06/07/2006 to 25/07/2006.

- i) Memorandum & Articles of Association of EFL along with Certificate of Incorporation.
- ii) Letter dated 03/04/2006 from Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 certifying the Networth of the Acquirers.
- iii) Letter dated 31/01/2006 from Mr. S. V. Surana, proprietor of S. V. Surana & Co. (Membership No.13157) Chartered Accountants, having office at No.4705, 7th Floor, High Point IV, 45, Palace Road, Bangalore-560001 Ph: (080) 2260240,2262609, Fax: (080) 2257110 certifying the adequacy of financial resources with Acquirers to fulfill the Open Offer obligations.
- iv) Audited Annual Reports for the financial year ended 31/03/2003, 31/03/2004, 31/03/2005 and six months ended 30/09/2005 of Exim Finance Limited.
- v) Letter of Tamilnad Mercantile Bank Limited, N.S. Road Branch, Kolkata 700 001, dated 31/01/2006 confirming the amount kept in the Escrow Account and creation of Lien on the said Escrow account in favour of Ashika Capital Limited the Manager to the Offer to operate it.
- vi) A copy of the confirmation received from depository Participant – Shri Bahubali International Limited confirming opening of a special depository account for the purpose of the Offer.
- vii) A copy of the Public Announcement for the Offer dated 03/02/2006 and Corrigendum to the Public Announcement dated 15/06/2006.
- viii) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated 31/01/2006.
- ix) Copy of Agreement entered into between the Acquirers and Sellers dated 31/01/2006.

- x) Information from CSE about stock market data.
- xi) The Report on Corporate Governance dated 17/07/2005 by Mr. Bidyut Behari Das, Partner, M/s. B. Das & Associates, Company Secretaries, which formed part of the Annual Report for the year 2005.
- xii) Copy of SEBI letter no. CFD/DCR/TO/MM/68366/06 dated June 02, 2006 issued in terms of proviso to the Regulation 18(2) of the Regulations.

9. DECLARATION BY THE ACQUIRERS:

The Acquirers, Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha accept full responsibility for the information contained in this Letter of Offer and is responsible for ensuring compliance with the Regulations. The information relating to EFL has been obtained from publicly available information & from the company.

The Manager to the Offer hereby states that the person signing this Letter of Offer is one of the Acquirers and he is duly and legally authorised by other Acquirers to sign on their behalf.

Sd/-
(Rajkumar Ladha)

Place: Kolkata
Date: 26/06/2006

Attached: Form of Acceptance cum Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata-700 001

Date:

Dear Sir,

Sub: Open Offer to the shareholders of Exim Finance Limited (EFL) to acquire from them upto 620300 equity shares of Rs.10/- each aggregating 20% of the voting and paid-up equity share capital of EFL by Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha

I/We refer to the Letter of Offer dated 26/06/2006 for acquiring the equity shares held by me/us in Exim Finance Limited.

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

SHARES IN PHYSICAL FORM

I/We, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below.

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of shares
Total number of equity shares				

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

I/We also note and understand that the Acquirers(s) will pay the purchase consideration only after verification of the documents and signatures.

SHARES IN DEMATERIALISED FORM

I / We, holding Shares in the dematerialised form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the Depository Participant ("DP") in respect of my/our Shares as detailed below:

DP Name	DP ID	Client ID	No. of Shares	ISIN No.
				INE618C01017
Total number of shares				

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

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

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

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

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

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

Yours faithfully,
Signed and Delivered

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

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

Place:
Date:

Bank Details

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

Savings/Current/(Others; please specify) : _____
Name of the Bank Branch : _____
Account Number : _____

-----Tear along this line -----

Acknowledgement slip

Ledger Folio No. _____ DP ID _____ Client
ID _____ Received from _____ an application for
sale of _____ Equity Share(s) of Exim Finance Limited together with _____ share certificate(s) bearing Certificate
Numbers _____ and _____ transfer deed(s)/ photocopy of "Off-market" delivery instruction
duly acknowledged by the DP.

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

Date of receipt

Signature of the official

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

From:
Name:
Address:

OFFER	
Opens on	July 06, 2006
Closes on	July 25, 2006
Last date of Withdrawal	July 20, 2006

Tel. No.
Fax No.
E-mail:

To,
Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata-700 001

Dear Sir,

Sub: Open Offer to the shareholders of Exim Finance Limited (EFL) to acquire from them upto 620300 equity shares of Rs.10/- each aggregating 20% of the voting and paid-up equity share capital of EFL by Sri Rajkumar Ladha, Sri Giriraj Ladha and Sri Omprakash Ladha

I/We refer to the Letter of Offer dated 26/06/2006 for acquiring the equity shares held by me/us in Exim Finance 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, 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 /PAC/Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.20/07/2006.

I/We note that the Acquirers /PAC/Manager to the Offer/ Registrar to the Offer shall not be liable for any postal delay/loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialised form in the DP Account due to inaccurate / incomplete particulars / instructions.

I/We also note and understand that the Acquirers /PAC will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents, signatures and beneficiary position as available from the depositories from time to time.

SHARE HELD IN PHYSICAL FORM

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

Sr. No.	Ledger folio No.	Certificate No.	Distinctive No.		No. of Shares
			From	To	
Total number of shares					

SHARES HELD IN DEMAT FORM

I/We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to the " Maheshwari Datamatics Pvt. Ltd.-EFL Open Offer Escrow A/c " as per the following particulars:

DP ID : IN300773
 DP Name : Shri Bahubali International Ltd.
 Beneficiary ID Number : 10131526

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

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

I/We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.

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

In case of dematerialised shares, I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,
 Signed and Delivered

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

Note: In case of joint holdings, all shareholders must sign. A corporate body must sign under its official name. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance cum Acknowledgement. Applicants are requested to clearly mark the envelope with the words "Exim Finance Limited Open Offer" while sending the documents to the registrar to the offer. All future correspondence, if any, should be sent to the registrar to the offer, Maheshwari Datamatics Pvt. Ltd. (unit: Exim Finance Limited), at their aforesaid address.

Place:

Date:

----- TEAR HERE -----

ACKNOWLEDGEMENT RECEIPT

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

Folio No.-----DP ID ----- Client ID NO. -----

Number of shares tendered -----

Number of share withdrawn -----

Stamp of Registrar

Signature of official

Date of Receipt