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 **M/s. Farry Industries Limited.** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or 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, Form of Withdrawal and Transfer Deed to the Member of the Stock Exchange through whom the said sale was affected.

OPEN OFFER

Pursuant to Regulations 10 and 12 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto ("the Regulations").

BY

OBIKE TRADING PRIVATE LIMITED AND TIEN TRADING PRIVATE LIMITED

(hereinafter referred as "The Acquirers" or "OTPL" and "TTPL") both having their Registered Office at 29/A, Raj Arcade, Mahavir Nagar, Kandivali (West), Mumbai - 400067. Tel. No.: 022 – 3240 0390; Fax No.: 022 – 2860 9040. There are no Persons Acting in Concert ("PAC's") with the Acquirers for the purpose of this Offer.

TO THE SHAREHOLDERS OF M/S. FARRY INDUSTRIES LIMITED

(hereinafter referred as "FIL" or "The Target Company") having its Registered Office at 289/2 Kalpatru Soc., "B" Bldg., Office No. 15,Timber Market Road, Above Karing Hospital, Ghorpade Peth, Pune – 411 042. Tel. No.: 020 – 6500 7105; Fax No.: 020 – 2644 7428; Email: farryind@gmail.com.

TO ACQUIRE

Upto 6,02,620 (Six Lac Two Thousand Six Hundred and Twenty) Fully Paid-up Equity Shares of Rs. 10/- each, representing in aggregate upto 20% of the Paid up and Voting Share Capital of FIL for cash, at a price of Rs. 24.50/- (Rupees Twenty Four & Paise Fifty Only) per Fully Paid-up Equity Share ("Offer Price").

ATTENTION

1. The acceptance of Shares from Non-Resident Shareholders is subject to the approval of the Reserve Bank of India ('RBI') under the Foreign Exchange Management Act, 1999 ('FEMA'). The application to the RBI will be made at the appropriate time. Besides the said approval, no other statutory approvals are required to acquire Shares tendered pursuant to this Offer.
2. In case of delay in the receipt of the statutory approvals, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to shareholders who have validly tendered their Shares, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approval, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.
3. **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. they can withdraw on or before Monday, February 07, 2011.**
4. If there is any upward revision in the Offer Price by the Acquirers prior to or on the last date for revising the Offer Price viz., Tuesday, February 01, 2011, you will be informed by way of another Public Announcement in the same newspapers in which the Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer. If the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
5. **There is no competitive bid.**
6. As the Offer Price cannot be revised during seven 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. This Offer is not conditional upon any minimum level of acceptance.
8. **A copy of the Public Announcement, Corrigendum to Public Announcement and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) are also available on SEBI's website: www.sebi.gov.in**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Aryaman Financial Services Ltd. 60, Khatau Building, Alkesh Dinesh Modi Marg, Opp. P J Towers (BSE building), Fort, Mumbai – 400 001. Tel: 022 – 2261 8264 / 2261 8635; Fax: 022 – 2263 0434 Website: www.afsl.co.in Email: info@afsl.co.in; aryaman_limited@rediffmail.com Contact Person: Mr. Deepak Biyani	**Sharex Dynamic (I) Pvt. Ltd.** Unit No.1, Luthara Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072. Tel. No. 022 – 2851 5606 / 2851 5644 Fax No. 022 – 2851 2885 E-mail: sharexindia@vsnl.com Contact Person: Shri B. S. Baliga
OFFER OPENS ON: 22/01/2011 (SATURDAY)	**OFFER CLOSES ON: 10/02/2011 (THURSDAY)**

SCHEDULE OF ACTIVITIES

ACTIVITY	ORIGINAL	REVISED
Public Announcement	22/09/2010 (Wednesday)	22/09/2010 (Wednesday)
Specified Date	01/10/2010 (Friday)	01/10/2010 (Friday)
Last date for a Competitive Bid	13/10/2010 (Wednesday)	13/10/2010 (Wednesday)
Date by which Letter of Offer to be posted to the shareholders	04/11/2010 (Thursday)	15/01/2011 (Saturday)
Date of Opening of the Offer	12/11/2010 (Friday)	22/01/2011 (Saturday)
Last date for revising the offer price / Number of Share	22/11/2010 (Monday)	01/02/2011 (Tuesday)
Last date for withdrawal of acceptance by the shareholders	26/11/2010 (Friday)	07/02/2011 (Monday)
Date of Closure of the Offer	01/12/2010 (Wednesday)	10/02/2011 (Thursday)
Date of communicating the rejection / acceptance and payment of consideration for the acquired shares	16/12/2010 (Thursday)	25/02/2011 (Friday)

SPECIFIED DATE:

Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All the owners (registered or unregistered) of Equity Shares of Target Company, (except the Acquirers and the Sellers) anytime before the closure of the Offer, are eligible to participate in the Offer.

RISK FACTORS

A. RELATING TO THE OFFER

The Offer involves an offer to acquire up to 20% of the Equity Share Capital that will constitute the share capital of FIL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

In the event that (a) a statutory and regulatory approval is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, and 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 shareholders of FIL who’s Shares has been accepted in the Offer as well as the return of shares not accepted by the Acquirers may be delayed.

The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of FIL. Accordingly, 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 any shareholder of FIL on whether to participate or not to participate in the Offer.

B. IN ASSOCIATION WITH THE ACQUIRERS

The Acquirers makes no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the Shares upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirers do not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.

C. RISK IN THE TRANSACTION

The Share Purchase Agreement (SPA) dated September 17, 2010 contains a clause that it is subject to the provisions of SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the Regulations, the Sellers or the Acquirers shall not act upon the agreement for such sale.

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

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Letter of Offer, all figures have been expressed in “Lac” unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

INDEX

ABBREVIATIONS / DEFINITIONS

The following abbreviations / definitions apply throughout this document, unless the context requires otherwise:

Acquirers	Obike Trading Private Limited (“OTPL”) and Tien Trading Private Limited (“TTPL”)
ASE	Ahmedabad Stock Exchange Limited, Ahmedabad
BSE	Bombay Stock Exchange Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Corrigendum to PA	Corrigendum to Public Announcement of the Offer issued in newspapers on January 10, 2011 (Monday) by the Manager to the Offer, on behalf of the Acquirers.
DP	Depository Participant
DSE	Delhi Stock Exchange Limited, Delhi
ECS	Electronic Clearing Service
Eligible Persons	All Shareholders of Farry Industries Limited (registered and unregistered) who own the Shares at any time prior to the Closure of the Offer, except the Acquirers and Parties to the Agreement
FEMA	Foreign Exchange Management Act, 1999

FII	Foreign Institutional Investors
Form of Acceptance	The form of application cum acknowledgement and authority, which is enclosed with this Letter of Offer
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
LOF / LOO	Letter of Offer
Manager / Manager to the Offer / AFSL	Aryaman Financial Services Limited, Mumbai
MICR	Magnetic Ink Character Recognition
NEFT	National Electronic Funds Transfer
NRI(s)	Non – Resident Indians
NSDL	National Securities Depositories Limited
OCB(s)	Overseas Corporate Bodies
Offer	Cash Offer being made by the Acquirers to the shareholders of Target Company to acquire upto 6,02,620 fully paid up equity shares
Offer Price	Rs. 24.50 (Rupees Twenty Four and Paise Fifty Only), including an interest of Paise 47 (rounded to Paise 50) for the delayed period, per share for each fully paid-up Equity Shares payable in cash by Cheque / Demand Draft
PA / Public Announcement	Public Announcement of the Offer issued in newspapers on September 22, 2010 (Wednesday) by the Manager to the Offer, on behalf of the Acquirers.
PAC (Persons Acting in Concert)	There are no Persons Acting in Concert ("PACs") with the Acquirers for the purpose of this offer.
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Sharex Dynamic (I) Private Limited
Rs. / INR	Indian Rupees, the legal currency of India
RTGS	Real Time Gross Settlement
SEBI (SAST) Regulations / The Regulations / Reg.	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Sellers	Mr. Farhang Azar and Mrs. Gulshan Azar
Share (s)	Fully paid up equity Share of **M/s. Farry Industries Limited,** having face value of Rs. 10/- each.
Shareholders	Shareholders of M/s. Farry Industries Limited
Specified Date	October 01, 2010 (Friday)
SPA / The Agreement	Share Purchase Agreement dated September 17, 2010
Target Company / FIL	M/s. Farry Industries Limited, Pune

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 THE SHAREHOLDERS OF M/S. FARRY INDUSTRIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE 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 ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARYAMAN FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBRE 28, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. DETAILS OF THE OFFER

2.1 BACKGROUND OF THE OFFER

2.1.1 This Open Offer is being made pursuant to the Regulations 10 and 12 of Chapter III and other applicable provisions in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof for substantial acquisition of Shares and control over the Target Company.

2.1.2 This Open Offer is being made by Obike Trading Private Limited and Tien Trading Private Limited both having their Registered Office at 29/A, Raj Garden, Mahavir Nagar, Kandivali (West), Mumbai – 400067; Tel. No.: 022 – 3240 0390; Fax No.: 022 – 2860 9040 (hereinafter referred as "The Acquirers") to the equity Shareholders of M/s. Farry Industries Limited (hereinafter referred to as the "Target Company" or "FIL"). There are no Persons Acting in Concert ("PACs") with the Acquirers for the purpose of this offer.

2.1.3 The Offer is not as a result of global acquisition resulting in indirect acquisition of Farry Industries Limited.

2.1.4 The Acquirers have not acquired directly or through any person, any equity shares in the Target Company during the twelve months preceding the date of the PA. Acquirers have not been allotted any Equity Shares in the Target Company by way of allotment in a Public or Rights or Preferential Issue during the 26-week period prior to the date of PA.

2.1.5 The Acquirers have entered into a Share Purchase Agreement dated September 17, 2010 ("SPA" or "Agreement") with Mr. Farhang Azar and Mrs. Gulshan Azar both residing at Geetai Bungalow, Ram Indu Park, Maha Lunge Road, Baner, Pune – 411 008, Maharashtra. Telefax No.: 020 – 3294 0440; who are the promoters of the Target Company (hereinafter referred to as "the Sellers"), for the acquisition of 18,89,080 fully paid up equity shares ("Sale Shares") of Rs.10/- each representing 62.70% of the paid up equity share capital of the FIL at a price of Rs. 12.90/- (Rupees Twelve and Paise Ninety Only) per equity share aggregating to Rs. 2,43,69,132/- (Rupees Two Crores Forty Three Lacs Sixty Nine Thousand One Hundred and Thirty Two Only) as detailed herein below:

Name of Acquirers	No. of Equity Shares Agreed to be Acquired	% of the Share Capital of the FIL	Name of the Sellers	No. of Shares Agreed to be Sold by Sellers	% of the Share Capital of the FIL
Obike Trading Private Limited	11,11,900	36.90	Farhang Azar	11,11,900	36.90
Tien Trading Private Limited	7,77,180	25.79	Gulshan Azar	7,77,180	25.79
Total	**18,89,080**	**62.70**		**18,89,080**	**62.70**

All the Equity Shares held by Mr. Farhang Azar and Mrs. Gulshan Azar were under lock-in earlier but now these shares are free from lock-in.

The salient features of the SPA are:

1. At the time of execution of this agreement
   (a) The Acquirers shall pay the amount of consideration of Rs. 2,43,69,132/- (Rupees Two Crores Forty Three Lacs Sixty Nine Thousand One Hundred and Thirty Two Only) after submission of 45 days report by the Lead Manager i.e. Aryaman Financial Services Limited.
   (b) The Sellers shall deliver to the Acquirers
      - Share delivery instruction slip of the relevant demat account / the original share certificates and duly executed transfer deeds for the same, to be retained by the Acquirers as security for the deposit placed with the Sellers;
      - undated letters of resignation of all the Directors of the Company, containing a confirmation that the retiring directors have no claim whatsoever against the Company.
2. The purchase and sale of shares as contemplated hereinabove shall be completed within 15 working days from the date of submission of 45 days report issued by Manager to the Offer.
3. The Acquirers shall also have a right to reconstitute the Board of Directors of the Target Company and appoint their own nominee Directors as Directors / Chairman of the Target Company, only after completion of acts mentioned in points 1 and 2 above.
4. In case of non-compliance of any provisions of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 pertaining to the Open Offer being triggered by this SPA, this agreement shall not be acted upon by the Sellers or the Acquirers.
5. The negotiated price for the purpose of this agreement shall be Rs. 12.90/- (Rupees Twelve and Paise Ninety Only) per fully paid Equity Shares aggregating to Rs. 2,43,69,132/- (Rupees Two Crores Forty Three Lacs Sixty Nine Thousand One Hundred and Thirty Two Only) arrived on the basis of negotiation and which shall be the minimum Offer Price under Regulation 20 of the Takeover Regulations.

2.1.6 No other compensation either directly or indirectly is being given to the Sellers by the Acquires other than as mentioned in Point No. 2.1.5 above.

2.1.7 Apart from 18,89,080 (Eighteen Lac Eighty Nine Thousand and Eighty) fully paid up equity shares which the Acquirers agreed to acquire in terms of SPA; the Acquirers does not hold any equity shares of FIL.

2.1.8 As a result of the proposed acquisition under SPA, the shareholding of the Acquirers exceeds 15% of the Fully Paid up Equity Share Capital of the Target Company resulting in triggering of the Regulations and hence this Offer is being made pursuant to and in terms of the Regulations.

2.1.9 The proposed change in management control is only by virtue of the SPA.

2.1.10 Obike Trading Private Limited and Tien Trading Private Limited, is making an open offer to the public shareholders (i.e. Shareholders other than the Acquirers and Sellers) of Farry Industries

Limited to acquire upto 6,02,620 (Six Lac Two Thousand Six Hundred and Twenty) representing 20% of the Equity Share Capital of FIL at a price of Rs. 24.50/- (Rupees Twenty Four and Paise Fifty Only) per share (“Offer Price”).

2.1.11 The Offer is not conditional to any minimum level of the acceptance. The Acquirers will acquire all the Equity Shares of M/s. Farry Industries Limited upto 6,02,620 that are tendered in valid form in accordance with the terms and conditions set out here in the Letter of Offer to be sent to the Shareholders except Parties to the Agreement.

2.1.12 The Acquirers have not entered into any inter-se agreement for the purpose of allocation of the Shares received in this Offer. The shares, which will be tendered in the Open Offer, will be allocated amongst the Acquirers as per their mutual consent.

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

2.1.14 As on date, the Manager to the Offer – Aryaman Financial Services Limited does not hold any Shares in the Target Company. They declare and undertake that they shall not deal in the Shares of Target Company during the period commencing from the date of the appointment as Manager to the Offer till the expiry of 15 days from the date of Closure of the Offer.

2.2 DETAILS OF THE PROPOSED OFFER

2.2.1. The Public Announcement (PA) was made by the Acquirers on September 22, 2010 (Wednesday) and Corrigendum to PA on January 10, 2011 (Monday) as per Regulation 15(1) of the SEBI (SAST) Regulations in the following newspapers:

The Financial Express (National English Daily)	All Editions
Jansatta (National Hindi Daily)	All Editions
Mumbai Lakshadweep (Marathi Daily)	Mumbai Edition
Loksatta (Marathi Daily)	Pune Edition

The Public Announcement and Corrigendum to Public Announcement is also available on the SEBI’s website: www.sebi.gov.in

2.2.2. The Offer to the equity Shareholders of M/s. Farry Industries Limited is to acquire further 6,02,620 fully paid up Equity Shares representing 20% of Equity Share Capital of M/s. Farry Industries Limited at a price of Rs. 24.50/- (Rupees Twenty Four and Paise Fifty Only) per Share (“Offer Price”). The payment to the Shareholders who’s Shares has been accepted shall be in cash.

2.2.3. All the Equity Shares of the Target Company are fully paid up and there are no partly paid up Equity Shares in the Target Company.

2.2.4. The Acquirers has not entered into any separate non-compete agreement with the Sellers.

2.2.5. The Offer is not subject to any minimum level of acceptance; hence it is not a conditional one. The Acquirers will acquire all the fully paid up Equity Shares of M/s. Farry Industries Limited that are validly tendered and accepted in terms of this Offer upto 6,02,620 fully paid Equity Shares representing 20% of the Equity Share Capital of the Target Company.

2.2.6. All Shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.

2.2.7. The Acquirers have not entered into any inter-se agreement for the purpose of allocation of the Shares received in this Offer. The shares, which will be tendered in the Open Offer, will be allocated amongst the Acquirers as per their mutual consent.

2.2.8. The Acquirers has not acquired any Shares of the Target Company after the date of PA till the date of this Letter of Offer.

2.2.9. Competitive Bid: There is no Competitive Bid in this Offer.

2.3 OBJECT OF THE ACQUISITION / OFFER

2.3.1. The Acquirers has entered into an SPA to acquire 18,89,080 Equity Shares of Rs. 10/- each of FIL, representing 62.70% of the paid up share capital of FIL and therefore provisions of Regulations 10 and 12 of the Regulations have been attracted. This acquisition is thus a substantial acquisition of Shares along with the voting rights in FIL, which will enable the Acquirers to gain control of the Company. The Acquirers are making an Offer to acquire upto 6,02,620 fully paid Equity Shares of Rs. 10/- each being 20% of the Equity Share Capital of FIL in order to comply with the provisions of the Regulations.

2.3.2. The Acquirers propose to continue in the business of financing, trading and investment business of the Target Company. The Acquirers would like to take this proposed acquisition as strategic alignment in expanding its activities, business into financing & investment related business activities. The Acquirers believes that the acquisition of a majority stake in Target Company will strength its business strategy and is a step towards becoming a broad based and integrated player in financial services business.

2.3.3. The Acquirers currently do not plan to dispose of or otherwise encumber any asset of FIL in the next 2 years except in the ordinary course of business of the Company and except to the extent required for the purpose of restructuring and / or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company for commercial reasons and operational efficiencies. The Acquirers undertake not to sell / dispose of or otherwise encumber any substantial asset of FIL except with the prior approval of the shareholders of the Company.

3. BACKGROUND OF THE ACQUIRERS

3.1 OBIKE TRADING PRIVATE LIMITED ("OTPL")

3.1.1 The Registered & Corporate Office of the OTPL is situated at 29/A, Raj Garden, Mahavir Nagar, Kandivali (West), Mumbai – 400067. Tel. No.: 022 – 3240 0390; Fax No.: 022 – 2860 9040.

3.1.2 OTPL was incorporated as "Obike Trading Private Limited" on April 16, 2009 under the Companies Act, 1956 as a Private Limited Company having Registration No. 191739 of 2009-10 from the Registrar of Companies, Maharashtra. The Corporate Identity No. is U51109MH2009PTC191739.

3.1.3 The main object of the OTPL is to carry on the business of general merchants, wholesale and retail traders, importers, exporters, in all kinds of goods, produce, plant, machinery, machinery parts and spares, vehicles of all kinds, tools and tackle, precious metals and stones and works of art. No money circulating scheme shall be carried out by the Company.

3.1.4 OTPL was originally promoted by Mr. Bhavesh Ramesh Vora and Ms. Priti Jay Shah. The management / control of the Company has been taken over by the current promoters/directors, Mrs. Bhavna Mehta and Mrs. Disha Mehta in April 2010. OTPL is presently engaged into trading activities.

3.1.5 OTPL being an unlisted Private Limited Company, its shares is not listed or traded on any Stock Exchange. OTPL have not promoted any Company.

3.1.6 The Authorized share capital of OTPL is 20,00,000 equity shares of Rs. 10/- each aggregating to Rs. 2,00,00,000 (Rupees Two Crore Only) while Issued, Subscribed and Paid-up share capital of OTPL is 5,00,000 fully paid up equity shares of Rs. 10/- each aggregating to Rs. 50,00,000/- (Rupees Fifty Lacs only). The Shareholding pattern of OTPL as on the date of Public Announcement are as under:

Sr. No.	Shareholder's Category	No. of Shares	% of Total Capital
1	**Promoters**		
	Mrs. Bhavna Mehta	2,00,000	40.00
	Mrs. Disha Mehta	2,00,000	40.00
2	FII/ Mutual-Funds/ FIs/ Banks	-	-
3	Public	1,00,000	20.00
	Total Paid Up Capital	**5,00,000**	**100.00**

3.1.7 Details of Board of Directors of OTPL as on date of Public Announcement:

Sr. No.	Name & Residential Address of Directors	Qualification	Experience	Date of Appointment
1	**Mrs. Disha A. Mehta** C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivali (W), Mumbai - 400 067. DIN No.: 02982773	B.E. in Computers	Over 2 years of experience in industry of Banking& Finance, with demonstrated leadership capabilities in business development, building area and highly successful in developing & implementing business plans.	13-Apr-10
2	**Mrs. Bhavna R. Mehta** C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivali (W), Mumbai - 400 067. DIN No.: 01802500	Under-graduate	Over 9 years of experience in industry of Aluminum Ingots and Iron & Steel Market and through experience she has acquired knowledge of accounting and Management Information System (MIS).	06-Feb-10

None of the above Directors are on the Board of Target Company.

3.1.8 Brief Financial Details of OTPL (Rs. In Lacs)

Profit & Loss Account as on	31–Jul–10 (Un-Audited) *	31–Mar–10 (Audited)
Income from Operations	-	6.79
Other Income	-	-
Total Income	-	6.79
Total Expenditure	0.51	1.02
PBDIT	(0.51)	5.78
Depreciation	-	-
Interest	-	-
Profit/(Loss) Before Tax	(0.51)	5.78
Provision for Tax	-	1.89
Profit/(Loss) After Tax	**(0.51)**	**3.89**

Balance Sheet as on	31–Jul–10 (Un-Audited) *	31–Mar–10 (Audited)
Sources of Funds		
Capital Account	50.00	1.00
Reserves and Surplus (Excluding	93.38	3.89

Revaluation Reserve)		
Total Misc. Exp. Not Written Off	(2.74)	(0.27)
Net worth	140.64	4.62
Secured Loans	-	-
Unsecured Loans	-	-
Total	**140.64**	**4.62**
Uses of Funds		
Net Fixed Assets	-	-
Investments	-	-
Current Assets Loan and Advances	142.54	6.89
Current Liabilities	1.90	2.27
Net Current Assets	140.64	4.62
Total	**140.64**	**4.62**

Other Financial Data	**31–Jul–10 (Un-Audited) ***	**31–Mar–10 (Audited)**
Dividend (%)	-	-
Earning Per Share (Rs.)	(0.10)	38.88
Return on Net worth (%)	Negative	84.20
Book Value Per Share (Rs.)	28.13	46.22

* Un-audited but certified by Statutory Auditor of the Company.

3.1.9 **Significant Accounting Policies adopted by OTPL:**

Basis of preparation of financial statements: The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the requirements of Companies Act, 1956.

Fixed Assets and Depreciation: The Company does not have Fixed Assets.

3.2 TIEN TRADING PRIVATE LIMITED ("TTPL")

3.2.1 The Registered & Corporate Office of the TTPL is situated at 29/A, Raj Garden, Mahavir Nagar, Kandivali (West), Mumbai – 400067. Tel. No.: 022 – 3240 0390; Fax No.: 022 – 2860 9040.

3.2.2 TTPL was incorporated as "Tien Trading Private Limited" on April 16, 2009 under the Companies Act, 1956 as a Private Limited Company having Registration No. 191736 of 2009-10 from the Registrar of Companies, Maharashtra. The Corporate Identity No. is U51109MH2009PTC191736.

3.2.3 The main object of the TTPL is to carry on the business of general merchants, wholesale and retail traders, importers, exporters, in all kinds of goods, produce, plant, machinery, machinery parts and spares, vehicles of all kinds, tools and tackle, precious metals and stones and works of art. No money circulating scheme shall be carried out by the Company.

3.2.4 TTPL was originally promoted by Mr. Vipul Chitalia and Ms. Prafulla Sampat. The management / control of the Company has been taken over by the current promoters/directors, Mrs. Bhavna Mehta and Mr. Abhishek Mehta in April 2010. TTPL is presently engaged into trading activities.

3.2.5 TTPL being an unlisted Private Limited Company, its shares is not listed or traded on any Stock Exchange. TTPL have not promoted any Company.

3.2.6 The Authorized share capital of the TTPL is 20,00,000 equity shares of Rs. 10/- each aggregating to Rs. 2,00,00,000 (Rupees Two Crores Only) while Issued, Subscribed and Paid-up share capital of the TTPL is 5,00,000 fully paid up equity shares of Rs. 10/- each aggregating Rs. 50,00,000/- (Rupees Fifty Lacs only). The Shareholding pattern of TTPL as on the date of Public Announcement are as under:

Sr. No.	Shareholder's Category	No. of Shares	% of Total Capital
1	**Promoters**		
	Mrs. Bhavna Mehta	2,00,000	40.00
	Mr. Abhishek Mehta	2,00,000	40.00
2	FII/ Mutual-Funds/ FIs/ Banks	-	-
3	Public	1,00,000	20.00
	Total Paid Up Capital	**5,00,000**	**100.00**

3.2.7 Details of Board of Directors of TTPL as on date of Public Announcement:

Sr. No.	Name & Residential Address of Directors	Qualification	Experience	Date of Appointment
1	**Mr. Abhishek R. Mehta** C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivali (W), Mumbai - 400 067. DIN No.: 02053510	Master in Computer Science	Over 3 years of experience in industry of Aluminium Ingots Market, with demonstrated leadership capabilities in business development, building area and highly successful in developing & implementing business plans.	06-Feb-10
2	**Mrs. Bhavna R. Mehta** C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivali (W), Mumbai - 400 067. DIN No.: 01802500	Under-graduate	Over 9 years of experience in industry of Aluminum Ingots and Iron & Steel Market and through experience she has acquired knowledge of accounting and Management Information System (MIS).	06-Feb-10

None of the above Directors are on the Board of Target Company.

3.2.8 Brief Financial Details of TTPL (Rs. In Lacs)

Profit & Loss Account as on	31–Jul–10 (Un-Audited) *	31–Mar–10 (Audited)
Income from Operations	-	3.98
Other Income	-	-
Total Income	-	3.98
Total Expenditure	0.04	1.02
PBDIT	(0.04)	2.96
Depreciation	-	-
Interest	-	-
Profit/(Loss) Before Tax	(0.04)	2.96
Provision for Tax	-	0.96
Profit/(Loss) After Tax	**(0.04)**	**2.00**

Balance Sheet as on	31–Jul–10 (Un-Audited) *	31–Mar–10 (Audited)
Sources of Funds		
Capital Account	50.00	1.00
Reserves and Surplus (Excluding Revaluation Reserve)	91.66	2.00
Total Misc. Exp. Not Written Off	(2.74)	(0.27)
Net worth	139.22	2.73
Secured Loans	-	-
Unsecured Loans	-	-
Total	**139.22**	**2.73**
Uses of Funds		
Net Fixed Assets	-	-
Investments	-	-
Current Assets Loan and Advances	140.21	4.07
Current Liabilities	0.99	1.34
Net Current Assets	139.22	2.73
Total	**139.22**	2.73

Other Financial Data	31–Jul–10 (Un-Audited) *	31–Mar–10 (Audited)
Dividend (%)	-	-
Earning Per Share (Rs.)	(0.01)	20.00
Return on Net worth (%)	Negative	73.12
Book Value Per Share (Rs.)	27.84	27.29

* Un-audited but certified by Statutory Auditor of the Company.

3.2.9 **Significant Accounting Policies adopted by the TTPL:**

Basis of preparation of financial statements: The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the requirements of Companies Act, 1956.

Fixed Assets and Depreciation: The Company does not have Fixed Assets.

3.3 OTHER INFORMATION ABOUT THE ACQUIRERS

3.3.1. The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the Regulation made under the SEBI Act.

3.3.2. There are no ‘Persons Acting in Concert’ within the meaning of Regulation 2(1)(e)(1) of the Regulations in relation to this Offer.

3.3.3. There is no agreement among the Acquirers as regard to the Open Offer, except as provided in the SPA.

3.3.4. There have been no merger / de-merger, spin-off in the Acquirers during the past three years. However the current the promoters of the Acquirers have acquired these companies in April 2010 only.

3.3.5. The Acquirers OTPL and TTPL are associated with each other as the current promoters of both the companies are from one family only.

3.3.6. The Acquirers have not promoted any Company(s) / Firm(s) since its inception.

3.3.7. The Acquirers are private limited Companies and the Corporate Governance norms are not applicable to them.

3.3.8. The Acquirers do not hold any shares of the Target Company. So, provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable.

3.3.9. There are no Litigations pending against the Acquirers.

3.3.10. The Acquirers do not have any intention to de-list the Target Company in the succeeding two years after the instant offer.

3.3.11. The Acquirers OTPL and TTPL are not registered as an intermediary with SEBI.

3.4 DISCLOSURE IN TERMS OF REGULATION 16 (IX)

3.4.1. The Acquirers do not have any plans to dispose of or otherwise encumber any substantial asset of FIL in the next two years except in the ordinary course of business of the Company.

3.4.2. Other than in the ordinary course of business, the Acquirers undertake that they will not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.

3.5 FUTURE PLANS OF THE ACQUIRERS WITH REGARD TO THE TARGET COMPANY

Acquirers visualize that after acquiring substantial shares and taking over control of FIL, they will take this proposed acquisition as strategic alignment in expanding its activities, business into financing & investment related business activities. The Acquirers believes that the acquisition of a majority stake in Target Company will strengthen its business strategy and is a step towards becoming a broad based and integrated player in financial services business.

4. OPTION IN TERMS OF REGULATION 21(2)

In the event, pursuant to this Offer or otherwise, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers will, in accordance with regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchange within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

5. BACKGROUND OF FARRY INDUSTRIES LIMITED (TARGET COMPANY)

5.1 Registered Office

The Registered & Corporate Office of M/s. Farry Industries Limited is situated at 289/2, Kalpatru Soc., “B” Bldg., Office No. 15,Timber Market Road, Above Karing Hospital, Ghorpade Peth, Pune – 411 042. Tel. No.: 020 – 6500 7105; Fax No.: 020 – 2644 7428. As on date of PA, the Company does not have any manufacturing facilities.

5.2 Brief History and Main Areas of Operations

FIL was incorporated under the Companies Act, 1956 on December 07, 1990 in the name of “Farry Leasing & Hire Purchase Private Limited” in Bombay, Maharashtra and a Certificate of Incorporation was obtained from Addl. Registrar of Companies, Bombay, Maharashtra, bearing the Certificate Number 11-59344/1990. Later the name of the Company got changed to “Farry Leasing & Hire Purchase Limited” and a fresh Certificate of Incorporation was obtained on September 23, 1994. Again the name of the Company got changed to “Farry Industries Limited” on November 25, 1994. The Corporate Identity No. is U65910PN2003PTC017818.

The main object of the Company is to carry on and undertake the business of finance, hire purchase, leasing and to finance lease operations, and of purchasing, selling, re-selling, hiring or letting on hire, hire purchase, installment purchase or deferred payment or similar terms any goods, properties of all and every description, moveable or immoveable.

The Company started its operations in the field of equipment lease and hire purchase in the year 1990. The initial funds were provided by the Promoter, Mr. Farhang Azar. The Company came out with its Initial Public Offering (IPO) in 1995. FIL is a Non Deposit accepting Non Banking Finance Company engaged in finance & related activities. The Company was granted Certificate of Registration to carry on the business of Non-Banking Financial Institution by Reserve Bank of India, vide certificate no. 13.00906 dated May 26, 1998.

5.3 Share Capital Structure of M/s. Farry Industries Limited

Paid-up Equity Shares of Target Company	**No. of Shares / Voting Rights**	**% of Share / Voting Rights**
Fully Paid-up Equity Shares	30,13,100	100.00
Partly Paid-up Equity Shares	-	-
Total Paid-up Equity Shares	30,13,100	100.00
Total Voting Rights in Target Company	**30,13,100**	**100.00**

The Authorized Share Capital of the Company is Rs. 3,25,00,000 (Rupees Three Crores and Twenty Five Lacs Only) divided into 32,50,000 (Thirty Two Lac Fifty Thousand) equity shares of Rs.10/- each. As on date, the Issued, Subscribed and Paid-up capital of the Target Company is Rs. 3,01,31,000 (Rupees Three Crores One Lac and Thirty One Thousand Only) divided into 30,13,100 (Thirty Lac Thirteen Thousand and One Hundred Only) equity shares of Rs. 10/- each. There are no partly paid up shares in the Target Company. There are no outstanding convertible instruments (debentures/warrants/ FCDs /PCDs) etc. into equity shares on any later date. The Company has never declared any dividend till date.

5.4 Details of Share Capital history of FIL are as follows:

Date of Allotment*	**No. and % of Shares Issued**		**Cumulative Paid-up Capital (Rs.)**	**Mode of Allotment**	**Identity of Allottees (Promoters / Others)**	**Status of Compliance**
	No. of Shares	% of Shares				
07-Dec-90	20	0.00	200	Cash	Subscriber to the Memorandum	Complied
05-Feb-91	83,300	2.76	833,200	Cash	Further Allotment to Promoters	Complied
28-Mar-91	16,700	0.55	1,000,200	Cash	Further Allotment to Promoters	Complied
29-Mar-92	187,500	6.22	2,875,200	Cash	Further Allotment to Promoters	Complied
31-Mar-93	94,500	3.14	3,820,200	Cash	Further Allotment to Promoters	Complied
20-Oct-93	118,000	3.92	5,000,200	Cash	Further Allotment to Promoters	Complied
20-Apr-94	99,980	3.32	6,000,000	Cash	Further Allotment to Promoters	Complied
11-Feb-95	600,000	19.91	12,000,000	Bonus	Existing Shareholders	Complied
31-Mar-95	800,000	26.55	20,000,000	Cash	Further Allotment to Promoters	Complied

18-Nov-95	1,013,100	33.62	30,131,000	Cash	Allotted to Public in terms of IPO's Prospectus in 1995.	Complied
Total	**3,013,100**	**100.00**	**30,131,000**			

*Information has been taken from the prospectus. Since data is not available with the Company.

5.5 The Company was granted Certificate of Registration to carry on the business of Non-Banking Financial Institution by Reserve Bank of India, vide certificate no. 13.00906 dated May 26, 1998. The Company has complied with the provisions of the Non Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, as applicable to them. There is no show cause notice or prosecution pending on the Directors of the Company by the Reserve Bank of India. The Target Company along with the Sellers and the Acquirers have jointly published a public notice on October 20, 2010, which was in compliance requirements of RBI.

5.6 FIL is listed on Bombay Stock Exchange Limited ("BSE"), Delhi Stock Exchange Limited (DSE) and Ahmedabad Stock Exchange Limited (ASE). As on date, the Equity Share of the Company are suspended for trading on DSE & ASE. The Equity Shares of the company are suspended for trading on the BSE also since May 13, 2002 for not complying with Clause 41 of the listing agreement. However the suspension in trading of Equity Shares has been revoked from BSE w.e.f July 28, 2010, after the company had complied with all the requirement, as per listing agreement. BSE vide its Notice No. 20100722-10 dated July 22, 2010 revoked the suspension. Currently the equity shares are traded in Bombay Stock Exchange only.

5.7 All the issued and subscribed equity shares of FIL have been listed on BSE, DSE and ASE. Currently FIL is in compliance with the listing requirements of BSE only. On BSE, the marketable lot for trading of the shares of FIL in physical mode is 100 and in demat mode it is 1. The equity shares are placed in the 'T' category.

5.8 There is no outstanding instrument in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company. There are no shares which are under lock-in period.

5.9 The Promoters / major shareholders of FIL, have complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997. The Target Company has complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997. However, there were delays in compliance with Regulations 6(2) and 6(4) for the year 1997, which was complied on November 10, 2009. Further there were delays in compliance with Regulation 8(3) for the years 1998 to 2009, which was complied on October 12, 2009. There was no delay in compliance with Reg. 8(3) by the Target Company for the year ended March 31, 2010. SEBI may initiate action for delay in provisions of compliances of chapter II by the Target Company.

5.10 Currently FIL is in compliance with the listing requirements of BSE only; and the Target Company has been complying with the relevant listing requirements of BSE. Earlier FIL was not in compliance with the listing requirements of BSE and hence in 2002, BSE had suspended the trading of the scrip of the Company. However, the suspension in trading of Equity Shares has been revoked w.e.f July 28, 2010 as per BSE Notice No. 20100722-10 dated July 22, 2010. The equity shares are traded in Bombay Stock Exchange only.

5.11 Details of Directors of M/s. Farry Industries Limited

As on the date of PA, the Board of Directors of FIL comprises 4 members as given below:

Sr. No.	Name & Residential Address of Directors	Qualification	Experience	Date of Appointment
1	**Mr. Farhang Azhar** Geetai Bungalow, Ram Indu Park, Maha Lunge Road, Baner, Pune – 411 008. DIN No.: 01690050	B. Com	30 years of varied experience in the business of Finance, Restaurants and International Trading.	07-Dec-90

2	**Mrs. Gulshan Azhar** Geetai Bungalow, Ram Indu Park, Maha Lunge Road, Baner, Pune – 411 008. DIN No.: 01770557	Under-graduate	Experience of 25 years in handling the administrative affairs of the company.	07-Dec-90
3	**Mr. Mahesh R. Jethva** A/209, Saraswati Apt., Nr. Power House, Umargam, Valsad – 396171. DIN No.: 02520906	BSE - IT	Over 2 years of experience in industry of IT and Software Developers and 3 years of experience in Capital Financial Market, Commodities Market, Banking Finance Sector.	18-Nov-09
4	**Mr. Hemang N. Sampat** 11, Shree Sharda Society, C-Patel Road, Kandivali (E), Mumbai – 400101. DIN No.: 01800218	B.Com	Experience of 10 years in capital and financial markets.	30-Jan-10

None of the above Directors are the representatives of the Acquirers.

5.12 There has not been any merger / demerger or spin-off in FIL during the past 3 years.

5.13 Brief Financial Details of Target Company (Rs. In Lacs)

Profit & Loss Account as on	**31–Mar–10 (Audited)**	**31–Mar–09 (Audited)**	**31–Mar–08 (Audited)**
Income from Operations	29.13	43.56	43.55
Other Income	8.33	1.50	2.39
Total Income	37.47	45.06	45.95
Total Expenditure	28.90	36.27	28.03
PBDIT	8.57	8.79	17.91
Depreciation	4.32	5.84	5.43
Interest	1.25	4.68	5.47
Profit/(Loss) Before Tax	3.01	(1.73)	7.01
Provision for Tax	0.97	0.11	2.20
Profit/(Loss) After Tax	**2.04**	**(1.84)**	**4.81**

Balance Sheet as on	**31–Mar–10 (Audited)**	**31–Mar–09 (Audited)**	**31–Mar–08 (Audited)**
Sources of Funds			
Capital Account	301.31	301.31	301.31
Reserves and Surplus (Excluding Revaluation Reserve)	86.85	84.81	86.66
Net worth	388.16	386.12	387.97
Secured Loans	-	-	-
Unsecured Loans	31.99	142.96	148.46
Deferred Tax Liability	-	0.13	-
Total	**420.15**	**529.22**	**536.43**

Uses of Funds			
Net Fixed Assets	103.19	112.83	111.16
Investments	2.75	127.75	127.75
Current Assets Loan and Advances	322.21	311.90	310.23
Current Liabilities	8.15	23.27	13.40
Net Current Assets	314.06	288.64	296.83
Total Misc. Exp. Not Written Off	-	-	-
Deferred Tax Asset	0.15	-	0.69
Total	**420.15**	**529.22**	**536.43**

Other Financial Data	31–Mar–10 (Audited)	31–Mar–09 (Audited)	31–Mar–08 (Audited)
Dividend (%)	-	-	-
Earning Per Share (Rs.)	0.07	(0.06)	0.16
Return on Net worth (%)	0.53	Negative	1.24
Book Value Per Share (Rs.)	12.88	12.81	12.88

Reason for Fall / Rise in the Total Income and PAT of the Company:-

Between the Financial Year 31st March 2008 and 31st March 2009 there are some marginal changes in the hire purchase interest income and other income in the Company but due to preliminary and other overhead loss was incurred in financial year 2008-09.

For the Financial year ended 31st March 2010, there is some trading activity in the company which is resulted in the turnover of Rs. 37.47 lacs and company has generated Profit After Tax (PAT) to the tune of Rs. 2.04 lacs.

5.14 Significant Accounting Policies adopted by the Target Company:

Basis of preparation of financial statements: The financial statements are prepared under the historical cost convention and confirm to the statutory provisions and practices prevailing in the industry.

Income Recognition:

(a) Income arising out of lease and hire purchase transactions is accounted for on accrual basis as per the terms of the agreement entered into with the parties from time to time.

(b) Dividend declared till close of the accounting year are accounted for as income.

(c) In respect of other heads on income the Company follows the practice of accounting of such income on accrual basis.

Expenses: Expenses are accounted for on accrual basis and provisions made for all known liabilities and losses based on available information.

Fixed Assets: Fixed Assets are stated at cost accumulated depreciation.

Depreciation: Depreciation is provided as per provisions of Schedule XIV to the Companies Act, 1956 on the following basis:

(a) On Lease Assets – Written Down Value Method (WDV)

(b) On Owned Assets – Straight Line Method (SLM)

Investments: Investments are stated at cost.

Contingent Liabilities: Liabilities of contingent nature have not been provided in the accounts and have been separately disclosed by way of notes to accounts.

Lease Equalisation Account: The Company writes off lease assets under finance leases, over the lease period, by providing for Lease Equalisation as per the Guidance Note of the Institute of Chartered Accountants of India, in respect of accounting for leases.

5.15 Pre and Post Offer Shareholding Pattern of the FIL is and shall be as follows:

Shareholders' Category	Shareholding & Voting Rights prior to the SPA / acquisition & offer (A)		Shares / voting rights agreed to be acquired which triggered off the Regulations (B)		Shares/ voting rights to be acquired in open offer (assuming full acceptances) (C)		Shareholding / voting rights after the acquisition and offer i.e. (A)+(B)+(C) = (D)	
	No	%	No	%	No	%	No	%
(1) Promoter Group								
a) Parties to the agreement								
i) Mr. Farhang Azar	11,11,900	36.90	(11,11,900)	(36.90)	-	-	-	-
ii) Mrs. Gulshan Azar	7,77,180	25.79	(7,77,180)	(25.79)			-	-
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
Total 1 (a+b)	**18,89,080**	**62.70**	**(18,89,080)**	**(62.70)**	**-**	**-**	**-**	**-**
(2) ACQUIRERS								
a) Main Acquirers	-	-	-	-	-	-	-	-
i) Obike Trading Private Limited	-	-	11,11,900	36.90	3,01,310	10.00	14,13,210	46.91
ii) Tien Trading Private Limited	-	-	7,77,180	25.79	3,01,310	10.00	10,78,490	35.79
b) PACs	-	-	-	-	-	-	-	-
Total 2 (a+b)	**-**	**-**	**18,89,080**	**62.70**	**6,02,620**	**20.00**	**24,91,700**	**82.70**
(3) Parties to agreement other than (1) & (2) above	-	-	-	-	-	-	-	-
(4) Public (other than parties to agreement) #								
a) FIs / MFs / FIIs / Banks	-	-	-	-	-	-	-	-
b) Others								
1) Private & Corporate Bodies	84,231	2.79	-	-				
2) Indian Publics	10,39,789	34.51	-	-	(6,02,620)	(20.00)	5,21,400	17.30
Total (4)(a+b)	**11,24,020**	**37.30**	**-**	**-**	**(6,02,620)**	**(20.00)**	**5,21,400**	**17.30**
Grand Total (1+2+3+4)	**30,13,100**	**100.00**	**-**	**-**	**-**	**-**	**30,13,100**	**100.00**

Number of Shareholders in Public category as on December 31, 2010 is 1,335 (One Thousand Three Hundred and Thirty Five Only).

5.16 Details of Changes in the Shareholding of the Promoters in FIL is given below:

As on	No. of Shares held	% to paid Up Capital	Change from previous. Year (No.)	Change from previous. Year (%)	Remarks, if any
Holding as on 20–Feb–97	18,90,800	62.75	-	-	-
31–Mar–98	18,90,800	62.75	-	-	-
31–Mar–99	18,90,800	62.75	-	-	-
31–Mar–00	18,90,800	62.75	-	-	-
31–Mar–01	18,90,800	62.75	-	-	-
31–Mar–02	18,90,800	62.75	-	-	-
31–Mar–03	18,90,800	62.75	-	-	-
31–Mar–04	18,90,800	62.75	-	-	-
31–Mar–05	18,90,800	62.75	-	-	-
31–Mar–06	18,89,080	62.70	(1,720)	(0.06)	-
31–Mar–07	18,89,080	62.70	-	-	-
31–Mar–08	18,89,080	62.70	-	-	-
31–Mar–09	18,89,080	62.70	-	-	-
31–Mar–10	18,89,080	62.70	-	-	-

Note: Details is based on filings made by the Target Company under Chapter II of SEBI (SAST) Regulations, on a year to year basis. The changes are not in excess of the limits under Regulation 11 or require reporting under Regulation 7.

The promoters have not purchased or sold any shares after the Public Announcement till the date of this Letter of Offer. There are no inter-se transfers amongst the Promoters Group.

5.17 Status of Corporate Governance and Pending Litigation

The Company is committed to a system of good Corporate Governance, as it firmly believes that good corporate governance signifies good corporate practices aimed at increasing value for its shareholders, customers, employees, the government and all other stakeholders. The Board of Directors consists of 4 members. Out of which 2 is Executive Director and 2 are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements. There are no pending litigation as on date.

5.18 Details of Compliance Officer

Mr. Farhang Azar
Geetai Bungalow,
Ram Indu Park,
Maha Lunge Road,
Baner, Pune – 411 008.
Telefax.: 020 – 32940440
E-mail: farryind@gmail.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1. The shares of the Target Company are presently listed in India on BSE, DSE and ASE. There has been no trading of FIL on DSE and ASE.

6.1.2. Trading data of equity shares of FIL on BSE is as follows:

Name of the Stock Exchange	Total Number of shares traded preceding the date of Public Announcement	Total Number of Listed Shares	Annualized Trading Turnover (in terms of % to Total Listed Shares)
BSE	1,50,900	30,13,100	32.64*
DSE	Nil	30,13,100	--
ASE	Nil	30,13,100	--

(Source: Website of BSE: www.bseindia.com)

This Scrip of the Company was suspended by BSE for trading since May 2002 due to non-compliance with the Listing Agreement. However, the suspension in trading of Equity Shares has been revoked w.e.f July 28, 2010 as per BSE Notice No. 20100722-10 dated July 22, 2010. The equity shares of FIL started trading on Bombay Stock Exchange only from July 28, 2010. Hence, the equity shares of FIL have been listed at BSE within 6 months.

* The annualized trading turnover in the shares of the Target Company on BSE based on trading volume during July 28, 2010 to September 21, 2010 i.e for 56 days (actual number of days for which shares have been listed preceding the date of PA) which is more than 5% of total listed shares at the stock exchange, the Shares are deemed to be frequently traded as per explanation (iii) to Regulation 20(5) of the Regulations.

The details of the average of the weekly high and low of the closing prices and volume of the Shares on BSE for the 26-week period prior to the date of the Public Announcement are as under:

Weeks	From	To	Volume	Closing High	Closing Low	Average
1	24-Mar-10	30-Mar-10	-	-	-	-
2	31-Mar-10	06-Apr-10	-	-	-	-
3	07-Apr-10	13-Apr-10	-	-	-	-
4	14-Apr-10	20-Apr-10	-	-	-	-
5	21-Apr-10	27-Apr-10	-	-	-	-
6	28-Apr-10	04-May-10	-	-	-	-
7	05-May-10	11-May-10	-	-	-	-
8	12-May-10	18-May-10	-	-	-	-
9	19-May-10	25-May-10	-	-	-	-
10	26-May-10	01-Jun-10	-	-	-	-
11	02-Jun-10	08-Jun-10	-	-	-	-
12	09-Jun-10	15-Jun-10	-	-	-	-
13	16-Jun-10	22-Jun-10	-	-	-	-
14	23-Jun-10	29-Jun-10	-	-	-	-
15	30-Jun-10	06-Jul-10	-	-	-	-
16	07-Jul-10	13-Jul-10	-	-	-	-
17	14-Jul-10	20-Jul-10	-	-	-	-
18	21-Jul-10	27-Jul-10	-	-	-	-
19	28-Jul-10	03-Aug-10	38,858	18.89	15.80	17.35
20	04-Aug-10	10-Aug-10	38,343	34.65	19.95	27.30
21	11-Aug-10	17-Aug-10	43,591	38.20	32.80	35.50
22	18-Aug-10	24-Aug-10	193	31.20	25.50	28.35

23	25-Aug-10	31-Aug-10	7,430	25.50	21.90	23.70
24	01-Sep-10	07-Sep-10	6,095	20.85	17.20	19.03
25	08-Sep-10	14-Sep-10	3,269	19.05	16.50	17.78
26	15-Sep-10	21-Sep-10	13,121	22.90	20.00	21.45
			1,50,900	**Average Price**		**23.81**

(Source: Website of BSE: www.bseindia.com)

The details of the average of the daily high and low prices and volume on BSE for the 2-week period prior to the date of the Public Announcement are as under:

Days	Date	Volume	Daily High	Daily Low	Average
1	08-Sep-10	1,671	18.00	16.35	17.18
2	09-Sep-10	243	17.30	16.10	16.70
3	10-Sep-10	NA	NA	NA	-
4	13-Sep-10	1,055	18.15	18.15	18.15
5	14-Sep-10	300	19.05	19.05	19.05
6	15-Sep-10	3,126	20.00	20.00	20.00
7	16-Sep-10	951	21.00	21.00	21.00
8	17-Sep-10	5	22.05	22.05	22.05
9	20-Sep-10	8,289	23.15	20.95	22.05
10	21-Sep-10	750	22.00	21.80	21.90
		16,390	**Average Price**		**19.79**

(Source: Website of BSE: www.bseindia.com)

6.1.3. Since the Equity Shares of the Target Company has been frequently traded as per explanation (iii) to Reg. 20(5) at the BSE and has been infrequently traded as per explanation (i) to Reg. 20(5) at the ASE & DSE; the Offer price of Rs. 24.00 has been justified, taking into account, the following parameters, as set out under Reg. 20(4) & Reg. 20(5):

(a)	Negotiated price under the Shares Purchase Agreement	Rs. 12.90
(b)	Highest price paid by the Acquirers for acquisitions, if any, including by way of allotment in a Public or Rights or Preferential Issue, during the 26 week period prior to the date of the Public Announcement.	Not Applicable
(c)	The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the Date of Public Announcement	Rs. 23.81
(d)	The average of the daily high and low of the prices of the shares during two weeks period preceding the Date of Public Announcement	Rs. 19.79
(e)	**Other Parameters as at:**	**March 31, 2010 (Audited)**
	(i) Return on Networth (%)	0.53
	(ii) Book Value Per Share	Rs. 12.88
	(iii) Earning Per Share	Rs. 0.07

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 24/- (Rupees Twenty Four Only) per Share being the highest of the prices mentioned above is justified in terms of Regulation 20(4), 20(5) & 20(11) of the Regulations.

6.1.4. **Non-compete Fee**

The Acquirers have not entered into any agreement for payment of non-compete fee and have not made payment of any non-compete fees.

6.1.5. Based on the above and in the opinion of the Manager to the Offer and the Acquirers, the Offer Price is justified as per the Regulation 20(4), 20(5) & 20(11).

6.1.6. The Acquirers shall not acquire any Shares in FIL 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.

6.1.7. If the Acquirers purchase Shares after the original PA and upto seven working days prior to closure of the offer at a price higher than the Offer Price, then the highest price paid for such acquisitions shall be payable for all the acceptances received under the Offer. Any such revision in the Offer Price shall be notified by advertisement in the same newspapers in which the PA has appeared.

6.2 Financial Arrangements

6.2.1 The maximum purchase consideration at the rate of Rs. 24.50/- (Rupees Twenty Four & Paise Fifty Only) per share, payable by the Acquirers in the case of full acceptance of the Offer is Rs. 1,47,64,190 (Rupees One Crore Forty Seven Lac Sixty Four Thousand One Hundred & Ninety Only) including interest at the rate of 10% for the delayed period, over the Offer Price of Rs. 24.00/- per share.

Acquirers have provided Bank Guarantees in favour of the Merchant Banker for Rs. 42.00 Lac (Rupees Forty Two Lac Only) dated September 20, 2010 from Union Bank of India, Branch: Sant Tukaram Road, Appejay Surrendra Building, Baroda Street, S. T. Road, Mumbai – 400 009 towards Escrow A/c i.e. more than 25% of the total consideration payable.

Further to the Bank Guarantees, the Acquirers have deposited Rs. 1,75,000 (Rupees One Lac Seventy Five Thousand Only) in cash, representing more than 1% of the total consideration under Open Offer with State Bank of India, Branch: Nariman Point, Mumbai – 400 021 as required under Regulation 28(10) of SEBI (SAST) Regulations, 1997 as and by way of security for fulfillment of the obligations under the Regulations by the Acquirers.

6.2.2 The Manager to the Offer i.e. Aryaman Financial Services Limited is authorized to operate the above-mentioned Bank Guarantees and Fixed Deposit amount to the exclusion of all others and to instruct the Escrow Banker to issue cheques / pay orders / demand drafts / ECS credit, if required, in accordance with the Regulations.

6.2.3 In terms of Regulation 16(xiv) of the Regulations, it is confirmed that the Acquirers have adequate resources and have made firm financial arrangements to meet their Open Offer obligations as well as obligation under Share Purchase Agreement in full. The funds for these purpose will be met partly through their owned fund and partly through unsecured loan, as certificate given by Mr. Arvind M. Darji (Membership No. 41748) of Arvind Darji Associates, Chartered Accountants, details of which is given below:

Name of the Entity	Amount (In Lac)	Type of Fund
M/s. Obike Trading Pvt. Ltd.	140.64	Owned Fund
	75.00	Unsecured Loan from M/s. Multiplast Trading Company Pvt. Ltd. and M/s. Ceeplast Trading Co. Pvt. Ltd. at an interest rate of 12% p.a and are subject to an annual revision.
	215.64	**Total**
M/s. Tien Trading Pvt. Ltd.	139.22	Owned Fund
	75.00	Unsecured Loan from M/s. Multiplast Trading Company Pvt. Ltd. and M/s. Ceeplast Trading Co. Pvt. Ltd. at an interest rate of 12% p.a and are subject to an annual revision.
	214.22	**Total**

The above financial obligations of the M/s. Obike Trading Pvt. Ltd. and M/s. Tien Trading Pvt. Ltd. will be fulfilled through their internal resources and no borrowings from Banks or FIs or NRIs or otherwise is envisaged.

6.2.4 Mr. Arvind M. Darji (Membership No. 41748) of Arvind Darji Associates, Chartered Accountants, having their office situated at 402-A, Chandan Chambers, 4th Floor, 138 Modi Street, Fort, Mumbai – 400 001. Tel. No.: 022 – 6654 1574, Telefax No.: 022 – 6633 1574, Email: amdarji@gmail.com; has confirmed via certificate dated November 29, 2010 that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.

6.2.5 The Acquirers in compliance with Regulation 22(11) of the Regulations have made firm financial arrangements to fulfill the obligations under the Offer.

6.2.6 The Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the Regulations and confirms that firm arrangements for funds and money for payment through verifiable means are already in place to fulfill the Offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

7.1.1 The Offer is being made in compliance with the provisions of Regulations 10 and 12 and other applicable provisions of the Regulations for the purpose of substantial acquisition of Equity Shares accompanied with change in control and Management of FIL.

7.1.2 The acceptance of the Offer is entirely at the discretion of the equity Shareholders of FIL and each Shareholder (except the Acquirers and the Sellers) of FIL holding fully paid-up Equity Shares to whom this Offer is being made is free to offer his shareholding in FIL, in whole or in part while accepting the Offer.

7.1.3 Accidental omission to despatch this Letter of Offer or any further communication to any person to whom this Offer is made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

7.1.4 The instructions, authorisations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

7.1.5 The acceptance of the Offer must be unconditional and should be sent in the attached Form of Acceptance along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centre mentioned in para 8.1 under “Procedure for Acceptance and Settlement” on or before February 10, 2011. If any change or modification is made in the Form of Acceptance, the same is liable to be rejected.

7.1.6 The Offer is not subject to any minimum level of acceptance. The Acquirers will acquire all the fully paid up Equity Shares of FIL that are validly tendered and accepted in terms of this Offer upto 6,02,620 fully paid-up Equity Shares of Rs. 10/- each representing 20% of the paid up capital of the Company. Thus, the Acquirers will proceed with the Offer even if they are unable to obtain acceptance to the full extent of the Equity Shares of FIL for which this Offer is made.

7.1.7 All Shares tendered under this Offer should be free from any charge, lien or encumbrances of any kind whatsoever.

7.1.8 The Acquirers will not be responsible in any manner for any loss of equity Share certificate(s) and Offer acceptance documents during transit. The equity shareholders of FIL are advised to adequately safeguard their interest in this regard.

7.1.9 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 date of Closure of the Offer i.e. upto February 07, 2011.

7.1.10 If the aggregate of the valid responses to the Offer exceeds 6,02,620 fully paid up Equity Shares, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot. The equity shares of FIL are currently traded in physical mode as well as in demat mode and the market lot of the shares is 100 and 1 respectively.

7.1.11 The Acquirers, in terms of Regulation 27 of the Regulations will not proceed with the Offer in the event of any applicable statutory approval is refused. Any such withdrawal from the Offer by the Acquirers will be notified in the form of a Public Announcement in the same newspapers in which this PA appeared.

7.2 LOCKED IN SHARES

None of the existing shares of FIL are under any Lock-in requirements.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

The Offer is made to all the equity shareholders (except the Acquirers and the Sellers) of FIL whether registered or not who own the fully paid Shares anytime prior to the Closure of the Offer. However, the Letter of Offer is being mailed to those Shareholders whose names appear on the Register of Members of FIL at the close of business hours on the Specified Date i.e. October 01, 2010. Shareholders (except the Acquirers and the Sellers) holding fully paid Shares of FIL any time prior to the Closure of the Offer are eligible to tender their Shares in terms of this Offer.

7.4 STATUTORY APPROVALS

7.4.1 The Offer is subject to the Acquirers obtaining the approval(s) from Reserve Bank of India (RBI), if any, under the Foreign Exchange Management Act, 1999 ("FEMA").

7.4.2 As on date of this Letter of Offer, 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.

7.4.3 In case of delay in receipt of any statutory approval, SEBI has the power to grant an extension of the time required for payment under the Offer provided that the Acquirers agrees to pay interest in accordance with Regulation 22(12) of the Regulations. Further, if the delay occurs due to the willful default or neglect or inaction of Acquirers in obtaining the requisite approvals, the amount lying in the Escrow Account shall be liable to be forfeited and dealt in the manner provided in Regulation 28(12) (e) of the Regulations, apart from the Acquirers being liable for penalty as provided in the Regulations.

7.4.4 FIL was registered with Reserve Bank of India as a Non Banking Finance Company (NBFC). However, FIL discontinued NBFC activities but deregistration with RBI is apparently not done. In view of this, the acquisition of Shares and taking control by the Acquirers is subject to regulations by Reserve Bank of India governing Non Banking Finance Companies (NBFCs). Reserve Bank of India has , vide circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999, paragraph A (5) (iii) Of Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and paragraph 2(ii) of Circular DNBS (PD) CC No. 63/02.02/2005-06 and circular DNBS (PD) CC No. 81 /03.02.02/ 2006-07, stipulates that change in management of NBFCs and transfer of Shares to a new promoter shall be subject to the Acquirer and the Company making a public announcement and that the transfer of Shares and change in management shall not be effected earlier than 30 days from the date of such Public announcement. The Target Company along with the Sellers and the Acquirers have jointly published a public notice on October 20, 2010, which was in compliance of aforesaid circulars.

7.4.5 No approval is required from any bank or financial institution, for the purpose of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 Shareholders who are holding fully paid Equity Shares and wish to tender their Equity Shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to **Sharex Dynamic (I) Private Limited**, the Registrar to the Offer by Registered Post at the applicants sole risk so that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. The relevant documents should not be sent to the Sellers, Acquirers, FIL or the Manager to the Offer.

All eligible owners of fully paid Equity Shares of FIL, registered or unregistered who wish to avail and accept the Offer can hand deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents on all working days i.e. from Monday to Friday between 11.00 a.m. and 4.00 p.m. and on Saturdays between 11.00 a.m. to 2.00 p.m. to the Registrar to the Offer at the collection centre mentioned below:

If the shareholders of the Target Company hold the Shares in dematerialised form, those desirous of participating in the Offer may send their application along with the duly filled Form of Acceptance to the Registrar to the Offer, such that the applications are received by the Registrar to the Offer, on or before the closing date of the Offer, stating the name, address, number of shares held, number of shares offered, Depository Participant ('DP') name, DP ID number, beneficiary account number along with a photocopy of the delivery instruction in 'off-market' mode, duly acknowledged by the DP in favour of **"FIL Open Offer Operated by Sharex Dynamic (India) Pvt. Ltd."**, filled in as per instructions given below:

Depository Name	CDSL
DP Name	Arcadia Share & Stock Brokers Pvt. Ltd.
DP ID Number	12034400
Beneficiary Account Number / Client ID	00706316

Shareholders should ensure credit of their shares in favour of the depository account above, before the Closure of the Offer. Shareholders holding their beneficiary account in National Securities Depository Limited ('NSDL') will have to use an inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the special depository account with Central Depository Services India Limited ('CDSL').

Shareholders of the Target Company who wish to avail of and accept the Offer shall send / deliver the Form of Acceptance along with all the relevant documents to the collection center of the Registrar to the Offer mentioned below in accordance with the procedure as set out in the Letter of Offer.

Name & Address of Collection Center	**Contact Person & Contact Numbers**	**Mode of Delivery**
Sharex Dynamic (I) Private Limited Unit No.1, Luthara Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072.	**Shri B. S. Baliga** Tel.: 022 – 2851 5606 / 5644. Fax No.: 022 – 2851 2885 E-mail: sharexindia@vsnl.com	Hand Delivery / Registered Post

Neither the share certificate(s) nor transfer deed(s) nor the Form of Acceptance should be sent to the Sellers or the Acquirers or FIL or Manager to the Offer. Delivery made by Registered Post would be received on all days except Sundays and Public Holidays.

8.2 **Shareholders should send all the relevant documents as mentioned below to the above mentioned address.**

8.2.1 Form of acceptance duly completed (in English) and signed (by all the Shareholders in the same order in which Shares are held as per the Register of Members of FIL in case the Shares are in joint names) as per the specimen signature(s) lodged with FIL and witnessed.

8.2.2 Original Share Certificate(s)

8.2.3 Valid Share Transfer Deed(s) duly signed by transferors (by all Shareholders in the same order in which Shares are held as per the Register of Members of FIL in case the Shares are in joint names) as per the specimen signature(s) lodged with FIL and duly witnessed at the appropriate place. The Transfer Deed should be left blank, excepting the signature as mentioned above. Attestation, where required (thumb impression, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public office and authorised to use the seal of his office or a member of a recognised Stock Exchange under their seal of office and membership number or manager of the transferor's bank.

8.2.4 In case the Shares stand in the name of a sole Shareholder, who is deceased, then the Form of Acceptance must be signed by the legal representative(s) of the deceased and submitted along with the probate / letter of administration / succession certificate in original or a certified or attested true copy, while accepting this Offer. The original will be returned on scrutiny.

8.2.5 In case of registered Shareholder, non-receipt of the aforesaid documents, but receipt of the Share certificates and the duly completed transfer deed, the Offer shall be deemed to be accepted. Notwithstanding that the signature(s) of the transferor(s) has / have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with FIL or are not in the same order, such Shares are liable to be rejected under this Offer even if the Offer has been accepted by a bona fide owner of such Shares.

8.2.6 Duly attested power of attorney, if any person other than the Shareholder has signed the acceptance form and transfer deed(s).

8.2.7 In case of companies, the necessary corporate authorisations including the following:

a. Board resolution authorising such acceptance / power to sell the Shares.
b. Board resolution authorising execution of transfer documents.
c. Signature(s) of the Authorised Signatories duly attested.

8.3 **Unregistered Shareholders should enclose:**

8.3.1 Their application in writing on a plain paper stating their name, address, number of Shares held, number of Shares tendered, distinctive nos., folio number together with:

- ✓ Original Share certificate(s)
- ✓ Valid transfer deed(s). The details of buyer should be left blank failing which the same will be considered invalid under the Offer.
- ✓ Original contract note issued by the broker of a recognised stock exchange, through whom the Shares were acquired.

8.3.2 No indemnity is required from unregistered owners.

8.4 **Unregistered owners who have tendered their Shares for registration should enclose:**

8.4.1 Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein by the person accepting the Offer.

8.4.2 Share transfers deed(s) duly executed by the unregistered Shareholder.

8.4.3 Shareholders, who have lodged their Shares for transfer with FIL, must also send the acknowledgement, if any, received from FIL towards such lodging of Shares.

8.5 Unregistered owners, if they so desire, may also apply on the Form of Acceptance downloaded from SEBI's website: www.sebi.gov.in

8.6 Non-Resident Shareholder:

8.6.1 Non-Resident Shareholders may tender their Shares in accordance with the Procedure mentioned at 8.2 or 8.3 (as applicable) above. In case the RBI approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares.

8.6.2 While tendering the shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such shares tendered. While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirers under the Income Tax Act, 1961 (the "Income Tax Act"), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.7 The above documents should not be sent to the Sellers or to the Acquirers or to FIL or to the Manager to the Offer. The same should be sent to the Registrar to the Offer only at the collection centre given above in 8.1.

8.8 Procedure for acceptance of the Offer by Shareholders who do not receive the Letter of Offer:

8.8.1 In case of non-receipt of the Letter of Offer, Shareholders may obtain a copy of the same by writing to the Registrar to the Offer at the collection centre mentioned at 8.1 marking the envelope "FIL – Open Offer". Alternatively, eligible Shareholders may send their acceptance to the Registrar to the Offer, on a plain paper stating their Name, Address, Folio No., Distinctive No., No. of Shares held, No. of Shares tendered, along with documents as mentioned at para 8.2 so as to reach the Registrar to the Offer on or before the Closure of the Offer i.e. February 10, 2011.

8.8.2 Shareholders whose names do not appear on the Register of Members of the Company on the specified date are also eligible to participate in the Offer. Your attention is also invited to para 8.3 and 8.4 above.

8.9 If the aggregate of the valid responses to the Offer exceeds 6,02,620 fully paid up Equity Shares, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot or the entire holding, if it is less than the market lot.

8.10 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirers for payment of consideration to shareholders of FIL, subject to Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the wilful default or neglect or inaction or non-action by the Acquirers in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

8.11 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder. Unaccepted shares held in dematerialised form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

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 Acknowledgment, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

8.13 The Acquirers intends to complete all formalities pertaining to the Offer, including despatch of consideration to the Shareholders who have accepted the Offer, by February 25, 2011.

8.14 Dispatches involving payment of a value in excess of Rs. 1,500/- will be made by registered post / speed post at the shareholder's sole risk. In the case shareholders residing in any of the centers 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 provide all the necessary Bank details including MICR (Magnetic Ink Character Recognition) code or RTGS code or IFSC (Indian Financial System Code) code in Form of Acceptance-cum-Acknowledgement and the payment intimation will be sent to the sole / first named shareholder of FIL whose equity shares are accepted by the Acquirers at his address registered with FIL. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque / demand draft.

8.15 In terms of Regulation 22(5A) of the Regulations, Shareholders desirous of withdrawing their acceptance tendered in the Offer, can do so up to three working days prior to the date of Closure of Offer. The withdrawal option can be exercised by submitting the document as per the instructions below, so as to reach the Registrars to the Offer at the collection centre mentioned above as per the mode of delivery indicated therein on or before February 07, 2011.

8.15.1 The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.

8.15.2 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 at para 8.1 as per the mode of delivery indicated therein on or before the last date of withdrawal.

8.15.3 **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 original.
- ✓ 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 FIL 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 in original.

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

8.15.5 The intimation of returned Shares to the Shareholders will be sent at the address as per the records of FIL.

8.15.6 The Form of Withdrawal along with enclosures should be sent to the Registrar to the Offer at the collection centre mentioned in para. 8.1 only.

8.15.7 In case of partial withdrawal of Equity Shares tendered, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from FIL. The facility of partial withdrawal is available only to Registered Shareholders. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

8.15.8 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 Number, number of shares tendered; and

(b) In case of dematerialized shares: Name, Address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledge by the DP, in favour of the special depository account.

8.15.9 The Shares withdrawn by the Shareholders would be returned by registered post.

9. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders of FIL at the Office of Aryaman Financial Services Limited at 60, Khatau Building, Alkesh Dinesh Modi Marg, Opp. P J Towers (BSE building) Fort, Mumbai – 400 001 on Monday to Friday except bank holidays till the Offer Closing date (i.e. February 10, 2011) from 11.00 a.m. to 4.00 p.m.

9.1 Certificate of Incorporation, Memorandum and Articles of Association of Farry Industries Limited.

9.2 Certificates by Mr. Arvind M. Darji (Membership No. 41748) of Arvind Darji Associates, Chartered Accountants having its office situated at 402-A, Chandan Chambers, 4th Floor, 138 Modi Street, Fort, Mumbai – 400 001; that the Acquirers have adequate resources to fulfill the total obligation of the Offer.

9.3 Audited Accounts of M/s. Farry Industries Limited for the financial years ended 31st March 2008, 31st March 2009 and 31st March 2010.

9.4 A published copy of the Public Announcement made on September 22, 2010 & Corrigendum to Public Announcement made on January 10, 2011.

9.5 Copies of Bank Guarantees in favour of the Merchant Banker for Rs. 42.00 Lac (Rupees Forty Two Lacs Only) from Union Bank of India.

9.6 Certificates by Ms. Kanan Mehta (Membership No. 131840) of AMD & Co., Chartered Accountants having their office situated at 402 - A, Chandan Chambers, 138, Modi Street, Fort, Mumbai – 400001 for the Networth Certificate as on July 31, 2010 for Obike Trading Private Limited and Tien Trading Private Limited.

9.7 Share Purchase Agreement (SPA) between the Acquirers and the Sellers.

9.8 A Copy of letter bearing reference number CFD/DCR/TO/SA/OW/29669/10 dated December 13, 2010 received from SEBI in terms of provison to Regulation 18(2) of the Regulations.

9.9 Memorandum of Understanding between the Acquirers and Aryaman Financial Services Limited.

9.10 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.

9.11 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.

9.12 Document evidencing opening of demat escrow account for receiving shares tendered under the offer.

10. DECLARATION

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.

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.

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.

Signed by:

For Obike Trading Private Limited

Bhavna Mehta
Director

For Tien Trading Private Limited

Bhavna Mehta
Director

Date: 11/01/2011
Place: Mumbai

Enclosures:
(1) Form of Acceptance cum Acknowledgement
(2) Form of Withdrawal
(3) Transfer Deed for Shareholders holding Shares in Physical Mode

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

OFFER OPENS ON:	**JANUARY 22, 2011**
OFFER CLOSES ON:	**FEBRUARY 10, 2011**

From: -

Folio No.: Sr. No: No of Shares Held:

Tel No: Fax No: E-Mail:

To,
Sharex Dynamic (I) Pvt. Ltd.,
Unit No.1, Luthara Ind. Premises,
1st Flr, 44-E, M Vasanti Marg,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072.

Sub.: Open Offer for purchase of 6,02,620 Equity Shares of Farry Industries Limited, representing 20% of the Equity Share Capital at a price of Rs. 24.50/- (Rupees Twenty Four & Paise Fifty Only) per Share by Obike Trading Private Limited and Tien Trading Private Limited .

Dear Sir,

I/We refer to the Letter of Offer dated 11/01/2011 for acquiring the Equity Shares held by me/us in FIL.

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

FOR SHARES HELD IN PHYSICAL FORM:

I/We accepts the Offer and encloses the original Share certificate (s) and duly signed transfer deed (s) in respect of my/our Shares as detailed below:

Sr. No.	Certificate No.	Distinctive No(s)		No. of Shares
		From	To	
Total Number of Equity Shares				

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

I/We note and understand that the original Share certificate(s) and valid Share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

I/We note and understand that the Shares would lie in the Escrow Account until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the Equity Shares of FIL, which are being tendered herewith by me/us under the Offer, are free from lien, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Shares so Offered which they may decide to accept in consultation with the Registrar to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity Share certificate(s) in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorize the Acquirers or the Registrar to the Offer to send by Registered Post (under UCP if less than Rs. 1,500/-) the draft / cheque in settlement of the amount to the sole / first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered:

	FULL NAME (S)	SIGNATURE (S)
First / Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

Address of First/Sole Shareholder

____

Place:
Date:

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

Name of the Bank ________________________________ Branch ____________

Account Number ________________________________ Savings/Current/Others

(Please Specify)____________________

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 ☐☐☐☐☐☐☐☐

Business Hours: Monday to Friday: 11.00 a.m. to 4.00 p.m.; Saturday: 11.00 a.m. to 2.00 p.m.

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

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

Acknowledgement Slip

Folio No.: Serial No.

Received from Mr. / Ms. ____________________
Address: ______________________________
____

Number of certificate(s) enclosed _____________

Certificate Number(s) ____________________

Total number of Share(s) enclosed ____________

Note: All future correspondence, if any should be addressed to Registrar to the Offer at the address mentioned behind in this form. The documents referred to above should be sent to any of the collection centers mentioned overleaf.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this Offer any time upto three working days prior to the date of closure of Offer. In case you wish to withdraw your acceptance please use this form.	**OFFER SCHEDULE** **OFFER OPENS ON: JANUARY 22, 2011** **LAST DATE OF WITHDRAWAL: FEBRUARY 07, 2011** **OFFER CLOSES ON: FEBRUARY 10, 2011**

From:

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

To,
Sharex Dynamic (I) Pvt. Ltd.,
Unit No.1, Luthara Ind. Premises,
1st Flr, 44-E, M Vasanti Marg,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072.

Sub.: Open Offer for purchase of 6,02,620 Equity Shares of Farry Industries Limited, representing 20% of the Equity Share Capital at a price of Rs. 24.50/- (Rupees Twenty Four & Paise Fifty Only) per Share by Obike Trading Private Limited and Tien Trading Private Limited .

Dear Sir,

I/We refer to the Letter of Offer dated 11/01/2011 for acquiring the Equity Shares held by me/us in FIL.

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

I/We have read the procedure for withdrawal of Equity Shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions as mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Equity Shares from the Offer and I/We further authorize the Acquirers to return to me/us the tendered equity Share certificate(s)/Share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Equity 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 on or before the last date of withdrawal 07/02/2011.

I/We note that the Acquirers /Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the Equity Shares and also for non-receipt of Equity Shares due to inaccurate/incomplete particulars/instructions.

I/We also note that and understand that the Acquirers will return the original Share certificate(s), Share transfer deeds(s) and or credit back the shares to my/our Beneficiary Account for shares held in dematerialized form, only on completion of verification of the documents.

The particulars of tendered original Share certificate(s) and duly signed transfer deed(s) and the Shares we withdraw are detailed below.

Folio No. :

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

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
		From	To	
	Tendered			
(1)				
(2)				
(3)				
	Withdrawn			
(1)				
(2)				
(3)				
Total Number of Equity Shares				

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(s) will be held in trust for me/us by you and authorize you not to remit the consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirers to reject the Shares so offered which it may decide in consultation with Registrar to the Offer and in terms of the Letter of Offer.

Yours faithfully,

Signed (……………….)

	Full Name (s)	Signature (s)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

Place:
Date:

Note: Incase of joint holdings, all holders must sign. A corporation must affix its common seal.

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

Acknowledgement Slip

Folio No.: Serial No.

Received from Mr. / Ms. ______________________________

Address: ____

____

Form of withdrawal in respect of ______ Number of Shares
Certificates representing _____________ Number of Shares

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer