

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

OPEN OFFER

By

Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, Mrs. Vishakha Chaugule, all being resident of Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058; Tel.:022-2620 4729; Fax:022-2620 4733

and

Mr. Anand Naik

resident of B-002/003, New Gurukrupa HSG Society, Veera Desai Road, Andheri (West), Mumbai- 400 058; Tel No.:022-2620 4729; Fax No.:022-2620 4733

to acquire upto 49,000 equity shares of Rs. 10/- each representing 20% of the voting capital at a price of Rs. 25/- per share ('Offer Price'), of

FRONTIER LEASING & FINANCE LIMITED (FLFL)

Regd. Off.: C/o. Victory Printing Press, Jyoti Studio Compound, K. B. A. Irani Bridge, Mumbai-400 007. Tel: 022-22651944/ 22650256; Fax: 022-22655782.

These shares will be acquired in cash, in accordance with regulation 20 (2)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as 'Regulations') from the existing shareholders of FLFL.

This Offer is being made in compliance with regulation 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.

The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of FLFL to the Acquirers. There are no other statutory approvals required to acquire equity shares that are tendered pursuant to this Offer.

Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to three working days prior to the date of Closure of the Offer i.e. on or before November 30, 2007

If there is any upward revision in the Offer Price/Size at any time up to seven working days prior to the date of Closure of the Offer i.e. November 26, 2007 (Monday) or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.

The Offer is not conditional and not subject to any minimum level of acceptance from Shareholders.

If there is a Competitive Bid:

- The Public Offers under all the subsisting bids shall close on the same date
- As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offers/ Bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

The Public Announcement, Corrigendum to Public Announcement and this Letter of Offer including the Form of Acceptance cum Acknowledgement and Form of Withdrawal would also be available on SEBI's website at www.sebi.gov.in.

MANAGER TO THE OFFER

ASHIKA CAPITAL LIMITED
1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai-400021.
Tel: 022-66111700; Fax:022-66111710
E-Mail: mbd@ashikagroup.com
Contact Person: Mr. Niraj Atul Kothari

**REGISTRAR TO THE OFFER**

ADROIT CORPORATE SERVICES PVT. LTD.
19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (East),
Mumbai-400059. Tel.: 022-28594060/28596060.
Fax:022-28503748; E-mail: adroits@vsnl.net
Contact Person: Ms. Veena Shetty



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

Activities	Original Date & Day	Revised Date & Day
Public Announcement	August 7, 2007 (Tuesday)	August 7, 2007 (Tuesday)
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	August 17, 2007 (Friday)	August 17, 2007 (Friday)
Last Date for a Competitive Bid, if any	August 28, 2007 (Tuesday)	August 28, 2007 (Tuesday)
Corrigendum to Public Announcement	November 6, 2007 (Tuesday)	November 6, 2007 (Tuesday)
Date by which the Letter of Offer to be Despatched to shareholders	September 19, 2007 (Wednesday)	November 12, 2007 (Monday)
Date of Opening of the Offer	September 27, 2007 (Thursday)	November 16, 2007 (Friday)
Last date for revising the Offer Price/ Number of Shares	October 5, 2007 (Friday)	November 26, 2007 (Monday)
Last date for Withdrawal of Acceptance by Shareholders	October 11, 2007 (Thursday)	November 30, 2007 (Friday)
Date of Closing of the Offer	October 16, 2007 (Tuesday)	December 5, 2007 (Wednesday)
Date by which communicating rejection/acceptance and despatch of Cheques/Demand Drafts towards payment of consideration to be completed	October 31, 2007 (Wednesday)	December 20, 2007 (Thursday)

RISK FACTORS:

Relating to the Transaction:

1. The Share Purchase Agreement (Agreement) contains a clause that it is subject to the provisions of the Regulations and in case of non-compliance with any of the provisions of the Regulations, the Agreement(s) for such sale shall not be acted upon by the Sellers or the Acquirers.

Relating to the Offer:

2. The Offer involves an offer to acquire upto 49,000 equity shares of Rs. 10/- each representing 20% of voting capital of FLFL from its shareholders. In case of oversubscription in the Offer, as per the Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
3. The Shares tendered in the Offer in demat form will lie to the credit of a designated escrow account and the shares tendered in physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities. The Acquirers makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

Relating to the Acquirers:

4. The Acquirers makes no assurance with respect to the future financial performance of the Target Company or with respect to their investment/divestment relating to their proposed shareholding in the Target Company.

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

TABLE OF CONTENTS

S. No	Subject	Page No.
1.	Abbreviations / Definitions	3
2.	Disclaimer Clause	4
3.	Details of the Offer	4-6
4.	Background of the Acquirers	6-11
5.	Disclosure in terms of regulation 21(2)	11
6.	Background of the Target Company-FLFL	11-15
7.	Offer Price and Financial Arrangements	15-16
8.	Terms and Conditions of the Offer	16-17
9.	Procedure for Acceptance and Settlement of the Offer	17-20
10.	Documents for Inspection	20-21
11.	Declaration by the Acquirers	21

1. ABBREVIATIONS / DEFINITIONS

Acquirers	Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, Mrs. Vishakha Chaugule and Mr. Anand Naik
BSE	Bombay Stock Exchange Limited, Mumbai
Eligible Persons for the Offer	All owners of shares registered or unregistered of FLFL (who own shares at any time prior to the Closure of the Offer) except Parties to the Agreement(s)
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance	Form of Acceptance cum Acknowledgement
Form of Withdrawal	Form of Withdrawal cum Acknowledgement
LOO or Letter of Offer	Offer Document
Manager to the Offer	Ashika Capital Limited
Negotiated Price	Rs. 25/- per share
Offer	Cash Offer being made by the Acquirers to acquire upto 49,000 equity shares of Rs. 10/- each representing 20% of voting capital of FLFL
Offer Price	Rs. 25/- per share
PA / Public Announcement	Announcement of the Offer made by Acquirers on August 7, 2007 and November 6, 2007
Promoters Sellers	Mr. Balpreet Kaur Chawla, Mr. Jagjit Singh Chawla, Jeet Machine Tools Limited, Subway Finance & Investment Company Limited
FLFL/Target Company	Frontier Leasing & Finance Limited
RBI	Reserve Bank of India
Registrar to the Offer / Registrar	Adroit Corporate Services Private Limited
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof
Specified Date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of FLFL, to whom the Letter of Offer should be sent, i.e. August 17, 2007

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF FRONTIER LEASING & FINANCE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS IS 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 HER RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 20, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) 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 A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- (a) This Offer is being made by Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, Mrs. Vishakha Chaugule and Mr. Anand Naik (hereinafter collectively referred to as 'Acquirers'), pursuant to regulation 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.
- (b) The Acquirers have entered into Share Purchase Agreement (hereinafter referred to as 'SPA' or 'Agreement') on August 2, 2007 with Mr. Balpreet Kaur Chawla-81,200 shares (33.14%), Jeet Machine Tools Limited-34,300 shares (14%), Mr. Jagjit Singh Chawla-22,250 shares (9.08%), and Subway Finance & Investment Company Limited-11,700 shares (4.78%) (Promoter Group of the Target company) [collectively known as 'Sellers'] to acquire in aggregate 1,49,450 fully paid up equity shares of Rs.10/- each, representing 61% of voting capital of Target company, at a price of Rs. 25/- per equity share ('Negotiated Price'), payable in cash. The details of acquisitions by the Acquirers are as follows:

Sr. No	Name of the Acquirers	No. of Equity Shares	% of outstanding Equity Share Capital
i	Mr. Vijay Sawant	1,07,800	44.00
ii	Mrs. Sheela Sawant	7,350	3.00
iii	Mr. Vaibhav Sawant	7,350	3.00
iv	Mrs. Shraddha Sawant	4,900	2.00
v	Mr. Vicky Sawant	7,350	3.00
vi	Mrs. Vishakha Chaugule	7,350	3.00
vii	Mr. Anand Naik	7,350	3.00
	TOTAL	1,49,450	61.00

The details of the Sellers are as under:

S. No.	Name & Address of the Seller (s)	No. of Shares	% of Voting Capital
1.	Balpreet Kaur Chawla B/103, 10 th Floor, Sea Lord Co-op. Housing Society, Cuffe Parade, Mumbai-400 005.	81,200	33.14

2.	Jeet Machine Tools Limited 25, Ambalal Doshi Marg (Hamam Street), Fort, Mumbai-400 023.	34,300	14.00
3.	Jagjit Singh Chawla 72, Miami Apartments, Bhulabhai Desai Road, Mumbai-400 026.	22,250	9.08
4.	Subway Finance & Investments Company Limited 25, Ambalal Doshi Marg (Hamam Street), Fort, Mumbai-400 023.	11,700	4.78
	TOTAL	1,49,450	61.00

- (c) Some of the main features of the Agreement(s) are mentioned below:
- i. The Sellers have agreed to sell to the Acquirers 1,49,450 equity shares aggregating to 61.00% of voting capital of the Company, at a price of Rs. 25/- per share, and the Acquirers has agreed to purchase the said transaction shares.
 - ii. That the shares under Agreement(s) are free from all charges, encumbrances or liens and are not subject to any lock in period.
 - iii. A sum of Rs. 5,00,000/- (Rupees Five Lakhs only) as earnest money in favour of Manager to the Offer simultaneously with the execution of the agreement and the same shall be retained till the completion of Open Offer.
 - iv. A sum of Rs. 37,36,250/- (Rupees Thirty Seven Lakhs Thirty Six Thousand Two Hundred Fifty Only) would be paid to the sellers at the time of completion.
 - v. That the Sellers agree to abide by their obligations as contained in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, as amended from time-to-time.
 - vi. That the Acquirers shall comply with all the requirements of the Regulations. In case of non-compliance of any provisions of the Regulations, the agreement(s) for such sale will not be acted upon by the Sellers or the Acquirers.
- (d) The proposed change in control is consequent to the Agreement(s) whose salient features are described in 3.1 (c) above.
- (e) The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under SEBI Act. No action has been taken by SEBI against the Acquirers, Target Company, and its Promoters/Directors under SEBI Act or under any of the Regulations made under the SEBI Act.
- (f) For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the regulation 2(1)(e) of the Regulations.
- (g) The Acquirers have not entered into any separate non-compete agreement with the Sellers. There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made to the Acquirers as non-compete fee.
- (h) After completion of all formalities relating to the acquisition and after complying with formalities required by the Regulations, the Board of Directors might be reconstituted to include nominee(s) of Acquirers.
- (i) The shares acquired under the offer shall be free from lien, charges and encumbrances of any kind whatsoever.
- (j) The offer is unconditional and not subject to any minimum level of acceptance.
- (k) This is not a competitive bid.

- (l) The Acquirers does not hold any Equity Shares of FLFL as on date of PA. The Acquirers has not acquired either directly or through any other person any Shares of FLFL during 12 months preceding the date of PA and the date of this Letter of Offer.
- (m) Irrespective of the outcome of the Agreement(s), the Acquirers would complete the Offer formalities under the Regulations.

3.2. Details of the Proposed Offer

- (a) The Acquirers made a Public Announcement of the Offer, which was published in all Editions of **The Financial Express** (English), **Jansatta** (Hindi) and **Navshakthi** (Marathi) on August 7, 2007 in compliance with regulation 15 (1) of the Regulations. A Corrigendum to PA was also published in the same Newspapers on November 6, 2007. The Public Announcement as well as Corrigendum to PA is also available on SEBI's website at www.sebi.gov.in.
- (b) The Acquirers proposes to acquire 49,000 equity shares of Rs. 10/- each, from the existing shareholders of FLFL (other than parties to the Agreement), at a price of Rs. 25/- per share ("Offer Price") representing 20% of its voting capital, payable in cash.
- (c) The Offer is not subject to any minimum level of acceptances. The Acquirers will acquire all Equity Shares of FLFL that are tendered in terms of this Offer up to a maximum of 49,000 equity shares.
- (d) The Manager to the Offer i.e. Ashika Capital Limited does not hold any shares in the Target Company as on date. It declares and undertakes that it shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the offer till the expiry of 15 days from the date of closure of Offer.
- (e) The Acquirers has not acquired any shares of FLFL after the date of Public Announcement and up to the date of this Letter of Offer.

3.3. Object of the Offer

- (a) The Offer has been made pursuant to regulations 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.
- (b) The prime object of the Offer is to have substantial acquisition of shares/ voting rights accompanied with the change of control and management of the company.
- (c) The object of acquisition is to expand the business horizon under corporate status for diversifying into different activities subject to approval of the shareholders. The Acquirers reserve the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The acquirers may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.
- (d) The Acquirers does not currently intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertakes not to sell, dispose off or otherwise encumber any substantial assets 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.

4. BACKGROUND OF THE ACQUIRERS

4.1. Information about Acquirers:

- a. **Mr. Vijay Sawant**, son of Shri Krishnaji Sawant, aged about 61 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058 and having office at 21/22, 2nd Floor, Arasa Shopping Centre, S. V. Road, Andheri (W), Mumbai-400 058; Tel No.022-2620 4729. He has completed his Diploma in Electrical Engineering. He started his career in Merchant Navy. Subsequently, he started construction and real estate business in the year 1972. He is also a social and political worker and also an Ex-Member of Legislative Council, State of Maharashtra. Presently, he is Secretary of

Maharashtra Pradesh Congress Committee. He is having around 39 years of experience in the areas of Construction activities. He has promoted entities / ventures which are engaged in the business of Hospitality, Construction, Real Estate, Hospitals etc. None of these entities are interested or acting in concert for this Offer. The details of these entities are given under 4.m. below. His networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 300.00 Crores.

- b. **Mrs. Sheela Sawant**, wife of Shri Vijay Sawant, aged about 60 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058. She has completed her matriculation. She is having around 25 years of experience in the areas of Construction activities. Her networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 100.00 Lakhs.
- c. **Mr. Vaibhav Sawant**, son of Shri Vijay Sawant, aged about 31 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058. He received Diploma in Construction Technology from Board of Technical Examinations, Maharashtra in the year 1998. He is having around 9 years of experience in the construction business. His networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 200.00 Lakhs.
- d. **Mrs. Shraddha Sawant**, wife of Mr. Vaibhav Sawant, aged about 25 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058. She completed her B.E. (Computers) from Swami Ramanand Teerth Marathwada University in the year 2003. She is having around 4 years of experience in the Construction activities. Her networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 10.00 Lakhs.
- e. **Mr. Vicky Sawant**, son of Shri Vijay Sawant, aged about 18 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058. He completed his H.S.C. from Maharashtra State Board in the year 2005. He is a student. His networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No.30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056 ; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 5.00 Lakhs.
- f. **Mrs. Vishaka Chaugule**, daughter of Shri Vijay Sawant, aged about 25 years, is residing at Vijay Niwas, Ceaser Road, Amboli, Andheri (W), Mumbai-400 058. She completed her Bachelor of Commerce from Mumbai University in the year 2003. She is having around 4 years of experience in the areas of Construction activities. Her networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 10.00 Lakhs.
- g. **Mr. Anand Naik**, son of Shri Ramchandra Naik, aged about 45 years, is residing at, B-002/003, New Gurukrupa HSG Society, Veera Desai Road, Andheri (West), Mumbai-400 058. He completed his Bachelor of Arts from Mumbai University in the year 1985. He is having around 20 years of experience in the construction business. His networth as on 31.03.2007, as certified by Shri Jaywant Z. Shah (Membership No. 30242) Proprietor of M/s. Jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mumbai-400 056; Tel No.: +91-9324112182, vide his certificate dated 27.07.2007, is Rs. 50.00 Lakhs.

- h. Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, and Mrs. Vishaka Chaugule belong to one family and Mr. Anand Naik is their business associate.
- i. The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and acting together under an informal understanding.
- j. The Acquirers has promoted entities which are engaged in various businesses as mentioned in 4.m. above. However, none of these entities are participating/interested in this Offer.
- k. The Acquirers are not on the Board of any listed company.
- l. The compliances under Chapter II of SEBI (SAST) Regulations, 1997 is not applicable to the Acquirers since they do not hold any shares of FLFL except those agreed to be acquired in terms of Agreement(s).
- m. The details of the companies promoted by the Acquirers are as under:

Vishakha Leasing & Finance Private Limited, having registered office at 21/22, Arasa Shopping Centre, S.V.Road, Andheri (West), Mumbai-400 058, was incorporated on 24th December 1987 under the Companies Act, 1956 in the State of Maharashtra. The company is engaged in the business of leasing of all kinds of Plant & Machinery, Motor Vehicles etc. The Authorised Share Capital of the company is Rs.80.00 Lakhs divided into 80,000 equity shares of Rs.100/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange.

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

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	67.39	67.39	67.39
Profit & Loss Account (Debit Balance)	(4.18)	(4.12)	(4.07)
Net Worth	63.21	63.27	63.32
Total Income	Nil	Nil	Nil
Profit / (Loss) After Tax (PAT)	(0.06)	(0.06)	(0.14)
Earnings Per Share (EPS) in Rs.	Negative	Negative	Negative
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	93.79	93.88	93.95

Source: Audited financial statements

Paradise Amusements Private Limited, having registered office at 21/22, Arasa Shopping Centre, S.V.Road, Andheri (West), Mumbai-400 058, was incorporated on 23rd August 1988 under the Companies Act, 1956 in the State of Maharashtra. The company is engaged in the business of providing amusements, recreations sports, entertainment, etc. The Authorised Share Capital of the company is Rs.10.00 Lakhs divided into 10,000 equity shares of Rs.100/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange.

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

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	0.32	0.32	0.32
Miscellaneous Expenses	(0.38)	(0.37)	(0.37)
Net Worth	(0.06)	(0.05)	(0.05)
Total Income	Nil	Nil	Nil
Profit After Tax (PAT)	(0.01)	(0.01)	(0.01)
Earnings Per Share (EPS) in Rs.	Negative	Negative	Negative
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	Negative	Negative	Negative

Source: Audited financial statements

Vaishali Hotels Private Limited, having registered office at 21/22, Arasa Shopping Centre, S.V.Road, Andheri (West), Mumbai-400 058, was incorporated on 20th June 1990 under the Companies Act, 1956 in the State of Maharashtra. The company is engaged in the business of hotels, refreshment etc. The Authorised Share Capital of the company is Rs. 80.00 Lakhs divided into 80,000 equity shares of Rs.100/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange.

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

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	77.03	77.03	77.03
Reserves (excluding revaluation reserves)	20.00	20.00	20.00
Profit & Loss Debit Balance	(61.10)	(57.05)	(55.29)
Net Worth	35.93	39.98	41.74
Total Income	2.56	5.62	3.36
Profit After Tax (PAT)	(4.05)	(1.76)	(8.17)
Earnings Per Share (EPS) in Rs.	Negative	Negative	Negative
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	46.65	51.91	54.19

Source: Audited financial statements

Rameshwar Vaibhav Development Private Limited, having registered office at 21/22, Arasa Shopping Centre, S.V.Road, Andheri (West), Mumbai-400 058, was incorporated on 1st October 1987 under the Companies Act, 1956 in the State of Maharashtra. The company is engaged in the business of building and construction activities. The Authorised Share Capital of the company is Rs. 10.00 Lakhs divided into 10000 equity shares of Rs.100/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange.

Brief financials for the last three years are given below:

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	9.45	9.45	9.45
Profit & Loss Debit Balance	(125.08)	(120.33)	(118.07)
Net Worth	(115.63)	(110.88)	(108.62)
Total Income (Cost of Construction)	2.40	3.42	8.44
Profit After Tax (PAT)	(4.74)	(2.26)	(2.78)
Earnings Per Share (EPS) in Rs.	Negative	Negative	Negative
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	Negative	Negative	Negative

Source: Audited financial statements

Royal Taste Farm Products Private Limited, having registered office at 21/22, Arasa Shopping Centre, S.V.Road, Andheri (West), Mumbai-400 058, was originally incorporated in the name & style of 'Annie Farm Products Private Limited' on 21st June, 1988 under the Companies Act, 1956 in the State of Maharashtra. The name of the company was subsequently changed to 'RoyalTaste Farm Products Private Limited' and a fresh Certificate of Incorporation consequent on Change of Name was obtained from Registrar of Companies, Maharashtra on 21.11.2003. The Company is engaged in the business of dairy and food products. The Authorised Share Capital of the company is Rs. 10.00 Lakhs divided into 10,000 equity shares of Rs.100/- each. The Company is not a Sick Industrial Company. The shares of the company are not listed on any stock exchange.

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

Particulars	31.03.2007	31.03.2006	31.03.2005
Equity Share Capital	10.00	10.00	10.00
Subsidy from Development Corporation of Kokan Limited	12.22	12.22	12.22
Profit & Loss Debit balance	(123.99)	(107.55)	(98.83)
Net Worth	(101.77)	(85.33)	(76.61)
Total Income	Nil	Nil	1.34
Profit After Tax (PAT)	(16.43)	(8.72)	(15.63)
Earnings Per Share (EPS) in Rs.	Negative	Negative	Negative
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.100/- each)	Negative	Negative	Negative

Source: Audited financial statements

M/s. Vaibhav Development Corporation, a partnership firm established in the year February 15, 1980. The office of the firm is situated at 21/22, Arasa Shopping Centre, S. V. Road, Andheri (West), Mumbai-400 058. The firm is engaged in the business of construction.

Brief financials for the last three years are given below:

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Partner's Capital (Debit balance)	174.10	155.25	129.91
Cost of Construction Account	2486.15	1352.38	1365.17
Profit on sale of Land	0.49	1.57	0.78
Profit After Tax (PAT)	(3.55)	(1.58)	(1.85)

Source: certified financial statements

M/s. Vaibhav Builders, a Proprietary concern established in the year April 01, 1972 by Mr. Vijay K. Sawant. The office of the firm is situated at 21/22, Arasa Shopping Centre, S. V. Road, Andheri (West), Mumbai-400 058. The concern is engaged in the business of construction.

Brief financials for the last three years are given below:

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Capital Account (Debit Balance)	102.38	77.17	70.44
Cost of Construction Account	144.04	113.21	96.71
Total Income	0.04	--	2.00
Profit After Tax (PAT)	(3.26)	(1.90)	0.48

Source: certified financial statements

M/s. Vibhuti Construction, a Proprietary concern established in the year April 01, 2004 by Mr. Vaibhav V. Sawant. The office of the firm is situated at 21/22, Arasa Shopping Centre, S. V. Road, Andheri (West), Mumbai-400 058. The concern is engaged in the business of construction.

Brief financials for the last three years are given below:

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Capital Account (Debit Balance)	11.18	4.58	4.89
Work-in-Progress	142.10	81.78	64.23
Profit After Tax (PAT)	(6.12)	(1.19)	(4.37)

Source: certified financial statements

M/s. Vishakha Pharma Laboratories, a partnership firm established on October 31, 1994. The office of the firm is situated at 21/22, Arasa Shopping Centre, S. V. Road, Andheri (West), Mumbai-400 058. The firm is engaged in the business of Pharmaceuticals

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

(Amount - Rs. in Lakhs)

Particulars	31.03.2007	31.03.2006	31.03.2005
Partner's Capital (Debit Balance)	26.26	35.58	22.10
Total Income	32.35	88.94	96.05
Profit After Tax (PAT)	3.50	(1.22)	(2.18)

Source: Audited financial statements

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

- a. The object of acquisition is to expand the business horizon under corporate status for diversifying into different activities subject to approval of the shareholders. The Acquirers reserve the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The acquirers may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.
- b. The Acquirers does not currently intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirers undertakes not to sell, dispose off or otherwise encumber any substantial assets 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.

The future plans /strategies of Acquirers with regard to the Target Company are as under:

The Acquirers are mainly having experience in the construction and real estate business. The Acquirers, by virtue of their experience, proposes to expand the scope of operations of the Target Company by foray into real estate development and construction related activities. The Acquirers reserve the right to modify the present business structure of the Target Company in a manner which is in the larger interest of the shareholders and the company. Any change in the structure that may be effected will be in accordance 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.

5. DISCLOSURE IN TERMS OF REGULATION 21(2)

In the event, pursuant to this Offer, 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 SEBI (SAST) Regulations, 1997, 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 exchanges 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.

6. BACKGROUND OF THE TARGET COMPANY- FLFL

6.1. Brief History and Main Areas of Operations:

- a. FLFL was incorporated on 13.06.1984 as a Public Limited Company and received the Certificate of Commencement of Business from Registrar of Companies, Maharashtra on 15.07.1984. The Registered Office of the company is situated at C/o. Victory Printing Press, Jyoti Studio Compound, K. B. A. Irani Bridge, Mumbai-400 007; Tel: 022-22651944/ 22650256; Fax: 022-22655782.
- b. The Authorised Share Capital of the company is Rs. 25.00 Lakhs comprising of 2,50,000 Equity Shares of Rs. 10/- each and the issued & subscribed capital is Rs. 24.50 Lakhs comprising of 2,45,000 fully paid-up equity shares of Rs. 10/- each.
- c. There are no partly paid-up equity shares. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity shares at any later date. There are no shares under lock-in period.

- d. The main Object Clause of FLFL includes interalia to carry on the business of Leasing and Hire Purchase Finance and presently FLFL is not carrying on any business except investment in securities.
- e. FLFL is registered with the Reserve Bank of India as a Non-Deposit Accepting-Non-Banking Financial Company (NBFC) vide the RBI Certificate of registration bearing No 13.00211 dated 3rd March 1998..
- f. The Equity Shares of FLFL are presently listed on BSE.
- g. The company came out with the Public Issue in 1984 to reimburse preliminary and share issue expenses and to obtain working capital for the company.

6.2. Share Capital Structure of FLFL:

Paid-up Equity Shares	No. of Shares/Voting Rights	% Shares/Voting Rights
Fully Paid-up Equity shares	2,45,000/2,45,000	100%/ 100%
Partly Paid-up Equity shares	Nil/Nil	Nil/Nil
Total paid-up Equity shares	2,45,000/2,45,000	100%/ 100%

6.3. Current Capital Structure of the Company:

Date of Allotment	No and % of Shares issued		Cumulative Paid-Up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance
	No.	%				
On Incorporation	70	0.03	700	Cash	Subscribers to Memorandum	Complied
29.09.1984	2,44,930	99.97	24,49,300	Cash	Promoters/Public	Complied
TOTAL	2,45,000	100.00	24,50,000			

- 6.4. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity shares at any later date.
- 6.5. The Target Company has been complying with the applicable clauses of the Listing Agreement entered into with the Stock Exchange and no punitive action was taken against the company by the stock exchange. The target company has paid up to date Listing Fees to the stock exchange and the Company has addressed all investor's complaints as and when received and there is no pending complaint as on date.

6.6. Present Composition of the Board of Directors of FLFL:

As on date of PA [August 7, 2007], the Directors on the Board of FLFL were:

S. No.	Name	Address	Qualification	Experience	Date of Appointment
1.	Mr. Ramnath Chaudhary	18/273, Siddharth Nagar, Goregaon (W), Mumbai-400 062.	B.A, LLB	15 Years in the areas of Legal and Finance activities	26.06.1985
2.	Mr. Vasudev Yadav	Building No.12, Room No.1, Roopa Lane, Chandanwadi, Mumbai-400 002.	Matriculate	25 years in the areas of coordinating and various statutory compliances	19.08.2002
3.	Mr. Kawaljit Singh Chawla	72, Miami Apartments, Bhula Bhai Desai Road, Mumbai-400 026.	Bachelor of Business Administration	15 years in the areas of finance and administration	12.08.2005

None of the above Directors are representing the Acquirers

- 6.7. There has been no merger / de-merger or spin off involving FLFL in the past three years.

6.8. The Target Company has submitted the necessary documents with BSE under SEBI Regularization Scheme, 2002 for the disclosures under regulation 6(2) & 6(4) of the Regulations for the year 1997 and regulation 8(3) of the Regulations for the year 1998 and 2002 vide their letter dated 29.03.2003. Thereafter, the Target Company is regular in compliance with the provisions of SEBI (SAST) Regulations 1997. The Promoters/Sellers have complied with the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997.

6.9. Financial Information:

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

Profit & Loss Statement		(Rs. in Lakhs)		
For the Year/period ended	31.03.2007	31.03.2006	31.03.2005	
Income:				
Total Income	10.53	5.25	3.48	
Total Income	10.53	5.25	3.48	
Total Expenditure	4.21	1.08	1.28	
Profit/(Loss) before Interest, Dep. & Tax	6.32	4.17	2.20	
Depreciation	0.05	0.06	0.09	
Profit/(Loss) before Tax	6.27	4.11	2.11	
Provision for Tax	0.67	0.44	0.46	
Excess/Short Provision				
Provision for Deferred Tax	0.33	(1.07)	(0.04)	
Profit/(Loss) after Tax	5.27	4.74	1.69	

Balance Sheet		(Rs. in Lakhs)		
As at	31.03.2007	31.03.2006	31.03.2005	
Sources of Funds:				
Share Capital	24.50	24.50	24.50	
Reserves & Surplus	35.86	30.59	25.85	
Net worth	60.36	55.09	50.35	
Unsecured Loans	0.03	0.03	0.11	
Total	60.39	55.12	50.46	
Application of Funds:				
Net Fixed Assets	0.21	0.26	0.32	
Investments	0.09	4.97	8.02	
Net Current Assets	59.14	48.60	41.89	
Deferred Tax Assets	0.95	1.29	0.23	
Total	60.39	55.12	50.46	

Other Financial Data				
For year ended	31.03.2007	31.03.2006	31.03.2005	
Dividend (%)	Nil	Nil	Nil	
EPS (Rs.)	2.15	1.93	0.69	
Return on Net worth (%)	8.73	8.60	3.36	
Book Value per share (Rs.)	24.64	22.49	20.55	

Source: Annual Reports

Networth = Equity Share Capital + Reserves and Surplus - Misc. Expenses - Profit & Loss Account (debit balance)

EPS = Profit after Tax / No. of shares outstanding

Return on Net Worth = Profit after Tax / Net Worth

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

Reason for rise/ fall in Total Income / PAT:

There is an increase in revenue in the year 2005-06 and 2006-07 compared to the previous years on account of Profit on sale of Assets and increase in Interest Income. The corresponding increase in the Total Income leads to increase in the Net Profit for the respective years.

6.10. Pre and Post-Offer Shareholding Pattern of FLFL (Based on Voting Capital):

Shareholders' Category	Shareholding & Voting Rights prior to the Agreement(s)/ Acquisition and Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (Assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement	1,49,450	61.00	(1,49,450)	(61.00)	Nil	Nil	Nil	Nil
b) Promoters other than (a) above	32,160	13.13	Nil	Nil	Nil	Nil	*	*
Total (a+b)	1,81,610	74.13	(1,49,450)	(61.00)	Nil	Nil	Nil	Nil
2. Acquirers								
Mr. Vijay Sawant	}	Nil	1,07,800	44.00	}	20.00	}	81.00
Mrs. Sheela Sawant			7,350	3.00				
Mr. Vaibhav Sawant			7,350	3.00				
Mrs. Shraddha Sawant			4,900	2.00				
Mr. Vicky Sawant			7,350	3.00				
Mrs. Vishakha Chaugule			7,350	3.00				
Mr. Anand Naik			7,350	3.00				
Total (a+b)	Nil	Nil	1,49,450	61.00	49,000	20.00	1,98,450	81.00
3. Parties to Agreement other than (1) (a) & (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Public (Other than Promoters, Acquirers)								
a. Fls/MFs/FIIs/Banks, SFIs								
b. Others	63,390	25.87	Nil	Nil	(49,000)	(20.00)	46,550*	19.00*
Total (a+b)	63,390	25.87	Nil	Nil	(49,000)	(20.00)	46,550*	19.00*
GRAND TOTAL (1+2+3+4)	2,45,000	100.00	Nil	Nil	Nil	Nil	2,45,000	100.00

*The holding of erstwhile Promoter Group will be included in the public category after the completion of Offer formalities.

The Promoters at 1 (b) i.e. Promoters other than parties to the Share Purchase Agreement will not participate in the Open Offer.

6.11. There are 126 equity shareholders under Public category as on 30.06.2007.

6.12. The Corporate Governance norms are not applicable to the company since the paid-up capital of the company is below Rs. 3.00 Crores.

6.13. Name and Contact details of the Compliance Officer:

Mr. Kawaljit Singh Chawla

C/o. Victory Printing Press, Jyoti Studio Compound, K. B. A. Irani Bridge, Mumbai-400 007.

Tel: 022-22651944/ 22650256; Fax: 022-22655782.

6.14. The changes in the holdings of the present Promoters Group is as under:

Year	No. of Shares Acquired (% of outstanding voting capital)	No. of Shares Sold (% of outstanding voting capital)	Cumulative No. of Shares (% of outstanding voting capital)	Status of Compliance
Prior to 1997	--	--	1,81,600 (74.12)	-
2002-2003	*12,000 (4.90)	*12,000 (4.90)	*1,81,600 (74.12)	Not Applicable
2006-2007	*800 (0.33)	*800 (0.33)	*1,81,600 (74.12)	Not Applicable
2006-2007	10 (0.01)	--	1,81,610 (74.13)	

*Exempted under regulation 3 (e) of the Regulations, since the acquisition/sale of shares are interse transfer amongst the Promoter Group.

There are no other changes in the Promoters Shareholdings from the year 1997 except the changes disclosed above.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. Justification of Offer Price:

- The shares of FLFL are listed only at Bombay Stock Exchange Limited, Mumbai (BSE) and are not traded on any Stock Exchange(s) under Permitted Category.
- The annualized trading turnover during the preceding 6 calendar months prior to the month in which PA is made i.e. February 2007 to July 2007 (both Inclusive) at the Stock Exchange(s) is as under: -

Name of Stock Exchange	Total No. of Shares traded during 6 calendar months prior to the month in which PA was made.	Total No. of listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	Nil	2,45,000	Nil

(Source: www.bseindia.com)

- Based on the information available, the shares of FLFL are deemed to be infrequently traded in terms of Explanation (i) to regulation 20(5) of the Regulations and hence, the Offer Price has been determined taking into account the following parameters:

a.	Negotiated price under the SPA	Rs. 25/-
b.	Highest price paid by Acquirer(s) for acquisition including by way of allotment in a public or rights Issue, if any, during the twenty six weeks period prior to the date of PA	Not Applicable
c.	Other Parameters	For the year ended 31.03.2007
	Book Value per Share (Rs.)	24.64
	Earning Per Share (annualized) (Rs.)	2.15
	Return on Networth (%)	8.73

- In view of the above, the Offer Price of Rs. 25/- per share under the proposed open offer is justified in terms of regulation 20(5) of the Regulations.
- If the Acquirers acquires shares after the PA and upto seven working days prior to closure of the Offer at a price higher than the Offer Price, the highest price paid for such acquisitions shall be payable for all the acceptances received under this Offer as per the Regulations. Any revision in the Offer Price shall be notified by advertisement in the same newspapers in which the original PA appeared.
- The Acquirers has not entered into any non-compete agreement.

7.2. Financial Arrangements:

1. The total fund requirement for the Offer assuming full acceptance of the Offer would be Rs. 12,25,000/- (Rupees Twelve Lakhs Twenty Five Thousand only) (i.e. 49,000 fully paid up equity shares of Rs. 10/- each at a price of Rs. 25/- per share).
2. In accordance with the provisions of regulation 28 of the Regulations, the Acquirers has created an escrow in the form of cash deposit of Rs. 3,10,000/- (Rupees Three Lakhs and Ten Thousand only) in Account Number 0600350040577 with HDFC Bank Limited, Address: Maneckji Wadia Building, Ground Floor, Nanik Motwane Marg, Fort, Mumbai - 400 023 Tel No.: 022-66573535; Fax: 022-22705520 (Escrow Account). The amount placed in the Escrow Account is more than 25% of the maximum consideration payable under the offer. The Manager to the Offer is authorised to operate and realise the value of the Escrow Account in terms of the Regulations and accordingly HDFC Bank Limited have issued a Letter dated August 04, 2007 in favour of Manager to the Offer confirming the same.
3. The Acquirers has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions are envisaged. Shri Jaywant Z. Shah (Membership No.30242) Proprietor of M/s. jaywant Z. Shah & Co., Chartered Accountants, having office at 12-A, Jitendra Society, 33 Dadabhai Cross Road No. 1, Vile Parle (West), Mimbai-400 056; Tel No.: +91-9324112182, vide certificate dated 27.07.2007 have confirmed that the Acquirers have adequate resources to implement the Offer in full.
4. Based on the above, the Manager to the Offer is satisfied that the Acquirers has the ability to implement the Offer in accordance with the Regulations and firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF THE OFFER

1. This Offer is being made to all the equity shareholders of FLFL (other than parties to the Agreement) whose names appear on the Register of Members of FLFL or on the beneficial record of the respective depositories, at the close of business hours on August 17, 2007 (Friday) ['Specified date'] and to also those persons, who own the equity shares at any time prior to closure of the Offer, but are not registered shareholders.
2. The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum- Acknowledgement ("Form of Acceptance"), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form only) is being mailed to those shareholders of FLFL whose names appear on the Register of Members of FLFL and to the Beneficial Owners of the Equity Shares of FLFL whose names appear as beneficiaries on the record of the respective Depositories, at the close of business hours on August 17, 2007 (Friday) ('Specified Date'). Owners of equity shares at any time prior to the closure of the Offer but not registered as shareholder(s) are also eligible to participate in the Offer. No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will be mailed to the parties to the Agreement.
3. All owners of the shares, Registered or Unregistered (except the parties to the Agreement) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer.
4. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. A copy of the letter of offer (including Form of Acceptance) is expected to be available on SEBI's Website (<http://www.sebi.gov.in>) during the period the offer is open and may also be downloaded from the website for participating in the Offer.
5. Attention of the shareholders is invited to the fact that the Letter of Offer along with the form of Acceptance would also be available on the SEBI web site at www.sebi.gov.in and eligible persons

may download the Form of Acceptance cum Acknowledgement from the website for participating in the offer.

6. As on date, none of the shares of the company are under lock-in.
7. In case the number of shares validly tendered in the Offer by the shareholders of FLFL are more than the shares to be acquired under the Offer (i.e. 49,000 equity shares) then the acquisition of the shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis subject to a minimum of 50 shares or the entire holding if less than 50 shares, in case of physical mode, from each shareholder accepting this Offer, as per the provisions of the Regulations. Incase, the equity shares of FLFL are surrendered in dematerialized mode, minimum marketable lot is one (1) equity share only. The rejected applications/ documents will be sent by Registered Post.
8. The payment of acquisition of shares will be made by the Acquirers in Cash through a crossed Demand Draft/Pay Order to the equity Share holders of FLFL whose equity share certificates and other documents are found in order and accepted, with in 15 Days from the date of Closing of the Offer. The Acquirers undertakes to pay interest pursuant to Regulation 22 (12) to the shareholders for the delay, if any, in payment of consideration.
9. The Acquirers and the Target Company has published a Notice in compliance with the circular issued by the Reserve Bank of India for the proposed change in the management and transfer of control of the Company to the Acquirers after completion of the Open Offer formalities in accordance with the Regulations.
10. The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders, if any.
11. To the best of the knowledge of the Acquirers, no other statutory approvals are required to acquire the shares that are tendered pursuant to the Offer.
12. In case of non-receipt of statutory approvals within time, SEBI has a power to grant extension of time to Acquirers for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirers agreeing to pay interest as directed by SEBI under regulation 22(12) of the Regulations.
13. The form of Acceptance along with Share Certificate (s) and other documents delivered as per the requirements mentioned above, shall become acceptance on your part, but will become a fully valid and binding contract between you and the Acquirers only upon the fulfillment of all the conditions mentioned herein.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

1. Shareholders who hold the shares of FLFL and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and Transfer Deed(s) duly signed, Photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off- Market" mode, duly acknowledged by DP in favour of the special depository account to the Registrars to the Offer, **Adroit Corporate Services Pvt. Ltd.** at their office mentioned below, so as to reach on or before the closure of the Offer, i.e. December 5, 2007 (Wednesday), in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

Name & Address	Contact Person	Mode of Delivery
Adroit Corporate Services Pvt. Ltd. 19, Jeferbhoy Industrial Estate, 1 st Floor, Makwana Road, Marol Naka, Andheri(East), Mumbai-400 059. Tel No.:022-28594060/28596060; Fax No.:022-28503748;	Ms. Veena Shetty	Hand Delivery Registered Post / Speed Post

The documents can be tendered at any of the above centre between Monday to Friday from 10.30 am to 1.00 pm and 2.00 pm to 4.00 pm and on Saturdays from 10.00 am to 2.00 pm. The Registrars to the Offer will be closed on Sundays and other Public Holidays.

The equity shareholders who cannot hand deliver their documents at the address referred to above may send the same by registered post/ speed post, at their own risk, to the Registrar to the Offer at their office at Mumbai, so as to reach on or before the closure of the Offer i.e. December 5, 2007 (Wednesday).

2. Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other relevant documents are complete in all respects; otherwise the same is liable to be rejected. In the case of demated shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demated shares not credited in favour of the special depository account before the closure of the Offer will be rejected.
3. Shareholders who wish to tender their shares under this offer should enclose the following documents duly completed:

a) For Equity Shares held in Physical Form:

Registered Shareholders should enclose:

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

Unregistered Shareholders should enclose:

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

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

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

b) For Equity shares held in Demat form: -

The Registrar to the Offer has opened a Special Depository Account with Stock Holding Corporation of India Limited, (Registered with NSDL), styled "ADROIT ESCROW A/C FRONTIER LEASING & FINANCE LTD OPEN OFFER ", whose details are as under: -

DP Name:	Stock Holding Corporation of India Limited
DP ID Number:	IN 301330
Client ID Number:	20139956
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

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

Beneficial Owners should enclose:

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

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

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

4. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent, failing which, the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
 - i. Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired. In case succession certificate has not been obtained, the legal heir may approach the registrar.
 - ii. Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
 - iii. No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
 - iv. In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).
5. The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above. **They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.**
6. In case of unregistered owners or shareholders who have not received the Letter of Offer, they may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer i.e. December 5, 2007 (Wednesday), or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "off-market" mode or counterfoil of the delivery instruction in the "off-market" mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer i.e. December 5, 2007 (Wednesday). No indemnity is required from the unregistered owners.

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

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

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

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

7. Non resident shareholders should also enclose copy of permission received from RBI for the shares held by them in FLFL and 'no-objection' certificate / tax clearance certificate from the Income Tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.
8. The equity shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of the Closure of the Offer i.e. on or before November 30, 2007 (Friday). The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, so as to reach them on or before November 30, 2007 (Friday). In case of non-receipt of 'Form of Withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the following details:
 - a) **In case of Physical Shares:** Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and
 - b) **In case of Dematerialised Shares:** Name, Address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the Special Depository Account.

Shares [Physical /Dematerialised form] withdrawn by the shareholders would be returned by the Registered post.

The form of Withdrawal can also be downloaded from SEBI's website www.sebi.gov.in or obtained from the Manager/ Registrar to the Offer.

9. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Transfer Deed(s), Shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.
10. Unaccepted Share Certificate(s), transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Manager to the Offer, **Ashika Capital Limited**, 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400021, on any working day between 10.00a.m to 2.00p.m during the period the Offer is open i.e., from November 16, 2007 (Friday) to December 5, 2007 (Wednesday):

- i) Copy of Share Purchase Agreement executed between Acquirers & Sellers dated August 02, 2007, which triggered off the Offer.
- ii) Memorandum & Articles of Association of FLFL along with Certificate of Incorporation.
- iii) Audited results of FLFL for the financial years ended 31.03.2005, 31.03.2006, 31.03.2007.

- iv) Copy of Prospectus dated 24.07.1984 related to the Public Issue of FLFL.
- v) Memorandum & Articles of Association alongwith Certificate of Incorporation and Audited Annual Reports & certified results for the relevant years of the companies promoted by the Acquirers.
- vi) Chartered Accountant's Certificate (s) dated 27.07.2007 certifying the Net worth of the Acquirers.
- vii) Chartered Accountant's Certificate dated 27.07.2007 certifying the adequacy of financial resources with Acquirers to fulfill the Open Offer obligations.
- viii) Letter from HDFC Bank Ltd. dated August 04, 2007 confirming the amount kept in an escrow account and empowering the Manager to the Offer in accordance with the Regulations.
- ix) Copy of confirmation regarding opening of Special Depository Account in the name and Style of "ADROIT ESCROW A/C FRONTIER LEASING & FINANCE LTD OPEN OFFER".
- x) Published copies of the Public Announcement made on August 7, 2007 and Corrigendum to PA made on November 6, 2007.
- xi) Copy of the Letter No. CFD/DCR/HB/TO/107553/07 dated October 31, 2007 from SEBI in terms of Provisions of regulation 18(2).
- xii) Other relevant documents such as:
 - a. Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer dated August 2, 2007.
 - b. Copy of Memorandum of Understanding dated August 3, 2007 between the Acquirers & the Registrar to the Offer.
 - c. Copies of undertakings from Target Company and the Acquirers.

11. DECLARATION BY THE ACQUIRERS

The Acquirers accepts full responsibility for the information contained in PA made in this regard, Letter of Offer and also for ensuring compliance with the Regulations.

The Manager to the Offer hereby states that the persons signing this Letter of Offer are the Acquirers.

Place: Mumbai

Date: November 7, 2007.

Vijay Sawant

Sheela Sawant

Vaibhav Sawant

Shraddha Sawant

Vicky Sawant

Vishakha Chaugule

Anand Naik

Attached: Form of Acceptance cum Acknowledgement and Withdrawal

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Date:

From:

Tel.:

Fax:

E-mail:

To

ADROIT CORPORATE SERVICES PVT. LTD.
(Unit:-Frontier Leasing & Finance Limited-Open Offer)
19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (East),
Mumbai-400 059.

Dear Sir,

Sub: Open Offer to acquire upto 49,000 fully paid-up equity shares of Rs. 10/- each at a price of Rs. 25/- per share, representing 20% of voting capital of FLFL by Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, Mrs. Vishakha Chaugule, and Mr. Anand Naik (collectively referred to as 'Acquirers')

I/We refer to the Letter of Offer dated November 7, 2007 for acquiring the equity shares held by me/us in Frontier Leasing & Finance Limited. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

For Shares held in Physical Form:

I/We hereby irrevocably & unconditionally accept the Offer and enclose the original Share Certificate(s) and duly signed Transfer Deed(s) in respect of my / our shares as detailed below:

Sl. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
Total No. of Shares					

(In case the space provided is inadequate, please attach a separate sheet with the details)

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirers dispatches 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.

For Shares held in Demat Form:

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

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

I/We have executed an off-market transaction for crediting the shares via

- A delivery instruction from my account with NSDL
- An inter-depository delivery instruction from my account with CDSL

to the Special Depository Account named "ADROIT ESCROW A/C FRONTIER LEASING & FINANCE LTD OPEN OFFER" with the following particulars:

DP Name:	Stock Holding Corporation of India Limited
DP ID Number:	IN 301330
Client ID Number:	20139956
ISIN	INE977E01013
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

I/We note and understand that the shares would lie in the special depository account until the time the Acquirers dispatches 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 confirm that the equity shares of, **Frontier Leasing & Finance Limited** which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

Non - resident shareholders should enclose No objection Certificate / Tax Clearance Certificate from the income tax authorities under the Income Tax Act, 1961 indicating the amount of tax to be deducted by the Acquirers before remitting the consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of shareholder on the consideration payable by the Acquirers.

I/We authorize the Acquirers to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

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

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

Yours faithfully,
Signed and delivered:

	FULL NAME (S)	SIGNATURE (S)
First/sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder: _____

Place: _____ Date: _____

Note: In case of joint holding, all must sign. A Company must affix the common seal and furnish its corporate authorizations.

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

Name of the Bank: _____ Branch: _____

Account Number: _____ Savings/Current/Others (please specify) _____

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

S. No.

(Acknowledgement Slip)

ADROIT CORPORATE SERVICES PVT. LTD.

(Unit:-Frontier Leasing & Finance Limited-Open Offer)

19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka Andher (East),
Mumbai-400 059; Tel: 022-28594060; Fax: 022-28503748; E-mail: adroits@vsnl.net

Received from Mr./Ms/Smt.: _____

Address: _____

Folio Number _____ DP ID _____ Client ID _____

Number of Share Certificates Enclosed _____

Certificate Numbers _____

Total Number of Shares Enclosed: _____

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

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

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PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to the Offer any time upto three working days prior to the date of closure of Offer i.e. on or before November 30, 2007 (Friday). In case you wish to withdraw your acceptance please use this form.		OFFER SCHEDULE
	Offer Opens on	:November 16, 2007 (Friday)
	Last Date of Withdrawal	:November 30, 2007 (Friday)
	Offer Closes on	:December 5, 2007 (Wednesday)

Please read the Instructions in Letter of Offer before filling-in this Form of Withdrawal

From:

Tel.:

Fax:

E-mail:

To

ADROIT CORPORATE SERVICES PVT. LTD.

(Unit:-Frontier Leasing & Finance Limited-Open Offer)

19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (East),
Mumbai-400 059.

Dear Sir,

Sub: Open Offer to acquire upto 49,000 fully paid-up equity shares of Rs. 10/- each at a price of Rs. 25/- per share, representing 20% of voting capital of FLFL by Mr. Vijay Sawant, Mrs. Sheela Sawant, Mr. Vaibhav Sawant, Mrs. Shraddha Sawant, Mr. Vicky Sawant, Mrs. Vishakha Chaugule, and Mr. Anand Naik (collectively referred to as 'Acquirers')

I/We refer to the Letter of Offer dated November 7, 2007 for acquiring the equity shares held by me/us in **Frontier Leasing & Finance Limited**. I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

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

I / We hereby consent unconditionally and irrevocably to withdraw my / our shares from the Offer and I / we further authorize the Acquirers to return to me / us, the tendered Share Certificate(s) / Share(s) at my / our sole risk.

I / We note that upon withdrawal of my / our shares from the Offer, no claim or liability shall lie against the Acquirers / Manager to the Offer / Registrar to the Offer.

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. **November 30, 2007 (Friday)**.

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

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

For Shares held in Physical Form:

The particulars of tendered original Share Certificate(s) and duly signed Transfer Deed(s) are detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
Total No. of Shares					

(In case the space provided is inadequate, please attach a separate sheet with the details)

For Shares held in Demat Form:

I / We hold the shares in dematerialized form and had executed an off-market transaction for crediting the shares to the "ADROIT ESCROW A/C FRONTIER LEASING & FINANCE LTD OPEN OFFER" as per the following particulars:

DP Name:	Stock Holding Corporation of India Limited
DP ID Number:	IN 301330
Client ID Number:	20139956
ISIN	INE977E01013
Market	'Off-Market'
Depository:	National Securities Depository Ltd.

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

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

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

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

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

Yours faithfully,
Signed and Delivered:

	Full Name of the Shareholders	Address	Signature
First/sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Address of First/Sole Shareholder: _____

Note: In case of joint holding, all must sign. A Company must affix the common seal and furnish its corporate authorizations.

Place: _____

Date: _____

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before 17.00 hours upto the last date of withdrawal i.e. November 30, 2007 (Friday).
2. Shareholders should enclose the following:-
Registered Shareholders should enclose:
 - Duly signed and completed Form of Withdrawal.
 - Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
 - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
- The withdrawal of Shares will be available only for the Share certificates that have been received by the Registrar to the Offer.
- The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company.
- The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
- In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from FLFL. The facility of partial withdrawal is available only on to the registered shareholders.

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

S. No.

(Acknowledgement Slip)

ADROIT CORPORATE SERVICES PVT. LTD.

(Unit:-Frontier Leasing & Finance Limited-Open Offer)

19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka Andher (East),
Mumbai-400 059; Tel: 022-28594060; Fax: 022-28503748; E-mail: adroits@vsnl.net

Received Form of Withdrawal from Mr. / Ms. / Smt...: _____

Address: _____

Folio Number_____ DP ID _____Client ID_____

Number of Shares tendered _____

Number of Shares withdrawn _____

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

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PRINTED MATTER

BOOK POST

To

If undelivered, please return to:
ADROIT CORPORATE SERVICES PVT. LTD.
(Unit:-Frontier Leasing & Finance Limited-Open Offer)
19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (East), Mumbai-400059.
Tel.: 022-28594060/28596060.
Fax: 022-28503748; E-mail: adroits@vsnl.net