

PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF GAGAN POLYCOT INDIA LIMITED (GPIL)

Regd. Office: 201/202, Gagan Towers, Tilak Road, Malegaon, Nashik - 423 203 Maharashtra.

Tel. No.: 91-2554-222097 Email: gaganpolycot@gmail.com

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement (PA) is being issued by Aryaman Financial Services Ltd., on behalf of Lien Trading Private Limited ("LTPL") (hereinafter referred to as the Acquirer) pursuant to and in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto. No other person/ individual / entity are acting in concert with the Acquirer for the purpose of this Offer. This Offer is pursuant to a substantial acquisition of Equity Shares of and control over the Target Company.

1. THE OFFER

- a. This Offer is in compliance with Regulation 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").
- b. Lien Trading Private Limited, (hereinafter referred to as "the Acquirer") having its Registered office at 29/A, Raj Garden, Mahavir Nagar, Kandivli (West), Mumbai - 400 067; Tel. No.: 91-22-32400390; Fax No.: 91-22-28609040; Email ID: lien trading@gmail.com is making an Open Offer to the Public Shareholders (i.e. shareholders other than the Acquirer & Promoter group shareholders of GPIL ("Sellers") of Gagan Polycot India Ltd., ("GPIL", "the Target Company") to acquire 8,05,660 equity shares of Rs. 9.50/- each, representing 20% of the issued and subscribed capital of GPIL. The Offer is at a price of Rs. 9.50/- (Rupees Nine and Paise Fifty only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter.

- c. The Acquirer has entered into a Share Purchase Agreement ("Agreement"), on September 28, 2010 with Shri Pawan Kumar Bagla (Power of Attorney Holder) and persons acting in concert with him, Viz. Smt. Rachana P. Bagla, Shri Jitendra Prasad J. Bagla, Smt. Ashalata V. Jain, Smt. Durgadevi Kediya, and Smt. Kaushalyadevi J. Bagla, (individually called as "Seller" and collectively called as "Sellers") all belonging to promoters/promoter group shareholders of GPIL to acquire 3,97,800 equity shares, each fully paid up, representing 9.88% of the present issued and paid up capital of the Target Company, at a price of Rs. 5/- (Rupees Five only) per fully paid share for cash consideration. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI ("SAST") Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws, and Regulations in force.

The Agreement provides that

- 1) The Sellers have agreed to sell and the Acquirer has agreed to purchase 3,97,800 equity shares ("Sale Shares").
- 2) The consideration for the sale and purchase of the Sale Shares shall be Rs. 5/- per share aggregating to a sum of Rs 19,89,000/- (Rupees Nineteen Lacs Eighty Nine Thousand Only) ("Consideration") to be paid by the Acquirer arrived on the basis of negotiation after submission of 45 days report by the Manager to the offer i.e. Aryaman Financial Services Limited and which shall be the minimum Offer Price under Regulation 20 of the Takeover Regulations.
- 3) The Sellers shall deliver to the Acquirer
- 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 Acquirer 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.
- 4) 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.
- 5) The Acquirer 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.
- 6) 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 Acquirer.

- d. There are no Persons acting in concert with the Acquirer.
- e. The consideration shall be paid in Cash.
- f. The Offer is not conditional on any minimum level of acceptance.
- g. This is not a competitive bid.
- h. The Acquirer will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement for Purchase of shares and its related conditions. In case of non-compliance with any of the provisions of the Regulations, the Agreement shall not be acted upon by the Sellers or the Acquirer.
- i. Aryaman Financial Services Ltd., Manager to the Offer does not hold any equity shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.
- j. There is no agreement by the Acquirer with any other person in connection with the offer. The entire shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.
- k. The equity shares of the Target Company are listed at Bombay Stock Exchange Ltd, Mumbai (BSE), Delhi Stock Exchange, Delhi (DSE), Ahmedabad Stock Exchange, Ahmedabad (ASE) and Vadodra Stock Exchange, Vadodra (VSE). The shares are currently suspended from trading at all the stock exchanges. The shares are not admitted as a permitted security on any other stock exchange.
- l. The Acquirer currently does not hold any share in GPIL. However, the promoters / directors of the acquirer & their relatives hold 2,76,500 equity shares constituting 6.86% of the issued and paid up capital of GPIL.
- m. This offer is not pursuant to an indirect acquisition of Equity Shares of or control over the Target Company.
- n. The shares to be acquired under this Offer will be acquired free from all liens, charges and encumbrances and together with all rights attached thereto, including rights to all dividends to be declared after all the formalities relating to this Offer are completed.

2. JUSTIFICATION OF OFFER PRICE

- a. The Acquirer has not been allotted any equity shares of GPIL by way of allotment in a Public or Rights issue or Preferential Allotment in the 26 weeks preceding this PA. In the 12 months preceding this PA, i.e. on February 15, 2010 the promoters / directors of the Acquirer & their relatives have acquired 2,76,500 equity shares of GPIL by way of an off market transaction at a price of Rs. 1/- per equity share. The equity shares of GPIL are infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, at BSE during the 6 months preceding the month in which this Public Announcement is made (i.e. during March 2010 to August 2010) as the shares of the Target Company are suspended from trading on the Bombay Stock Exchange Ltd and the other stock exchanges on which the shares of the company are listed. The offer price is more than the price being paid by the Acquirer for the shares under the Share Purchase Agreement being Rs 5/- on September 28, 2010. Further, the Offer price has been determined considering Book Value, EPS, Return on Net worth and other relevant factors relating to the Target Company.

- b. In the opinion of the Acquirer and Manager to the Offer, the Offer price of Rs. 9.50/- per fully paid equity share is justified in view of the following:

a. The Negotiated Price	5.00
b. Highest Price paid by Acquirer for acquisition, if any, including by way of allotment in a Public or Rights issue or Preferential issue during the 26 weeks period prior to the PA	Not Applicable
c. The average of the weekly high and low of the closing prices of the shares of GPIL during the 26 weeks period preceding the date of PA	Not Applicable
d. The average of the daily high and low of the closing prices of the shares of GPIL during the 2 weeks period preceding the date of PA	Not Applicable
e. Other Financial Parameters	31.03.2010(audited)
Return on Net Worth (%)	0.63
Book Value per share (Rs.)	9.37
Earnings per share (Rs.)	0.06
Price Earning multiple (with reference to Offer price of Rs. 9.50/-per share)	-

- c. There is no non-complete agreement for payment with any person.
- d. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.
- e. In the event of any further acquisition of equity shares by the Acquirer upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition.

3. INFORMATION ABOUT THE ACQUIRER

LIEN TRADING PRIVATE LIMITED (LTPL)

- a. Lien Trading Private Limited a limited company, incorporated under the Companies Act, 1956 on April 16, 2009 has its registered office at 29/A, Raj Garden, Mahavir Nagar, Kandivli (W), Mumbai - 400 067; Tel. No.: 91-22-32400390; Fax No.: 91-22-28609040; Email ID: lien trading@gmail.com
- b. The company has been incorporated with the main objects of "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." It is yet to commence commercial operations in these activities.
- c. The company is managed by its Board of Directors viz. Smt. Bhavna R. Mehta and Smt. Disha A. Mehta.
- d. Smt. Bhavna R. Mehta is an undergraduate and has over 9 years of experience in the Aluminium Ingots and Iron and steel industry. She has been associated with the sales and marketing of these products and has also been successful in running a branch and developing an area / territory for these products. She resides at C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivli (West), Mumbai - 400 067.
- Smt. Disha A Mehta is a B.E. in Computers and has been a software analyst. She has over 2 years of experience in the industry of Banking and Finance, having provided data warehouse solutions and has worked on different databases like Oracle 8i / SQL 2000 & 2005 / AS400 Applications. She is the daughter in law of Smt. Bhavna R. Mehta and resides at C-901/904, Panchsheel Heights, Mahavir Nagar, Kandivli (West), Mumbai - 400 067.
- e. The company is closely held and its shares are not listed on any stock exchange.
- f. LTPL has no subsidiary.
- g. LTPL has no overdue liabilities to Banks/FIs/Deposit holders.
- h. There are no pending litigations against LTPL which would affect its ability to consummate the transactions contemplated by the present Offer.
- i. There are no persons on the Board of the Target Company, representing LTPL.
- j. As on the date of the PA, the acquirer company does not hold any share in the Target company, but the promoters/ directors of LTPL & their relatives hold 2,76,500 equity shares constituting 6.86% of the issued and paid up capital of GPIL.
- k. As per the Audited results for the year ended March 31, 2010, the Issued and paid up Equity Capital of the Company is Rs. 1.00 lacs Reserves & Surplus was Rs. 2.45 lacs, Gross Total Income was Rs. 4.66 lacs and PAT was Rs. 2.45 lacs. The Company had an EPS of Rs. 24.50. As per unaudited, but certified results for the period ended August 31, 2010, the Issued and paid-up capital of the company was Rs. 50 lacs, Reserves and Surplus was Rs. 92.32 lacs, Gross Total Income was nil and Loss was Rs. 0.13 lacs.

4. INFORMATION ABOUT THE TARGET COMPANY

- a. GPIL was incorporated on June 10, 1988 as a private limited company in the name and style of Gagan Sales Private Limited in the state of Maharashtra under the Companies Act, 1956. The Company was converted to public limited company on February 01, 1995 under the name and the name of the company was changed to Gagan Polycot India Limited and a fresh certificate of incorporation was obtained on March 01, 1995. GPIL made its initial public offer of equity shares on August 28, 1995 and listed the same on Bombay, Ahmedabad, Vadodra and Delhi Stock Exchanges. These shares have been suspended from trading.
- b. The Registered Office of GPIL is at 201/202, Gagan Towers, Tilak Road, Malegaon, Nashik - 423 203, in the state of Maharashtra; Tel. No.: +91-2554-222097 E-mail ID: gaganpolycot@gmail.com
- c. GPIL has no manufacturing activities and currently trading in textile products and fabrics on a job work basis.
- d. The Authorized Capital of GPIL is Rs. 500 Lacs, divided into 50,00,000 equity shares of Rs 10/- each. The issued and paid up capital of the company as on date is 40,28,300 Equity Shares of Rs. 10/- each aggregating Rs. 402.83 Lacs. All the outstanding equity shares of the company are fully paid up. All the equity shares are listed and admitted for trading. These shares have been suspended from trading.
- e. As on date of this Public Announcement, the promoter group/persons in control and their associates, hold 3,98,900 equity shares, each fully paid up, representing 9.90% of the issued and paid up capital.
- f. GPIL has signed agreements with NSDL & CDSL for offering shares in dematerialized form. The ISIN Number is INE297L01011. Of the total number of shares issued by the company 75,700 shares have been dematerialized.
- g. The Board of Directors of GPIL are Shri Pawan Kumar Bagla, Shri Gagan Bagla, Smt. Rachana Pawankumar Bagla and Shri Jitendra Kumar Bagla.
- h. GPIL has, as its main objects: To process, purchase, store, sell, trade, deal in import and export all kinds of (a) cloths, fabrics, garments, textiles, leather products rexins, (b) jute and jute goods, cotton and cotton yarn, silk, wool and other natural yarns, Synthetic yarn, man-made fibres and fabric and (c) thermoplastic products like ropes, bags, rolls, sheets and pipes.
- i. GPIL has no subsidiaries.
- j. The equity shares of GPIL are listed at Bombay, Ahmedabad, Vadodra and Delhi Stock Exchanges. All the outstanding issued equity shares of GPIL are listed and admitted for trading. The shares are not admitted as a permitted security at any other Stock Exchange. However, the shares have been suspended from trading in all the exchanges. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. There are no shares which are subject to lock in.
- k. GPIL has paid its listing fees to all the Stock Exchanges where its shares are listed upto the year 2010-11. There is no outstanding listing fee to any of the stock exchanges for any of the years. GPIL has however not been complying with the listing requirements of the Stock Exchanges for the past few years, which are being complied now. The shares of the company have been suspended from trading.
- l. The provisions of Clause 49 of the Listing Agreement have been complied with by GPIL till the year 2009. Currently the composition of the Board of Directors is not in compliance with the requirements of Clause 49.
- m. As per the Audited results of GPIL as on 31.03.2010, GPIL had a Sales Income of Rs. 3928.07 lacs and other income of Rs. 4.76 lacs. The total expenditure was Rs 3928.70, and the company made a profit before depreciation of Rs. 4.12 lacs. After providing for depreciation of Rs. 0.61 lacs, the company made a profit before tax of Rs. 3.51 lacs. After providing for taxes, the company made a PAT of Rs. 2.36 lacs.
- n. There are no major audit qualifications.
- o. There has been no scheme of amalgamation, merger, demerger or spinoff involving the company in the past 3 years.
- p. GPIL has no overdue liabilities to Banks/FIs. There are no pending litigations against GPIL.
- q. The Compliance Officer of GPIL is Shri. Pawan Kumar Bagla, residing at Mahavir Smriti Sadan, Near Agrasen Bhawan, Malegaon, Nashik - 423 203. Tel No.: +91-2554-222079, Email ID: gaganpolycot@gmail.co, who, will be available at the registered office address of GPIL and shall attend to all investor grievances.

5. REASONS FOR THE ACQUISITION AND OFFER AND FUTURE PLANS OF THE TARGET COMPANY

- a. The objects of the acquisition are substantial acquisition of Shares of GPIL followed by change in control. The Acquirer proposes to take control of GPIL.
- b. Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. GPIL is presently engaged in the manufacture of yarn and cotton / polyester fabrics. The Acquirer proposes to continue with the existing activities of trading textile fabrics and products.
- c. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or any other Regulation(s), the Acquirer intend to make changes in the management of GPIL. It is proposed to induct new Directors on the Board of GPIL by the Acquirer. The likely changes in the management /taking control by the Acquirer will be in compliance of Clause 49 of the Listing Agreement and shall be subject to successful completion of the Open Offer formalities, including of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.
- d. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of GPIL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the target company except with the prior approval of the shareholders.
6. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER
- a. As on the date of this Public Announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.
- b. Barring unforeseen circumstances, the Acquirer would endeavour to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirer fails to obtain requisite statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.
- c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

7. OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(2)

The acquisition of 20% of the issued and subscribed capital of GPIL under this offer together with the Shares being acquired through the Share Purchase Agreement will not result in public shareholding falling below the level required for continued listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 63.24% of the subscribed and listed Capital.

8. FINANCIAL ARRANGEMENTS

- a. The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged.
- b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 76.53,770 only (Rupees Seventy Six Lacs Fifty Three Thousand Seven Hundred and Seventy Only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer have created an Escrow Account for 21,00,000/- (Rupees Twenty One Lacs only) comprising 27.43 % of the consideration payable to public shareholders by the following:
- 1) Bank Guarantee for Rs. 20,00,000 (Rupees Twenty Lacs Only), issued by Union Bank Of India, Sant Tukaram Road, Apperaj Surrendra Building, Baroda Street, S T Road, Mumbai 400 009, valid till March 19, 2011; and
- 2) Cash Deposit of Rs. 1,00,000/- (Rupees One Lac only), being in excess of 1% of the offer size, with State Bank of India, Branch: Nariman Point, Mumbai – 400 021.
- c. The Acquirer has authorized Aryaman Financial Services Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.
- d. As per Certificate dated September 10, 2010 from Shri Kanan S Mehta, (Membership No: 131840) AMD & Co., Chartered Accountants, 402-A, Chandon Chambers, 138, Modi Street, Fort, Mumbai – 400 001 the statutory Auditors of LTPL, the Net worth of LTPL as on 31.08.2010 is Rs. 139.58 Lacs.
- e. Shri Kanan S Mehta, (Membership No: 131840) AMD & Co, Chartered Accountants, 402-A, Chandon Chambers, 138, Modi Street, Fort, Mumbai - 400 001 the statutory Auditors of LTPL, has, vide certificate dated September 23, 2010 certified that the Acquirer have adequate liquid resources to meet the funds requirements of the Offer.
- f. Aryaman Financial Services Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

9. OTHER TERMS OF THE OFFER

- a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.
- b. The Letter of Offer shall be mailed to all shareholders / beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of GPIL, parties to the Agreement & the Acquirer) whose names appear in the register of Target Company as on Friday, October 15, 2010 the Specified Date.
- c. All shareholders' beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of GPIL, parties to the Agreement & the Acquirer) who own Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.
- d. Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Adroit Corporate Services Private Limited, 19, Jafferbhai Industrial Estate, 1st floor, Makwana Road, Marol Naka, Mumbai – 400 059; Telephone No. +91 22 2859 4060; Fax: +91 22 2850 3748 Email ID: veenashetty@adroitcorporate.com (Contact Person: Smt Veena Shetty.) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Wednesday, December 08, 2010 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with GPIL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgement with, or receipt issued by GPIL /its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.
- e. 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 fully 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 "Adroit Escrow A/c – GPIL – Open Offer", filled in as per instructions given below:
- | | |
|-----------------|--|
| Depository Name | NSDL |
| DP Name | Stock Holding Corporation of India Limited |
| DP ID Number | IN301330 |
| Client ID | 20927502 |
- 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 Central Depository Services India Limited ("CDSL") 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 National Securities Depository Limited ("NSDL").
- f. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of GPIL in physical form, may send his/her consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

- g. In case of non receipt of the Letter of Offer, owners holding Equity Shares, may send their applications in writing to The Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, photocopy of the delivery instruction in "Off-market", so as to reach the Registrar to the Offer on or before the closure of the Offer.
- h. Persons who hold Equity Shares of GPIL on the Specified Date but who are not registered as Shareholders/ beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (f) or (g) above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above.
- i. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Adroit Corporate Services (India) Private Limited, 19, Jafferbhai Industrial Estate, 1st floor, Makwana Road, Marol Naka, Mumbai – 400 059 Telephone No. +91 22 2859 4060; Fax: +91 22 2850 3748 email: veenashetty@adroitcorporate.com (Contact Person: Smt Veena Shetty) between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.
- j. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.
- k. Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.
- l. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.
- m. The acceptance of this Offer by the Shareholders of GPIL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- n. The Acquirer shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.
- o. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's/unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement.
- p. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Friday, December 03, 2010.
- q. The Withdrawal option can be exercised by making an application on plain paper along with the following details:
- 1) Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn.
- 2) Name, Address, DP Name, DP ID, Client ID No. of the Account from where Shares were tendered and number of Shares tendered/withdrawn, if held in electronic form (dematerialized form)
- r. The Shares withdrawn by Shareholders will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.
- s. Shareholders, while tendering their equity shares in the Offer may indicate an option to receive the payment of Offer consideration through electronic form by indicating in the space provided in the Form of Acceptance cum Acknowledgement. The payment consideration for Shares accepted under the Offer, in such cases, may be made through National Electronic Clearing Services (NECS), Direct Credit, Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), as applicable, at specified centers where clearing houses are managed by the Reserve Bank of India, wherever possible. In other cases, payment of consideration would be made through cheque / demand draft / pay order sent by Registered post / speed post. Shareholders who opt for receiving consideration through electronic form are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance cum Acknowledgement, provide the Magnetic Ink Character Recognition / Indian Financial System Code of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance cum Acknowledgement. In case of joint holders/unregistered owners, payments will be made in the name of the first holder/ unregistered owner.
- t. For the purposes of electronic transfer, in case of shareholders opting for electronic payment of consideration and for purposes printing on the cheque / demand draft / pay-order for the other cases, the bank account details will be directly taken from the depositories' database, wherever possible. A shareholder tendering equity shares in the Offer, is deemed to have given consent to obtain the bank account details from the Depositories, for this purpose. Only if the required details cannot be obtained from the depositories' database then the particulars provided by the shareholders would be used.
- u. For shareholders, who do not opt for electronic mode of transfer and for those shareholders, whose payment consideration is rejected / not credited through ECS / Direct Credit / RTGS / NEFT, due to any technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post / Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that the same can be incorporated in the cheque/ demand draft/pay order. It will be the responsibility of the tendering shareholders to ensure that correct bank account details are mentioned with the Depositories and in the Form of Acceptance cum Acknowledgment.
- v. The schedule of the activities pertaining to the Offer are given below: -

Activity	Day & Date
Public Announcement (PA)	Thursday – September 30, 2010
Specified date	Friday – October 15, 2010
Last date for a competitive bid	Thursday – October 21, 2010
Letter of Offer to be posted to shareholders	Friday – November 12, 2010
Date of opening of the Offer	Friday – November 19, 2010
Last date for withdrawing acceptance from the Offer	Friday – December 03, 2010
Date of closing of the Offer	Wednesday – December 08, 2010
Last date for revising the Offer price/number of shares.	Monday – November 29, 2010
Last date of communicating rejection/acceptance and payment of consideration for applications accepted	Thursday – December 23, 2010

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 and all owners (registered or unregistered) of Shares of Gagan Polycot India Limited anytime before the closure of the Offer, are eligible to participate in the Offer

10. GENERAL

- a. 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 3 working days prior to the date of closure of the Offer i.e. on or before Friday, December 03, 2010.
- b. The Acquirer can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. The last date for such revision is Monday November 29, 2010.
- c. If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.
- d. 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 shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.
- e. Applications in respect of Equity Shares that are the subject matter of litigation wherein the shareholders of the Target may be prohibited from transferring the shares during the pendency of the said litigation are liable to be rejected if the directions/ orders regarding these shares are not received together with the shares tendered with the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- f. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder.
- g. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirer have appointed Aryaman Financial Services Limited 60, Khatau Building, Ground Floor, Aklesh Dinesh Modi Marg Opp P J Tower, Fort, Mumbai – 400 001 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Shri Deepak Biyani/ Shri Ankit Doshi. (Telephone Nos. +91-22-22618264/8635 Fax No. +91-22-22630434 Email ID: info@afsl.co.in / aryaman_limited@rediffmail.com)
- h. The Acquirer has appointed M/s. Adroit Corporate Services (India) Private Limited, 19, Jafferbhai Industrial Estate, 1st floor, Makwana Road, Marol Naka, Mumbai – 400 059 Telephone No. +91 22 28594060; Fax: +91 22 28503748 email: veenashetty@adroitcorporate.com (Contact Person: Smt Veena Shetty.) as Registrar to the Offer.
- i. The Acquirer, its promoters/Directors, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.
- j. Lien Trading Private Limited, the Acquirer, and each of its Directors , jointly and severally accepts full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirer, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

This Public Announcement along with Letter of Offer will also be available on SEBI's website (www.sebi.gov.in). Eligible shareholders to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at (www.sebi.gov.in) from the Offer opening date of the Offer, i.e., Friday, November 19, 2010.

ISSUED BY THE MANAGER TO THE OFFER

ARYAMAN FINANCIAL SERVICES LIMITED

SEBI Regn. No. MB/IN/M000011344

60, Khatau Building, Ground Floor, Aklesh Dinesh Modi Marg, Opp. P J Tower, Fort, Mumbai - 400 001.
Tel. Nos.: +91-22-22618264/8635; Fax No.: +91-22-22630434
Email ID: info@afsl.co.in / aryaman_limited@rediffmail.com)
Contact Person : Deepak Biyani / Ankit Doshi

On behalf of the Acquirer Lien Trading Private Limited

29/A, Raj Garden, Mahavir Nagar, Kandivli (West), Mumbai - 400 067.
Tel. No. +91-22-32400390; Fax: +91-28609040, E Mail ID: lien trading@gmail.com

Place : Mumbai
Date : September 29, 2010