

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as Shareholder(s) of **Golechha Global Finance Limited (GFL)**. If you require any clarification about the action to be taken, you may consult your Stock Broker or Investment consultant or Manager to the Offer/Registrar to the Offer. In case you have sold your Equity 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.

ADVANI PRIVATE LIMITED

Registered Office :3A, Garstin Place, 3rd Floor, Kolkata 700 001
Tel No. (033)22483331/22307018, Fax No. (033)2248 7502, Email id : advanipltd@yahoo.com
(hereinafter referred to as “the Acquirer”)

MAKES A CASH OFFER AT RS.12/18 (RUPEES TWELVE PAISE EIGHTEEN ONLY) PER FULLY PAID EQUITY SHARE to acquire

8,40,860 Equity Shares of Rs. 10/- each, representing 20 % of the
Paid up and Voting Equity Share Capital of


the Target Company **GOLECHHA GLOBAL FINANCE LIMITED**

Regd. Office: 72, Santhome High Road, Mylapore, Chennai 600 004
Tel: (044) 24641782, 24951086, Fax: (044) 24934590, E Mail ID: golechha3@gmail.com


Notes:

- This Offer is made pursuant to and in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof.
- This Offer is not conditional on any minimum level of acceptance.
- This is not a competitive bid.
- The Offer Price as per Original PA was Rs. 11/25. The Offer price has been revised to Rs.12/18 being the price at which an offer should have been made by the present promoters for acquisition of Shares in excess of the limit under Reg. 11(1) in February-March 1997 with interest thereof @ 10% p.a. for the delayed period in payment of consideration.
- As on the date of this Letter of Offer, no Statutory approvals are required to acquire the Equity Shares that are tendered pursuant to this Offer. However, the Offer would be subject to all Statutory approvals that may become applicable at a later date.
- **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. The Last date for such withdrawal is Thursday, March 18, 2010.**
- The Acquirer can revise the Offer Price upto 7 working days prior to the date of closure of the Offer. The last date for such revision is Thursday, March 11, 2010. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same Newspapers where the original Public Announcement had appeared.
- **Consideration at the same rate will be paid for all Equity Shares tendered anytime during the Offer period.**
- Details of Competitive bids , if any : **There is no competitive bid**
- **If there is a competitive bid; the public offers under all the subsisting bids will 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 Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly**
- The Registration of all the Intermediaries associated with the Offer, viz. Fedex Securities Ltd, Manager to the Offer and Sharex Dynamic (India) Pvt. Ltd , Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.
- A copy of this Letter of Offer (including the Form of Acceptance and Acknowledgement, Form of Withdrawal), the Public Announcement and Corrigendum to PA are available on SEBI's website: www.sebi.gov.in

MERCHANT BANKER TO THE OFFER

 **FEDEX SECURITIES LIMITED**
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers
Service Road, Adj. Western Express Highway
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460/61
Fax No. (022) 2618 6966
E Mail: fedex@vsnl.com
Contact Person: Mr. R. Ramakrishnan

REGISTRARS TO THE OFFER

 **SHAREX DYNAMIC (INDIA) PVT.LTD.**
SEBI Regn. No. INR000002102
17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle
Fort, Mumbai-400001
Tel. Nos. (022) 22702485 / 22641376
Fax. No. (022) 22641349
Email : sharexindia@vsnl.com
Contact Person: Shri. B S Baliga

The Schedule of activities is as follows:

Activity	As per original PA	Revised
Public Announcement (PA)	Saturday, December 12, 2009	Saturday, December 12, 2009
Corrigendum to PA		Thursday, February 25, 2010
Specified date	Friday, January 08, 2010	Friday, January 08, 2010
Last date for a competitive bid	Saturday, January 02, 2010	Saturday, January 02, 2010
Date by which Letter of Offer will be dispatched to Shareholders	Monday, January 25, 2010	Saturday, February 27, 2010
Offer opening date	Wednesday, February 03, 2010	Thursday, March 04, 2010
Last date for revision of Offer price/number of shares.	Wednesday, February 10, 2010	Thursday, March 11, 2010
Last date for withdrawal by Shareholders	Wednesday, February 17, 2010	Thursday, March 18, 2010
Offer closing date	Monday, February 22, 2010	Tuesday, March 23, 2010
Date by which acceptance /rejection would be intimated and the corresponding payment for the acquired Shares and/or the Share Certificate for the rejected Shares will be despatched	Tuesday, March 09, 2010	Wednesday, April 07, 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 Golechha Global Finance Limited anytime before the closure of the Offer, are eligible to participate in the Offer.

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

A. Relating to the transaction

1. The Acquirer proposes to take control of the Target Company. The likely changes in control of the Target Company in favour of the Acquirer shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted. The same will also be subject to compliance with Regulation 23(6) of the Regulations.

B. Relating to the proposed Offer

1. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration as the Acquirer have 15 days time from date of closure of offer to make payment of consideration. Further, they will not be able to take advantage of any favorable price movements in the market.
2. As on date of this Letter of Offer no Statutory 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. The despatch of consideration can be delayed beyond 15 days from date of closure of Offer, in case any statutory approval which becomes so applicable on a later date is not received. 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 date of closure of Offer.
3. The Target Company is registered with Reserve Bank of India as a Non Banking Finance Company. The acquisition of Shares and taking control by the Acquirer is subject to regulations by Reserve Bank of India governing Non Banking Finance Companies (NBFCs). Reserve Bank of India, vide circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999, paragraph A (5) (iii) Of Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and paragraph 2(ii) of Circular DNBS (PD) CC No. 63/02.02/2005-06 and circular DNBS (PD) CC No. 81/03.02.02/2006-07, stipulates that change in management of NBFCs and transfer of Shares to a new promoter shall be subject to the Acquirer and the Target Company making a public announcement about the change and that the transfer of Shares and change in management shall not be effected earlier than 30 days from the date of such Public announcement.

C. Probable Risks in associating with the Acquirer

1. Association of the Acquirer with GFL/taking control of GFL by the Acquirer does not warrant any assurance with respect to the future financial performance of GFL.
2. The Acquirer does not have any experience in the activities carried out by the Target Company. Neither the promoters nor the Directors of the Acquirer Company have any experience in the activities carried out by the Target Company/its Main Objects.
3. Among the Companies/ventures promoted by the promoters of the Acquirer, (a) KSP Marketing Pvt. Ltd, incurred Net losses during the 6 months period ended 30-09-2009, (b) Shanti Agencies Pvt. Ltd incurred Net Losses in the year 2006-07& (3) Eriabarie Properties Pvt. Ltd has no activity at present .

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DEFINITIONS/ABBREVIATIONS

1	GFL/Target Company	Company whose Equity Shares are proposed to be acquired viz. Golechha Global Finance Ltd
2	Acquirer	Advani Private Limited, which is offering to acquire Shares through this Offer
3	PAC/Person acting in Concert	Person who is acting in concert with the Acquirer in connection with the open Offer, in this case none.
4	RBI	Reserve Bank of India
5	SEBI/Board	Securities and Exchange Board of India
6	Merchant Banker/ Manager to the Offer	Fedex Securities Limited
7	Registrar to the Offer	Sharex Dynamic (India) Pvt. Ltd
8	PA/ Public Announcement	Announcement of the Offer made on behalf of the Acquirer, published in the dailies on Saturday, December 12, 2009.
9	Corrigendum/Corrigendum to PA	Corrigendum to the Public Announcement made on Thursday, February 25, 2010
10	Offer	Cash offer being made by the Acquirer to the Shareholders of the Target Company, to acquire upto 8,40,860 Equity Shares at a price of Rs.12/18 per Equity Share.
11	Shares	Equity Shares
12	EPS	Earnings Per Equity Share, for the period under reference and annualized
13	Book Value	Book Value of each Equity Share as on the date referred to
14	Regulations/Takeover Regulations/ SEBI(SAST) Regulations	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date
15	NAV	Net Asset Value per Equity Share
16	Persons not eligible to participate in the Offer	Parties to the Agreement, promoter group Shareholders of the Target Company & the Acquirer
17	Persons eligible to participate in the Offer	All Equity Shareholders of the Target Company, other than the Acquirer, parties to the Agreement and promoter group Shareholders of the Target Company. Both registered and unregistered Shareholders can participate in the Offer
18	BSE	Bombay Stock Exchange Ltd
19	ASE	The Ahmedabad Stock Exchange Association Ltd
20	JSE	Jaipur Stock Exchange Ltd
21	MSE	Madras Stock Exchange Ltd
22	RNW	Return on Net Worth
23	FIIIs	Foreign Institutional Investors
24	NRIs	Non Resident Indians and persons of Indian origin residing abroad
25	FIs	Financial Institutions
26	PAT	Profit After Tax
27	Share Purchase Agreement/ Agreement/SPA	Share Purchase Agreement entered into between the Acquirer and present promoters of the Target Company
28	PE Ratio	Price Earnings Ratio
29	CDSL	Central Depository Services (India) Ltd
30	NSDL	National Securities Depository Limited
31	NBFC	Non Banking Finance Company
32	NPA	Non Performing Asset

1. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF GOLECHHA GLOBAL FINANCE LIMITED (GFL), THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER 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 ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. FEDEX SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 24, 2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

2. DETAILS OF THE OFFER

2.1 Background of the Offer

- 2.1.1. This Offer is in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the “Regulations”).
- 2.1.2. Advani Private Limited (APL), a Company incorporated under the Companies Act, 1956 and having its registered office at 3A, Garstin Place, 3rd Floor, Kolkata 700 001(Tel No. (033) 22483331/22307018, Fax No. (033)2248 7502, Email id : advanipltd@yahoo.com) (hereinafter referred to as “the Acquirer”) is making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirer, parties to the Agreement and promoter group Shareholders of GFL) of Golechha Global Finance Limited (“GFL”, “the Target Company”) to acquire 8,40,860 Equity Shares of Rs. 10/- each representing 20.00% of paid up & voting Capital of GFL (“the Offer”), at a price of Rs. 12/18 (Rupees Twelve Paise Eighteen only) (“the Offer Price”), payable in cash, subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.
- 2.1.3. The Offer price as per Original PA was Rs.11/25 per Equity Share, fully paid up. The present promoters had, between February 21, 1997 and March 31, 1997 acquired Equity Shares in excess of the then existing limit under Reg. 11(1), thereby triggering an Open Offer. No open offer was made. The Offer price under this Offer has been revised to Rs. 12/18 being the consideration payable had an open offer was made at that time + interest for the delay in payment of consideration, calculated @ 10% p.a. The Equity Shares of the Target Company were infrequently traded during the 6 months proceeding the months of February 1997 and March 1997. The total consideration and interest has been worked out considering the following (a) The actual price at which the Shares were acquired is Rs. 1/- per Share. (b) Price of Rs. 3/60 being the price arrived at based on the parameters set out under Reg. 20(5)© including the Fair Value as per the formula in Supreme Court judgment in HLL vs. Employees case.(d) Interest of Rs. 8/58 calculated @ 10% p.a. on Rs. 3/60 for the delayed period (e) The delayed period is from February 27, 1997 the date on which consideration would have been paid had offer been made at that time till April 07, 2010 the scheduled date of payment of consideration under the present Offer.
- 2.1.4. There are no Persons acting in Concert (PAC) with the Acquirer.
- 2.1.5. The Acquirer/its promoters/group or associated concerns presently do not hold any Equity Shares of GFL.
- 2.1.6. The Acquirer has, on December 10, 2009, entered into a Share Purchase Agreement (SPA) with Shri. Umedchand Golechha S/o. Mr. Labhchand Golechha residing at 72, Santhome High Road, Mylapore, Chennai-600004 (Tel. No. (044) 24641782, Fax No. (044) 24934590, Email ID: golechha3@gmail.com) promoter of GFL, the Target Company, to acquire 24,18,000 Equity Shares of GFL, constituting 57.51% of the total paid up and voting Capital of the Target Company at a price of Rs.6/- (Rupees Six only) per Equity Share for cash consideration(the Negotiated Price). Apart from the consideration @ Rs. 6/- per Equity Shares, no other compensation, directly or indirectly is given to the sellers under the Share Purchase Agreement. The Agreement also provides that the Acquirer will also be given control of GFL. 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.
- 2.1.7. **The major terms and conditions of the Agreement is as follows:**
 - (i) With in seven working days after issuance of a certificate by the Merchant Banker as set out under Regulation 23(6) of SEBI Regulations, certifying the fulfillment of all obligations by the Acquirer of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 as amended till date, the entire Shares held by the seller along with the duly filled in Delivery instructions to the Depository Participant with whom the seller is holding the shares in demat account, shall be sent for transfer of the shares in favour of the Acquirer.

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- (ii) Within seven working days of the issuance of Certificate of completion of formalities of SEBI Regulations by the Merchant Banker under Regulation 23(6) of Takeover Regulations, the Promoters of the Target Company shall extend all co operation/facilitate appointment of nominees of the Acquirers in the Board of Directors of the Target Company.
- (iii) The Change in Board in favor of Acquirer/ Transfer of control in favor of Acquirer shall be subject to compliance with Regulation 22(7) of SEBI Regulations.
- (iv) The sale and purchase of the Target Shares i.e. the Shares covered under the SPA shall be subject to compliance with the provisions of the Takeover Regulations.
- (v) The Seller shall cause the Company to comply with the provisions of the Takeover Regulations.
- (vi) In case of non-compliance with any of the provisions of the Takeover Regulations, the agreement for acquisition of Shares and change in control shall not be acted upon by either Seller or the Acquirer.
- (vii) The entire consideration is being paid upon signing of the Agreement.
- 2.1.8. Apart from the consideration @ Rs. 6/- per Equity Shares as stated in Clause 2.1.6 above, no other compensation, directly or indirectly is given to the sellers under the Share Purchase Agreement.
- 2.1.9. The Acquirer/its promoters/Directors, the Target Company, its promoters/Directors and the sellers under the Share Purchase Agreement have not been prohibited by SEBI from dealing in securities, in terms of directions issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act. No other action has been taken against them by SEBI.
- 2.1.10. There is no person on the Board of Director of the Target Company representing or having interest in the Acquirer.
- 2.1.11. Subject to satisfaction of the provisions under the Companies Act, 1956 and /or any other Law or Regulation(s), the Acquirer intends to make changes in the management of GFL. It is proposed to induct new Directors on the Board of GFL, in place of the Directors representing the present promoters. The names of such persons who will be so inducted have not been decided yet. The change in Board in favor of the Acquirer shall be subject to compliance with Regulation 22(7) of SEBI Regulations. The Transfer of Shares under the Agreement and change in control in favor of Acquirer shall be subject to Reg. 23(6) of the Regulations.
- 2.1.12. 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.

2.2 Details of the proposed Offer

- 2.2.1. A Public Announcement, as per Regulation 15 (1) of the Regulations, was made in all editions of one English national daily with wide circulation, all editions of one Hindi national daily with wide circulation, one Marati daily published at Mumbai, the place where the Equity Shares of the Target Company are most actively traded and one Tamil daily published at Chennai, the place where Registered Office of the Target Company is situated. A Corrigendum to the Public Announcement was also made. The details of Public Announcement and Corrigendum to PA are given below:

Newspaper	Language	Editions	Date of PA	Date of Corrigendum
Business Standard (covers all editions)	English	Mumbai, Delhi, Kolkata, Bangalore, Chennai, Hyderabad, Lucknow, Bhubaneshwar, Chandigarh, Kochi, Pune & Ahmedabad editions	Saturday, December 12 , 2009	Thursday, February 25, 2010
Business Standard - Hindi (covers all editions)	Hindi	Mumbai, Delhi, Kolkata, Patna, Lucknow, Bhopal & Chandigarh editions	Saturday, December 12 , 2009	Thursday, February 25, 2010
Apla Mahanagar	Marati	Mumbai	Saturday, December 12 , 2009	Thursday, February 25, 2010
Tamil Sudar	Tamil	Chennai	Saturday, December 12 , 2009	Thursday, February 25, 2010

The Public Announcement and Corrigendum to PA are also available at SEBI's Website: www.sebi.gov.in

- 2.2.2 The Offer is to acquire 8,40,860 Equity Shares of Rs. 10/- each, representing 20% of the paid up and voting Equity Capital of GFL.
- 2.2.3 The consideration will be paid in Cash. There is no differential price since entire consideration is payable in cash.
- 2.2.4 The Offer price is Rs. 12/18 (Rupees Twelve Paise Eighteen only) per each fully paid up Equity Share. There are no partly paid Equity Shares.
- 2.2.5 This is not a competitive bid.
- 2.2.6 This Offer is not conditional on any minimum level of acceptance.
- 2.2.7 The Acquirer/its promoters/group or associate ventures do not hold any Equity Shares in GFL.
- 2.2.8 Details of competitive bids, if any : **There is no competitive bid**
- 2.2.9 Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. In compliance with Reg. 24(5A), 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.
- 2.2.10 The Acquirer has not acquired any Equity Share of GFL after the date of PA till the date of this Letter of Offer. In the event of any further acquisition of Equity Shares from the date of P.A. till 7 days prior to date of closure of the Offer by the Acquirer 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. However, the Acquirer will not acquire any Equity Shares of GFL during the period of 7 working days prior to the date of closure of the Offer.

3. OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO GFL

- 3.1 The objects of the acquisition are substantial acquisition of Shares of GFL followed by change in control. The Acquirer is proposing to acquire control from the present promoters.
- 3.2 Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. GFL is a Non Banking Finance Company registered with RBI and the level of activity is very low. The promoter of the Acquirer, Shri. Gyan Swaroop Garg is a Chartered Accountant and is well versed with financial and investment activities. Acquirer is proposing to continue with the present activities. The promoters/Directors of the Acquirer are proposing to induct experienced hands in finance and investments and are confident of utilizing their experience and contacts to ensure sustained growth.
- 3.3 The Offer will result in change in control of GFL. 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 GFL. It is proposed to induct new Directors representing the Acquirer on the Board of GFL but the Acquirer is yet to decide on the name of the persons who will be so inducted to the Board. The likely changes in the management/taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted and shall be further subject to compliance with Regulation 23(6) of the Regulations.
- 3.4 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of GFL 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 of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.
- 3.5 There is at present no potential conflict of interest between the Acquirer/other Companies / ventures promoted by the Acquirer/its promoters.

4. BACKGROUND OF THE ACQUIRER

- 4.1.1 The Acquirer is Advani Private Limited, a closely held, private limited Company
- 4.1.2 Advani Private Limited (APL) (CIN: U99999WB1953PTC021232) was incorporated on 25th September 1953, at Calcutta (presently: Kolkata), West Bengal State, under the Companies Act, 1956.
- 4.1.3 The Registered Office of APL is at 3A, Garstin Place, 3rd Floor, Kolkata 700 001(Tel No. (033)22483331/22307018, Fax No. (033)2248 7502, Email id: advanipltd@yahoo.com). APL does not have any other offices.
- 4.1.4 APL was originally promoted by Shri. B J Advani and Shri. C S Advani. In July 2007, Shri. Gyan Swaroop Garg and Shri. Divya Garg took over APL and are presently in control of APL. Thus the present promoters are Shri. Gyan Swaroop Garg and Shri. Divya Garg. Shri. Gyan Swaroop Garg holds 3,00,000 Equity Shares in APL constituting 25.16% of the paid up capital and Shri. Divya Garg holds 4,42,500 Equity Shares in APL constituting 37.11 % of the present paid up capital.

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- 4.1.5 Shri. Gyan Swaroop Garg, aged 49 years, B.Com, FCA, ICWA, residing at P-29, Arcadia, Behala, Kolkata 700034 is in the business of trading in Chemicals, Plastics, Real Estate etc. for the last 29 years. Shri. Divya Garg, aged 22 years, B.Com(Hons), C.A.(Inter), residing at P-29, Arcadia, Behala, Kolkata 700034 has about 3 years experience in handling the family business.
- 4.1.6 The Directors of APL are Shri. Gyan Swaroop Garg (DIN: 00602659) and Shri. Divya Garg (DIN: 00602690).
- 4.1.7 APL has, as its main objects, "to carry on the business as traders, importers, exporters, buyers, sellers, to plant, cultivate, or otherwise handle grass, timber, wood, Jute, flax, sugarcane etc, carry on the business of Dye stuff, granites, chemicals, drugs, paints, salt, oil, manufacturers, producers, developers, processors, dealers, traders, importers, exporters, etc. all kind of merchandize etc."
- 4.1.8 APL is presently engaged in trading in Chemicals and is also C&F Agent for " Sintex" brand of plastic products such as Water storage Tanks, Sheets, molded products etc.
- 4.1.9 APL has no Subsidiaries.
- 4.1.10 The Equity Shares of APL are not listed at the Stock Exchanges.
- 4.1.11 As on date of Public Announcement, APL has a paid up Capital of Rs. 11.93 Lacs, divided into 11, 92,500 Equity Shares of Rs 1/- each held entirely by the promoters/promoter group.
- 4.1.12 There are no persons acting in concert with the Acquirer (PACs) for this Offer
- 4.1.13 There is no agreement by the Acquirer with any other person/entity, in connection with this 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.
- 4.1.14 As per Certificate dated 30-11-2009 from Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001 (Tel. No. (033) 2248 1037, 2213 1429 Fax No. (033) 2248 7335, Email ID: goyalpankajforyou@gmail.com), Statutory Auditors of the Acquirer, the Net worth of APL as on 30-09-2009 is Rs.1402.61 Lacs.
- 4.1.15 Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001 (Tel. No. (033) 2248 1037, 2213 1429 Fax No. (033) 2248 7335, Email ID: goyalpankajforyou @gmail.com), Statutory Auditors of the Acquirer, has, vide his Certificate dated 09-12-2009 certified that the Acquirer has liquid resources of Rs. 584.12 Lacs as on 09-12-2009. This will be adequate to meet the funds requirements of the Offer. The liquid funds available are Bank balance Rs. 11.12 Lacs and Short Term advances recoverable on demand Rs. 573.00 Lacs
- 4.1.16 The applicable provisions of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 are not applicable to the Acquirer as no Equity Shares/voting rights have been acquired by the Acquirer in the Target Company.
- 4.1.17 The Acquirer/its promoters have not promoted any other listed Company nor have control over any other listed Company. The other Companies/Ventures promoted by the promoters of the Acquirer are Advani Trading Pvt. Ltd, Nahargarh Properties Pvt. Ltd, Shanti Agencies Pvt. Ltd, KSP Marketing Pvt. Ltd and Eariabarie Properties Pvt. Ltd.
- 4.1.18 The Acquirer has no nominees on the Board of Directors of GFL. None of the Directors of GFL represent the Acquirer.
- 4.1.19 The Acquirer does not belong to any Group.
- 4.1.20 There is no pending litigation against the Acquirer/its promoters/Directors or ventures/ Companies promoted by the promoters of the Acquirer .
- 4.1.21 APL has no overdue liabilities to Banks/FIs /Deposit holders. There was no default in the past.
- 4.1.22 The Acquirer/its promoters/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. No other action has been taken by SEBI against them.
- 4.1.23 No action has been taken by SEBI or Stock Exchanges against the Acquirer or ventures promoted by the promoters of the Acquirer .

- 4.1.24 The Acquirer/Companies or ventures promoted by the promoters of the Acquirer or in which they have substantial interest or in which they are Directors are not registered with SEBI as a market intermediary.
- 4.1.25 The appointment of the nominees of the Acquirer on the Board of Directors of the Target Company shall be subject to compliance with Regulation 22(7) of SEBI Regulations. The Transfer of Shares under the Agreement and change in control in favor of Acquirer shall be subject to Reg. 23(6) of the Regulations.

4.2.1. BRIEF DETAILS OF THE ACQUIRER AS ON DATE OF PUBLIC ANNOUNCEMENT ARE TABULATED BELOW:

Contact details	Relationship, if any, with any other Acquirer	Net Worth as certified by Chartered Accountant	Companies in which is a full time Director
Advani Private Limited Registered Office: 3A, Garstin Place, 3 rd Floor Kolkata 700 001 Tel. No. (033)22483331/22307018 Fax No. (033)2248 7502 Email id : advaniprtd@yahoo.com	N.A.	Rs.1402.61 Lacs as on 30th September 2009 (Certificate dated 30-11-2009)	N.A.

4.2.2 Brief profile of Board of Directors of APL as on Saturday, December 12, 2009, the date of Public Announcement

Name	Date of appointment	Age, Qualification,	Residential Address	Designation
Shri. Gyan Swaroop Garg (DIN : 00602659)	31-07-2007	Age : 49 years Qualification: B.Com, FCA, ICWA	P-29, Arcadia Behala Kolkata 700 034 Tel No. (033) 2248 3331/ 2213 1698 Fax : (033) 2248 7502 E mail ID: gyangarg@gmail.com	Director
Shri. Divya Garg (DIN: 00602690)	31-07-2007	Age: 22 years Qualification: B.Com(Hons'), C.A.(Inter)	P-29, Arcadia Behala Kolkata 700 034 Tel No. (033) 2248 3331/ 2213 1698 Fax : (033) 2248 7502 E mail ID: divyagarg06@gmail.com	Director

There is no change in Board of Directors after the date of PA.

- 4.2.3 None of the Directors of APL is on the Board of Directors of the Target Company.
- 4.2.4 Shareholding pattern of APL is as follows:

Category of Shareholders	No. of Shares	% to total paid Up capital
Promoter Group	11,92,500	100
Total	11,92,500	100

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4.2.4. AUDITED FINANCIALS OF ADVANI PRIVATE LIMITED

Brief Audited Financial data for the last three years and certified financials (certified by Statutory Auditors) for the interim period ended 30th September 2009 are given hereunder:

	(Rs. in Lacs)			
Profit & Loss Statement	30.09.2009	31.03.2009	31.03.08	31.03.2007
Sales Income / Income from main operations	61.54	117.30	347.96	256.77
Closing Stock	99.75	31.79	16.61	15.31
Commission & Discount received	11.06	44.21	32.46	22.46
Other Income	0.08	9.53	4.47	6.59
Extra Ordinary Income	0.42	0.17	6.83	10.09
Total Income	172.85	203.00	408.33	311.22
Opening Stock	31.79	16.61	15.31	13.72
Purchases	106.94	125.19	316.64	221.98
General & administrative expenses	18.37	46.21	49.01	37.63
Extra ordinary Expenditure	0.00	2.77	0.00	0.00
Profit before Depreciation, Interest and Tax before extraordinary items	15.33	14.82	20.54	27.80
Profit before Depreciation, Interest and Tax after extraordinary items	15.75	12.22	27.37	37.89
Depreciation	8.17	0.51	0.66	1.20
Interest & Fin charges	5.73	5.24	2.37	0.40
Profit Before Tax before extraordinary items	1.43	9.07	17.51	26.29
Profit Before Tax after extraordinary items	1.85	6.47	24.34	36.38
Less: Provision for Current Taxes	0.00	2.85	6.12	12.46
Profit After Tax for the year before Extra ordinary items	1.43	6.22	11.39	13.83
Profit After Tax for the year after Extra ordinary items	1.85	3.62	18.22	23.92
Net Profit/Loss for the year	1.85	3.62	18.22	23.92
Balance Sheet Statement	30.09.2009	31.03.2009	31.03.08	31.03.2007
Sources of funds				
Paid up Equity Share Capital	11.93	11.93	9.33	2.00
Reserves & Surplus (Net of revaluation reserves)	733.76	731.90	470.88	29.39
Less: Misc. Expenses not written off	0.00	0.00	0.00	0.00
Net Worth	745.69	743.83	480.21	31.39
Secured Loans	6.58	5.21	6.60	1.96
Deferred tax liability	0.00	0.00	0.00	0.00
Unsecured Loans	175.32	149.94	45.70	1.35
Total Source of funds	927.59	898.98	532.51	34.70
Uses of funds				
Net Fixed Assets	(5.12)	3.05	2.37	5.20
Investments	618.16	598.16	139.21	15.35
Net Current Assets	314.55	297.77	390.93	14.15
Total	927.59	898.98	532.51	34.70

	(Rs. in Lacs)			
Other Financial Data	30.09.2009	31.03.2009	31.03.08	31.03.2007
Dividend (%)	NIL	NIL	2080	
Earnings per Share (Rs.) fully diluted , annualized	0.31	0.30	1.95	14950
Return on Net Worth (%) , annualized (Profit after Tax X100/Net Worth)	0.50	0.49	3.79	76.20
Book Value Per Share (Rs.) (Net Worth/No. of Shares)	62.53	62.38	51.50	19619

Note: In the year ended 31-03-2007, the Equity Shares had a Face Value of Rs. 1250/- . In the years 2008 & 2009 & interim period ended 30-09-2009, the Face Value of Equity Shares is Rs. 1/- only. The EPS and Book Value for the respective years have been calculated accordingly.

Details of Other Income during the above period

(Rs. In Lacs)

OTHER INCOME	30.09.2009	31.03.2009	31.03.08	31.03.2007
Rent received	0.03	2.82	2.07	2.30
Delivery & Forwarding chs. recovered	0.02	1.35	0.80	0.90
Interest received		5.34	0.54	0.52
Dividend received	0.01	0.01	0.06	1.23
Handling charges		0.00	1.00	1.01
Insurance claims received		0.00	0.00	0.63
Sundry Income	0.02	0.01	0.00	0.00
Total	0.08	9.53	4.47	6.59

Details of Investments during the above period

(Rs. In Lacs)

Particulars	30.09.2009	31.03.2009	31.03.08	31.03.2007
Quoted				
Indusind Bank Ltd – 100 Shares				0.05
Torrent Gujarat Bio tech Ltd – 100 Shares				0.02
Mawana Sugars Limited – 1029 Shares				0.33
Mercator Lines Ltd – 3042 Shares			5.05	
Unquoted				
Advani Trading Co. Pvt. Ltd – 540 Shares	0.14	0.14	0.14	0.14
Ishita Drugs Ltd – 300 Shares				0.03
Double benefit Deposit – Bank of India				0.47
UTI US 64 Bonds				4.81
Franklin India Blue Chip Fund				2.50
Reliance Growth Fund				3.50
Reliance Vision Fund				3.50
Eriabarie Prop. Pvt. Ltd – 5465 Shares	12.02	12.02	12.02	
Shiv Edibles Ltd – 51000 Shares	102.00	102.00	102.00	
United Galva Limited – 20000 Shares			20.00	
Enlightened Consultancy Services Pvt. Ltd – 115000 Shares	115.00	115.00		
Scottish Vanijya Pvt. Ltd – 42000 Shares	21.00	21.00		
Shivmangal Vanijya Pvt. Ltd – 42000 Shares	21.00	21.00		
Taag Estates Pvt. Ltd – 134000 Shares	67.00	67.00		
Trimex Fiscal Services Pvt. Ltd – 74000 Shares	185.00	185.00		
Weldon Polymers Pvt. Ltd – 75000 Shares	75.00	75.00		
Vasundhara Power & Infra Pvt. Ltd – 200000 Shares	20.00			
Total	618.16	598.16	139.21	15.35

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Notes:

- The Extra Ordinary Income in the years 2007 & 2008 and interim period ended 30-09-2009 is Profit on Sale of Investments. The Extraordinary Expenditure in 2009 is Loss on Sale of Investments.
- There is no change in accounting policies during the above period
- In the year 2007-08, the Company revalued certain Fixed Assets, comprising of Lease hold Land, Building & Office premises and the revalued amount is Rs. 682.97 Lacs. During the years 2007-08 & 2008-09, additional depreciation charges on account of revaluation is adjusted from revaluation reserves. However, for the interim period ended 30-09-2009, the entire depreciation is charged to Profit and Loss Account and no adjustment is made from Revaluation Reserves. In view of this, the Net Fixed Assets for the period ended 30-09-2009 has become negative. The Net Fixed Assets shown above is net of revaluation.
- **Significant Accounting Policies as on 31.03.2009, date of last audit**
 - a. The Financial Statements are prepared and presented under the historical cost convention, on accrual, basis of accounting in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India
 - b. Fixed Assets have been stated at cost less depreciation.
 - c. Income from operations is accounted on accrual basis
 - d. Dividend Income is recognized when the right to receive Dividend is established
 - e. Interest Income is recognized on the time proportion basis
 - f. Long Term Investments are valued at cost
- Contingent liability of Rs. 12.53 Lacs being interest on outstanding rent from 31.03.1997 to 31.03.2006 payable to Calcutta Port Trust is provided for in the books of accounts and kept under outstanding liabilities, pending finalization of reworked interest as per an order of Calcutta High Court. There is no contingent liability not provided for in the books of accounts.
- **Reason for rise/fall in Total Income and Profit after Tax during the above period:** During the year 2007-08, in view of the significant buoyancy in Construction and real estate activity, the sales of moulded plastic products increased significantly over the previous year. The buoyant economy also helped substantial increase in sales of other products such as Chemicals. However, in view of the increasing competition and increased input costs especially prices of traded items, the margins were low. There was allround increase in marketing costs, employee wages etc. which increased expenses significantly. This resulted in lower profits during the year. In the year 2008-09, the economic slowdown and slump in real estate activity led to fall in sales on moulded items as well as other traded products such as Chemicals leading to steep drop in turnover. The administrative costs remaining more or less same, there was steep fall in Net Profit in the year 2008-09. Eventhough the activities have picked up of late, the first half of the current financial year i.e. 2009-10, remained to be sluggish and despite turnover remaining at the previous years' level, the profit margins were low which led to slight drop in Net Profit in first half of 2009-10. The Company also charged Depreciation on revalued assets to Profit and loss account which resulted in increased depreciation charges.

4.2.5. The Acquirer/its promoters have not promoted any listed Company nor have control over any listed Company.

4.2.6. BRIEF DETAILS OF VENTURES/UNLISTED COMPANIES PROMOTED BY THE ACQUIRER/ITS PROMOTERS

(i) Name of the Company	:	Nahargarh Properties Pvt. Ltd (Company No. U45400WB2007PTC117422)
Date of Incorporation	:	23-07-2007
Name of Directors	:	Shri. Gyan Swaroop Garg Shri. Divya Garg
Nature of activities	:	Real Estate Development

Brief financials based on Audited Accounts for the last three years and certified financials as on 30-09-2009 (Certified by Auditors) are given below:

(Rs. in Lacs)

Details (Year ended 31st March)	30-09-2009	2009	2008
Paid Up Equity Capital	7.25	7.25	1.00
Share Application Money	0.00	0.00	250.00
Reserves & Surplus (Net of Misc. expenses not written off)	246.98	242.38	0.00
Total Income	10.50	3.09	0.00
Profit after Tax	4.61	0.005	0.00
Earnings per Share per Rs.10/- paid up (in Rs.)	6.36	0.007	0.00
Net Asset Value per Share of Rs.10/- each (Rs.)	350.67	344.31	10

The Company is not a Sick Industrial Company

(ii) Name of the Company : KSP Marketing Pvt. Ltd
(Company No. U51109WB1995PTC074299)

Date of Incorporation : 15-09-1995

Name of Directors : Shri. Divya Garg
Smt. Rama Garg

Nature of activities : Marketing services & commission agents

Brief financials based on Audited Accounts for the last three years and certified financials as on 30-09-2009 (Certified by Auditors) are given below:

(Rs. in Lacs)

Details (Year ended 31st March)	30-09-2009	2009	2008	2007
Paid Up Equity Capital	20.63	20.63	20.63	12.03
Share Application Money	0.00	0.00	0.00	107.40
Reserves & Surplus (Net of Misc. expenses not written off)	197.67	197.70	196.62	32.25
Total Income	0.00	5.23	5.70	32.40
Profit after Tax	(0.03)	0.99	0.97	5.97
Earnings per Share per Rs.10/- paid up (in Rs.)	(0.016)	0.48	0.47	2.89
Net Asset Value per Share of Rs.10/- each (Rs.)	105.82	105.83	105.31	36.61

The Company is not a Sick Industrial Company

(iii) Name of the Company : Shanti Agencies Pvt. Ltd
(Company No. U51109WB1987PTC042433)

Date of Incorporation : 03-06-1987

Name of Directors : Shri. Gyan Swaroop Garg
Smt. Rama Garg
Shri. Kamal Kishore Garg

Nature of activities : Agricultural activity, running a Farm & marketing.

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Brief financials based on Audited Accounts for the last three years and certified financials as on 30-09-2009 (Certified by Auditors) are given below:

(Rs. in Lacs)

Details (Year ended 31 st March)	30-09-2009	2009	2008	2007
Paid Up Equity Capital	5.00	5.00	5.00	5.00
Share Application Money	0.00	10.00	10.00	0.00
Reserves & Surplus (Net of Misc. expenses not written off)	33.93	28.64	7.54	0.26
Total Income	5.30	25.07	13.12	0.00
Profit after Tax	5.29	21.09	7.28	(0.04)
Earnings per Share per Rs.10/- paid up (in Rs.)	10.58	42.18	14.57	(0.08)
Net Asset Value per Share of Rs.10/- each (Rs.)	77.85	67.27	25.09	10.52

The Company is not a Sick Industrial Company

(iv) **Name of the Company** : Advani Trading Company Pvt. Ltd
(Company No. U51900MH1977PTC019883)
Date of Incorporation : 28-09-1997
Name of Directors : Shri. Gyan Swaroop Garg
Shri. Divya Garg
Nature of activities : Trading in Chemicals

Brief financials based on Audited Accounts for the last three years and certified financials as on 30-09-2009 (Certified by Auditors) are given below:

(Rs. in Lacs)

Details (Year ended 31 st March)	30-09-2009	2009	2008	2007
Paid Up Equity Capital	1.14	1.14	1.14	1.14
Share Application Money	-	-	-	-
Reserves & Surplus (Net of Misc. expenses not written off)	20.18	18.44	17.57	10.65
Total Income	31.83	87.38	75.14	75.20
Profit after Tax	1.74	1.35	7.68	2.03
Earnings per Share per Rs.10/- paid up (in Rs.)	152.52	75.51	606.93	177.44
Net Asset Value per Share of Rs.10/- each (Rs.)	1864.35	1711.82	1636.32	1031.80

The Company is not a Sick Industrial Company

(v) **Name of the Company** : Eriabarie Properties Pvt. Ltd
(Company No. U70101WB1981PTC074299)
Date of Incorporation : 09-11-1981
Name of Directors : Shri. Divya Garg
Smt. Rama Garg
Nature of activities : No activity at present

Brief financials based on Audited Accounts for the last three years and certified financials as on 30-09-2009 (Certified by Auditors) are given below:

(Rs. in Lacs)

Details (Year ended 31st March)	30-09-2009	2009	2008	2007
Paid Up Equity Capital	5.47	5.47	5.47	5.47
Share Application Money	-	-	-	-
Reserves & Surplus (Net of Misc. expenses not written off)	11.78	11.78	11.78	11.52
Total Income	-	0.04	0.86	0.90
Profit after Tax	-	-	0.26	0.52
Earnings per Share per Rs.10/- paid up (in Rs.)	-	-	4.84	9.52
Net Asset Value per Share of Rs.10/- each (Rs.)	315.20	315.20	315.22	310.38

The Company is not a Sick Industrial Company

4.3 OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO GFL

- 4.3.1 The objects of the acquisition are substantial acquisition of Shares of GFL followed by change in control. The Acquirer is proposing to acquire control from the present promoters.
- 4.3.2 Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. GFL is a Non Banking Finance Company registered with RBI and the level of activity is very low. The promoter of the Acquirer, Shri. Gyan Swaroop Garg is a Chartered Accountant and is well versed with financial and investment activities. Acquirer is proposing to continue with the present activities. The promoters/Directors of the Acquirer are proposing to induct experienced hands in finance and investments and are confident of utilizing their experience and contacts to ensure sustained growth.
- 4.3.3 The Offer will result in change in control of GFL. 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 GFL. It is proposed to induct new Directors representing the Acquirer on the Board of GFL but the Acquirer is yet to decide on the name of the persons who will be so inducted to the Board. The likely changes in the management/taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.
- 4.3.4 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of GFL 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 of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.
- 4.3.5 There is at present no conflict of interest between the Acquirer/other Companies /ventures promoted by the Acquirer/its promoters.

5. COMPLIANCE WITH REGULATION 21(2) & CLAUSE 40A OF THE LISTING AGREEMENT

The acquisition of 20% of the paid up and voting capital of the Target Company by the Acquirer under this Offer together with the Equity Shares being acquired from the present promoter through the Share Purchase Agreement will 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 22.49% of the paid up and voting Capital. If consequent to the Equity Shares being acquired through the Agreement, this Offer and any further acquisitions by the Acquirer during the Offer Period/revision of Offer size, the public holding falls below the level required for continued listing, then the Acquirer/Target Company will ensure and maintain the same at the stipulated level of 25% in the manner and within the time frame as prescribed by the listing agreement with the Stock Exchanges where the Equity Shares of the Target Company are listed. The Acquirer undertakes that they shall bring the public holding to at least 25% of the listed capital, the level required for continued listing either by divesting their holdings/fresh issue of Capital to non promoters within a period of 1 year or such extended time as allowed by all the listed Stock Exchanges. The Acquirer undertakes and declare that they do not have any intention to delist the Equity Shares of the Target Company for a period of three years succeeding this Open Offer.

6 BACKGROUND OF THE TARGET COMPANY

- 6.1.1 Golechha Global Finance Ltd(CIN:L65191TN1991PLC020638) was originally incorporated on 18th August 1991 at Chennai, Tamil Nadu under the Companies Act, 1956, as a private limited Company in the name and style "Golechha (Madras) Finance & Leasing Private Ltd". The Company was converted to a public limited Company on August 13, 1992. The name of the Company was further changed to "Golechha Global Finance Ltd, vide fresh certificate issued by Registrar of Companies, Chennai on 6th October 1992. GFL made its maiden public issue in November 1995 and got its Equity Shares listed at The Bombay Stock Exchange Ltd, Mumbai (BSE), Jaipur Stock Exchange Ltd (JSE), The Ahmedabad Stock

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- Exchange Ltd (ASE) and Madras Stock Exchange Ltd (MSE).
- 6.1.2 The Registered Office is situated at 72, Santhome High Road, Mylapore, Chennai 600 004 (Tel: (044) 24641782, 24951086, Fax: (044) 24934590, E Mail ID: golechha3 @gmail.com).
- 6.1.3 GFL does not have any other offices.
- 6.1.4 GFL is promoted by Shri. Ummedchand Golechha and Shri. Devendra Kumar Golechha.
- 6.1.5 GFL does not hold any Fixed Assets as on 31-03-2009, date of last audit. In the Financial Year ended 31-03-2008. GFL had disposed off Fixed Assets such as Air Conditioners, Computer Systems, Electrical Installations, Fax Machine, Furniture, Motor Car, Office equipments, Sign Boards, Two Wheelers and other Misc. Fixed Assets etc. at Book Value.
- 6.1.6 The Directors of GFL are Shri. P K Jain (Non Executive, Independent), Shri. J K Jain(Non Executive, Independent), Shri. V Harikrishna Prasad (Non Executive, Independent), Shri. S Madhavan (Non Executive, Independent) & Shri. Praveen Reddy Cherukku (Non Executive, Independent).
- 6.1.7 The Authorized Capital of GFL is Rs.1100 Lacs, divided into 110 Lacs Equity Shares of Rs 10/- each. The paid up and voting Equity Share Capital (Net of Shares forfeited) is 42, 04,300 Equity Shares of Rs. 10/- each, aggregating to Rs. 420.43 Lacs. All the outstanding Equity Shares are fully paid up , listed and admitted for trading at BSE. Post Public Issue, the paid up capital was 55, 00,000 equity Shares of Rs. 10 each aggregating to Rs. 550.00 Lacs. On 27-09-1999, the Company forfeited 12, 95,700 Equity Shares were allotment money/calls were in arrears and consequently, the paid up capital is reduced to 42, 04,300 Equity Shares.
- 6.1.8 There are no warrants or options or convertible instruments, convertible into Equity Shares at a later stage.
- 6.1.9 As on date of the Public Announcement, the promoters/promoter group hold 25,46,100 Equity Shares, constituting 60.56 % of the listed & voting Capital.
- 6.1.10 GFL has entered into agreement with National Securities Depository Ltd (NSDL) for offering Equity Shares in dematerialized form. The ISIN Number is INE427D01011. No agreement is signed with Central Depository Services (India) Ltd (CDSL).
- 6.1.11 GFL has, as its main objects, (1) To finance hire purchase requirements of movable and immovable properties of any kind(2)To provide long term finance , build, take on lease, purchase or acquire in any manner apartments, houses, flats, bungalows, plant, machinery, equipments etc and to render leasing and consultancy services in the field of equipment leasing (3) To carry on the business of purchasing and letting on lease or hire in India and abroad of all kinds of machinery, plant, tools, computers, vehicles of all description etc. (4) To purchase, sell, develop, take on lease real or personal estates, mines, businesses, mills, houses etc.
- 6.1.12 GFL is at present engaged in the business of a Non Banking Finance Company, extending loans, ICDs, trading in Shares, Commodities etc.
- 6.1.13 GFL is registered as a non deposit taking Non Banking Finance Company (NBFC) with RBI. The relevant Certificate number is 07.00107 issued on 6th March 1998 by Chennai office of RBI.
- 6.1.14 GFL has no Subsidiaries.
- 6.1.15 GFL is not a Sick Company. GFL does not have any overdue liabilities to Banks/FIs/Deposit holders.
- 6.1.16 There has not been any merger or demerger or spin-off of activity in the preceding 3 years.
- 6.1.17 There are no pending litigations against GFL.
- 6.1.18 None of the Directors of GFL represent the Acquirer.
- 6.1.19 The Marketable lot for the Shares of GFL for the purpose of this Offer is 1 (One only).
- 6.1.20 The Equity Shares of GFL are listed at The Bombay Stock Exchange Ltd, Mumbai (BSE), Jaipur Stock Exchange Ltd (JSE), The Ahmedabad Stock Exchange Ltd (ASE) and Madras Stock Exchange Ltd (MSE). The Equity Shares are not admitted as a permitted security at any other Stock Exchange. All the outstanding issued Equity Shares of GFL are listed and admitted for trading. There are no partly paid Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in.
- 6.1.21 GFL has no arrears of listing fee to Stock Exchanges. Listing fee to all the Stock Exchanges have been paid upto 31-03-2010.
- 6.1.22 The trading in Equity Shares of GFL was suspended by BSE on September 14, 1998 for non compliance with provisions of Clauses 15 & 16 of the listing agreement. The Shares were reinstated for trading in October/November 1998. No action has been taken by the Stock Exchanges, SEBI or any other authority against its promoters or Directors.
- 6.1.23 The provisions of Clause 49 of the Listing Agreement is being complied with by GFL.
- 6.1.24 The filing under Regulation 6(2) and 6(4) for 1997 and 8(3) from 1998 to 2003, were filed late on 27-03-2004. Filing under 8(3) for 2004 is also reportedly filed on 27-03-2004, before the relevant date. Filing under Reg. 8(3) from 2005 to 2009 has

been done in time. For violation of the provisions under Chapter II of the Regulations for the years 1997 to 2003, SEBI may initiate suitable action against GFL. SEBI, had, vide letter no. CFD/DCR / RC/ TO/23040/04 dated 16.11.2004, suggested penalty of Rs. 1,75,000/- on settlement by consent terms, for non compliance with filing requirements under Reg. 6(2) & 6(4) for 1997 and 8(3) for the years 1998 to 2002. GFL, in its reply, has sought reconsideration of the penalty. As per details received from the Target Company, the promoters have complied with filing requirements under Chapter II of the Regulations in time. Based on the filings made under Chapter II of the Regulations and data provided by the Target Company, it is noted that Shri. Ummedchand Golechha, promoter has, between 20-02-1997 and 31-03-1997 acquired Shares in excess of the limit of then obtaining 2% under Reg. 11(1). Consequently, acquisition by promoter/promoter group shareholders in the subsequent 12 months also exceed the limit under Reg. 11(1) obtaining at that time. The promoters/promoter group shareholders have made an inter se transfer of Shares among promoter group, Shares in excess of then existing limit of 2% under Reg. 11(1) on 20-11-2001 but have not submitted to SEBI non applicability report under Reg. 3(4). They have also not reported the same under Reg. 7(1A) till date. For the non compliance with the provisions of Reg. 11(1), Reg. 7(1A) and Reg. 3(4), SEBI may initiate suitable action against promoters/promoter group Shareholders.

6.1.25 The Compliance Officer of GFL is Shri. Dodda Kishore, Senior Manager, Secretarial Dept, GFL, who will be available at the Registered Office address of GFL viz. 72, Santhome High Road, Mylapore, Chennai 600 004. (Tel: (044) 24641782, 24951086, Fax: (044) 24934590, E mail: doddakishore@yahoo.com), and shall attend to all investor grievances.

6.2 Equity Share Capital History

6.2.1 Equity Share Capital Structure of GFL as on Saturday, December 12, 2009 the date of Public Announcement

Paid up Equity Shares of APL	No. of Shares	% of Shares	Voting Rights	% of voting rights.
Fully paid up Equity Shares	42,04,300	100	42,04,300	100
Partly paid up Equity Shares	0	0	0	0
Total paid up Equity Shares	42,04,300	100	42,04,300	100
Total voting rights in Target Company	42,04,300	100	42,04,300	100

6.2.2 Build Up of Current Capital

6.2.2.1. Build up of Current Paid up Capital

Date of allotment	No. and % of Shares Issued	Cumulative paid up capital (Rs.)	Mode of allotment	Identity of allottees (e.g.- promoters /others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 and other Statutory provisions.
On Incorporation	200 (0.005% of current capital)	2000	Signatories to the Memorandum, for cash	Signatories to the Memorandum being the promoters	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
01-04-1992	17,400 (0.41% of current capital)	1,76,000	Allotted to promoters, relatives & associates for cash	Promoters, relatives & associates.	Provisions of Companies Act, complied with; SEBI(SAST) Regulations as well as other Regulations / provisions under SEBI Act, not applicable
18-05-1992	500 (0.01% of current capital)	1,81,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
03-11-1992	60,000 (1.43% of current capital)	7,81,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable

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Date of allotment	No. and % of Shares Issued	Cumulative paid up capital (Rs.)	Mode of allotment	Identity of allottees (e.g.- promoters /others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 and other Statutory provisions.
09-03-1993	19,000 (0.45% of current capital)	9,71,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
24-01-1994	2,52,900 (6.02% of current capital)	35,00,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
15-03-1994	3,35,000 (7.97% of current capital)	68,50,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
31-12-1994	4,15,000 (9.87% of current capital)	1,10,00,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
31-03-1995	4,71,000 (11.20% of current capital)	1,57,10,000	Allotted to promoters, relatives and associates	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/provisions under SEBI Act, not applicable
26-12-1995	13,75,000 (32.70% of current capital)	2,94,60,000	Allotted to promoters, relatives and associates as part of the Public Issue	Promoters, relatives & associates.	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/ provisions under SEBI Act, not applicable SEBI Clarifications on Public Issue complied with.
26-12-1995	25,54,000 (60.75% of current capital)	5,50,00,000	Allotted to public as part of the Public Issue	Public	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/ provisions under SEBI Act, not applicable SEBI Clarifications on Public Issue complied with.
27-09-1999	(12,95,700) Reduced 12,95,700 Equity Shares consequent to forfeiture	42,04,300	Forfeited Shares held by public were calls/allotment money were in arrears	Public	Provisions of Companies Act, complied with. SEBI(SAST) Regulations as well as other Regulations/ provisions under SEBI Act, not applicable Other provisions relating to forfeiture complied with.

6.2.2.2. Change in holding of present promoters/persons in control and position of Compliance

Date of allotment /acquisition/ Sale	No. of Shares Issued/ acquired / sold/ reduced	Cumulative Shareholding (No. of Shares)	Mode of allotment/ Acquisition/ Sale	Identity of allottees /Acquirer (e.g.- promoters /others	Status of compliance with SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
Position as on 20-02-1997 as reported under Reg 8(3)		25,00,100 (45.46% of then voting Capital)	All prior allotments upto and including public issue	Promoters/ Promoter group Shareholders	Complied with the provisions of the Companies Act & SEBI Clarifications at the time of Public Issue
Between 20-02-1997 & 31-03-1997	Acquired 1,64,200 Shares (2.99% of the voting capital)	26,64,300 (48.44% of then voting Capital)	Market/Off Market	Promoter	Acquired by Shri. Ummedchand Golechha Exceeds then limit of 2% under Reg. 11(1). Not reported under Insider Trading Regulations.
Between 20-02-1997 & 31-03-1997	Sold/ Transferred in the aggregate 1,14,600 Shares (2.08% of the voting capital)	25,49,700 (46.36% of then voting Capital)	Market/Off Market	Promoter Group	Sold by 8 promoter group Shareholders. Sale of Shares only. Not reported under Insider Trading Regulations.
15-10-1997	Acquired 2,900 Shares (0.05% of the voting capital)	25,52,600 (46.41% of then voting Capital)	Market/Off Market	Promoter	Acquired by promoter Shri. Ummedchand Golechha. Exceeds the limit under Reg. 11(1) as per Regulations obtaining at that time.
Between 31-03-1997 & 31-03-1998	Acquired in the aggregate 200 Shares (0.001% of the voting capital)	25,52,800 (46.41% of then voting Capital)	Market/Off Market	Promoter Group	200 Shares by 2 promoters group Shareholders(Date unavailable). Within the limits under Reg. 11(1) & Insider Trading Regulations.
03-03-1999	Acquired 4,00 Shares (0.007% of the voting capital)	25,53,200 (46.41% of then voting Capital)	Market/Off Market	Promoter	Acquired by promoter Shri. Ummedchand Golechha. Within the limits under Reg. 11(1) & Insider Trading Regulations.
03-01-2000	Acquired 5,00 Shares (0.01% of the present voting capital)	25,53,700 (60.74% of the present voting Capital)	Market/Off Market	Promoter	Acquired by promoter Shri. Ummedchand Golechha. Within the limits under Reg. 11(1) & Insider Trading Regulations.
Between 31-03-1999 & 31-03-2000	Sold/ Transferred 2,500 Shares (0.06% of the present voting capital)	25,51,200 (60.68% of the present voting Capital)	Market/Off Market	Promoter Group	Sold by 8 promoter group Shareholders. Sale of Shares only. Not reported under Insider Trading Regulations.
20-11-2001	Acquired 6,84,100 Shares (16.27% of the present voting capital)	25,51,200 (60.68% of the present voting Capital)	Inter se transfer	Promoter Group Shareholder to Promoter	Acquired by promoter Shri. Ummedchand Golechha from other promoter group shareholders. Exempt from limits under Reg. 11(1). Prior intimation not given to SEs. Not reported under Reg. 7(1A). Non applicability report under Reg. 3(4) not filed with SEBI. Not reported under Insider Trading Regulations.

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Date of allotment /acquisition/ Sale	No. of Shares Issued/ acquired / sold/ reduced	Cumulative Shareholding (No. of Shares)	Mode of allotment/ Acquisition/ Sale	Identity of allottees /Acquirer (e.g.- promoters /others	Status of compliance with SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
09-02-2003	Sold 10,000 Shares (0.24% of the present voting capital)	25,35,300 (60.30% of the present voting Capital)	Market/ Off Market Sales	Promoter Group Shareholder	Golechha Overseas Business Ltd, a promoter group shareholder has sold. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
09-02-2003	Acquired 13,800 Shares (0.33% of the present voting capital)	25,49,100 (60.63% of the present voting Capital)	Market/ Off Market purchases	Promoter	Shri. Ummedchand Golechha , promoter has acquired 13,800 Shares (0.33% of the present voting capital) Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
14-02-2004	Sold 15,000 Shares (0.36% of the present voting capital)	25,34,100 (60.27% of the present voting Capital)	Between 01-04-2001 & 31-03-2002 Market/ Off Market Sales Date not available	Promoter	Shri. Ummedchand Golechha , promoter has sold 15,000 Shares (0.36% of the present voting capital) Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
14-08-2005	Acquired 12,300 Shares (0.29% of the present voting capital)	25,46,400 (60.56% of the present voting Capital)	Market/ Off Market purchases	Promoter	Shri. Ummedchand Golechha , promoter has acquired. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
Included in reporting as on 31-03-2005	Included 100 Shares (0.002% of the present voting capital)	25,46,500 (60.56% of the present voting Capital)		Director	Holding of Shri. S Madhavan, Director included under promoter holding. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).

GOLECHHA GLOBAL FINANCE LIMITED (GFL)

Date of allotment /acquisition/ Sale	No. of Shares Issued/ acquired / sold/ reduced	Cumulative Shareholding (No. of Shares)	Mode of allotment/ Acquisition/ Sale	Identity of allottees /Acquirer (e.g.- promoters /others	Status of compliance with SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
Between 31-03-2005 & 31-03-2006 Date not available	Acquired 5,00 Shares (0.012% of the present voting capital)	25,47,000 (60.56% of the present voting Capital)	Market/ Off Market purchases	Promoter	Shri. Ummedchand Golechha , promoter has acquired. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
Between 31-03-2008 & 31-03-2009 Date not available	Sold 5,00 Shares (0.01% of the present voting capital)	25,46,500 (60.56% of the present voting Capital)	Market/ Off Market Sales	Promoter	Shri. Ummedchand Golechha , promoter has sold. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).
31-05-2008	Sold 4,00 Shares (0.009% of the present voting capital)	25,46,100 (60.56% of the present voting Capital)	Market/ Off Market Sales	Promoter	Shri. Ummedchand Golechha , promoter has sold. Within the limits under Reg. 11(1). Reporting not required under Reg. 7(1A).

- 6.3 There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later date.
- 6.4 All the present issued Equity Shares of GFL are listed and admitted for trading at all the Stock Exchanges where the Equity Shares are listed.
- 6.5 No action has been taken by SEBI against the Target Company and its promoters/Directors. GFL has faced action of suspension of trading by BSE in the past. The trading in Equity Shares of GFL was suspended by BSE on September 14, 1998 for non compliance with provisions of Clauses 15 & 16 of the listing agreement. The Shares were reinstated for trading in October/November 1998.

6.6.1 Board of Directors as on Saturday, December 12, 2009, the date of PA

Name	Date of appointment	Residential Address	Designation
Shri. Paras Kumar Jain (DIN: Not applied for, so far)	14-02-1995	25/2, Yashwant Nivas Road Indore Madhya Pradesh 452 001 Tel. No. 09301300426	Director (Non Executive, Independent)
Shri. Jitendra Kumar Jain (DIN: Not applied for, so far)	14-02-1995	1270, Plater Place Oak Ville Ontario 16M2VA, Canada Tel. No. 905-469-8869 Email ID: jkain@cogeco.ca	Director (Non Executive, Independent)
Shri. S Madhavan (DIN: Not applied for, so far)	19-05-2004	11, Aryan Lane Choolai Chennai 600 112 Tel No. 09884262792	Director (Non Executive, Independent)

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Name	Date of appointment	Residential Address	Designation
Shri. Praveen Reddy Cherukku (DIN: 01807406)	27-02-2008	Bale P No. 175 Mahendra Hills East Mardeppally Secunderabad 500 026 Tel. No. (040) 30280340 Fax: (040) 66313122 E Mail ID: pcheruku@gmail.com	Director (Non Executive, Independent)
Shri. V. Hari Krishna Prasad (DIN: 01870456)	19-09-2009	703, Royal Pavilion Apts. Ameerpet Hyderabad 500 016 Tel. No. (040) 32583838 E Mail ID: (040) 23116503	Director (Non Executive, Independent)

6.6.2 Experience, Qualification etc. of the Board of Directors

Name	Age, Qualification, Occupation	Experience, in brief
Shri. Paras Kumar Jain (DIN: Not applied for, so far)	Age: 70 years Qualification: B.Com Occupation: Business	25 years experience in the field of accounting and finance
Shri. Jitendra Kumar Jain (DIN: Not applied for, so far)	Age: 61 years Qualification: B.Com Occupation: Business	25 years experience in the field of accounting and finance
Shri. S Madhavan (DIN: Not applied for, so far)	Age: 45 years Qualification: B.A. Occupation: Business	20 years experience in the field of administration
Shri. Praveen Reddy Cherukku (DIN: 01807406)	Age: 43 Years Qualification: M.S. from Bradley University, USA Occupation: Business	More than 15 years experience in manufacturing and marketing of Automotive Robotics
Shri. V. Hari Krishna Prasad (DIN: 01870456)	Age: 41 Years Qualification: Electrical Engineer Occupation: Business	Has 15 years experience in the field of Information Technology and Infrastructure.

None of the Directors represent the Acquirer.

6.6.3 There has been the following change in Board of Directors in the last three years.

Name	Date of change	Nature of change
Smt. Sumita Ganesh	31-01-2007	Resigned
Shri. Gogula Ramana Kumar	27-02-2008	Appointed
Shri. Praveen Reddy Cherukku	27-02-2008	Appointed
Smt. R Uma Maheshwari	27-07-2009	Resigned
Shri. Umedchand Golechha	27-07-2009	Resigned
Shri. Gogula Ramana Kumar	19-09-2009	Resigned
Shri. V Hari Krishna Prasad	19-09-2009	Appointed

6.7 There has not been any mergers/demergers involving the Target Company nor was there any spin off of activity during the last three years. There has been change of name since Incorporation.

6.8 The name of the Target Company at the time of Incorporation was "Golechha (Madras) Finance & Leasing Private Ltd". The Company was converted to a public limited Company on August 13, 1992. The name of the Company was further changed to "Golechha Global Finance Ltd", vide fresh certificate issued by Registrar of Companies, Chennai on 6th October 1992.

6.9 Brief Audited Financial data of GFL for the last three years and Certified financials (Certified by Statutory Auditors) for the interim period ended 30-09-2009 are given hereunder:

(Rs. In Lacs)

Profit & Loss Statement	30.09.2009	31.03.2009	31.03.2008	31.03.2007
Income from Operations	0.01	14.63	48.16	33.73
Other Income (Misc. Income)	0.00	0.00	0.00	0.01
Total Income	0.01	14.63	48.16	33.74
Expenditure				
Operating & Administrative Expenses	2.60	11.65	47.61	32.25
Profit before Depreciation, Interest and Tax (Loss in brackets)	(2.59)	2.98	0.55	1.49
Depreciation	0.00	0.00	4.35	5.10
Interest & Fin charges	0.02	0.37	0.09	0.99
Profit Before Tax (Loss in brackets)	(2.61)	2.61	(3.89)	(4.60)
Less: Provision for Current Taxes	0.00	0.62	0.00	0.00
Profit After Tax for the year (Loss in brackets)	(2.61)	1.99	(3.89)	(4.60)
Less: Prior period adjustments/taxes paid	0.00	0.00	11.64	7.40
Deferred Tax liability written back	0.00	0.00	1.09	1.42
Add: Provision for NPA reversed	0.00	0.00	13.55	
Profit/Loss carried to Balance Sheet	(2.61)	1.99	(0.89)	(10.58)

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Balance Sheet Statement	30-09-2009	31.03.2009	31.03.2008	31.03.2007
Sources of funds				
Paid up Equity Share Capital	420.43	420.43	420.43	420.43
Reserves & Surplus	45.08	47.70	45.71	46.60
Net Worth	465.51	468.13	466.14	467.03
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	0.00	0.00	0.00	73.84
Total Source of funds	465.51	468.13	466.14	540.87
Uses of funds				
Net Fixed Assets	0.00	0.00	0.00	20.14
Net Current Assets	465.51	468.13	466.14	520.73
Total	465.51	468.13	466.14	540.87
	30-09-2009	31.03.2009	31.03.2008	31.03.2007
Other Financial Data				
Dividend (%)	N.A.	NIL	NIL	NIL
Earnings per Share (Rs.) for the year (Negative figure in brackets)	(0.06)	0.05	(0.09)	(0.11)
Return on Net Worth (%) for the year (Profit after Tax X100/Net Worth) (Negative figure in brackets)	(0.62)	0.43	(0.83)	(0.98)
Book Value Per Share (Rs.) (Net Worth/No. of Shares)	11.07	11.13	11.09	11.11

Notes:

- There is no change in accounting policies during the above period
- There is no Revaluation Reserves
- The Other Income during the year 2006-07 is miscellaneous receipts
- There is no Extra Ordinary Income or Expenditure during the above period
- **Reason for significant fall in Total Income and PAT:** In the year 2007-08, there was a substantial increase in Interest Income and consequently the Total Income has increased. However, the administrative expenses and Staff costs increased significantly during the year. The Company also incurred losses in trading in commodities. All these resulted in continued losses though there was a modest decrease in losses during the year 2007-08 compared to previous year. In the year 2008-09, the Interest income dropped significantly. However, the staff costs were down marginally and administrative expenses fell substantially. There was no trading in commodities. In view of this, despite the fall in Income, the Company could return profits. During the interim period ended 30th September 2009, there was no interest income or any other Income. The expenses were lower than previous year on pro rata basis.
- **Significant Accounting policies as on 31-03-2009, date of last audit:**
 - a. Financial Statements are prepared under the historical cost convention in accordance with generally accepted accounting principles as well as the requirements under the Companies Act, 1956.
 - b. The company maintains its accounts on accrual basis
 - c. The accounting Standards recommended by the Institute of Chartered Accountants of India have been followed wherever applicable to the Company.
 - d. In respect of Income from financing, the Company has accounted on accrual basis interest due from the respective parties. In respect of other income, accrual system is followed
 - e. Fixed Assets are stated at historical cost less depreciation. Depreciation is provided on Written Down Value method at the rates specified in Companies Act.
 - f. Depreciation is provided on Straight Line Method as per the rates specified under Companies Act.
 - g. Closing Stock has been valued at cost or market price whichever is less
- There are no significant qualifications by Auditors as on 31.03.2009.

6.10. Pre and Post- Offer Share holding pattern of GFL shall be as follows:

Shareholders' category	Shareholding prior to the agreement/ Acquisition and offer.		Shares to be acquired which triggered off the Regulations		Shares to be Acquired in Open Offer (Assuming full acceptances)		Share holding after the acquisition and Offer.	
	(A)		(B)		(C)		(D)	
	No	%	No	%	No	%	No	%
1.Promoter group								
Parties to the Agreement								
Shri. Ummedchand Golechha	24,71,800	58.79					53,800	1.28
Other than parties to the Agreement								
Smt. Madhu Bala Sharma	40,000	0.95					40,000	0.95
Kumbhat Fin. Ser. Ltd	20,000	0.48					20,000	0.48
Golechha Overseas Business Ltd	10,000	0.24					10,000	0.24
Jitendra Kumar Jain	4,000	0.09					4,000	0.09
Smt. Uma Maheswari	100	0.002					100	0.002
Smt. Sumati Ganesh	100	0.002					100	0.002
Shri. S Madhavan	100	0.002					100	0.002
Total (1)	25,46,100	60.56					1,28,100	3.05
2 Acquirer								
Advani Private Limited	0	0	24,18,000	57.51	8,40,860	20	32,58,860	77.51
Total of Acquirer (2)	0	0	24,18,000	57.51	8,40,860	20	32,58,860	77.51
3 Public Holding								
a. Indian Public	15,58,200	37.06	0	0	0	0	8,17,340	19.44
b. FIs/Banks	1,00,000	2.38						
c. NRIs	----	-----						
Total Public (3) (a+b+c)	16,58,200	39.44	0	0	0	0	8,17,340	19.44
Total (1+2+3)	42,04,300	100					42,04,300	100

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Notes:

- a. There are no partly paid Equity Shares.
- b. There are no warrants, options or convertible instruments, convertible at a later stage.
- c. Post Offer, the residual holding of present promoter group will be clubbed with Public Holding.
- d. No Shares are subject to lock in.
- e. The Acquirer has not acquired any Shares from the date of the Public Announcement till date of this Letter of Offer.
- f. The number of Shareholders under Public Category, i.e. under 3 above, on the Specified Date is 3235

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer price

7.1.1 The Equity Shares of GFL are listed at The Bombay Stock Exchange Ltd, Mumbai (BSE), Jaipur Stock Exchange Ltd (JSE), The Ahmedabad Stock Exchange Ltd (ASE) and Madras Stock Exchange Ltd (MSE). The Shares are not admitted as permitted Security in any other Stock Exchange.

7.1.2 The annualized trading turnover of Shares of GFL, at the Stock Exchanges during the preceding 6 calendar months prior to the month in which Public Announcement was made (i.e. during the months June 2009 to November 2009) is given hereunder:

The trading data is given below:

Name of Stock Exchange(s)	Total no. of Shares traded during the 6 calendar months prior to the month in which the P A was made.	Total No. of listed Shares	Annualized Trading turnover (in terms of % to total listed Shares)
The Bombay Stock Exchange Ltd (BSE)	56,600	42,04,300	2.692
The Ahmedabad Stock Exchange Assn. Ltd (ASE)	0	42,04,300	0.00
Jaipur Stock Exchange Ltd (JSE)	0	42,04,300	0.00
Madras Stock Exchange Ltd (MSE)	0	42,04,300	0.00

The trading volume data in respect of BSE has been taken from the BSE's website www.bseindia.com. There had not been any trading of Equity Shares at ASE, JSE & MSE during the above period.

The Equity Shares are thus infrequently traded in terms of Regulation 20 (5), explanation (i) at all the Stock Exchanges.

7.1.3 Since the Equity Shares of the Target Company has been infrequently traded as per explanation (i) to Regulation 20(5) at all the Stock Exchanges were listed, during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer price has been justified, taking into account, the following parameters, as set out under Regulations 20(5)©:

1	Negotiated price paid by the Acquirer under the any Agreement referred to in sub regulation (1) of Regulation 14.	Rs. 6.00
2	Highest price paid by the Acquirer for acquisition including by way of allotment in a Public or Rights issue, if any, during the twenty-six week period prior to the date of Public Announcement.	N.A.
3	Price paid by the Acquirer under any Preferential allotment made to them any time during the twenty six weeks preceding the date of PA	N.A.
4	Book Value of the Equity Shares as on 31.03.2009 (audited)	Rs. 11.13
5	Earnings Per Share (EPS) as on 31.03.2009 (audited)	Rs. 0.05
6	Return on Net Worth during the preceding Financial year ended 31.03.2009	0.43%
7	Revised Offer Price	Rs. 12/18

(Source of Information: (a) Audited Accounts as on 31.03.2009 published by GFL (b) Share Purchase Agreement dated 10th December 2009 (c) Trading data from BSE Website www.bseindia.com)

Note: Between 21st February 1997 and 31st March 1997, the present promoters have acquired Equity Shares of the Target Company in excess of the then prevailing limit under Reg. 11(1). However, the exact date of acquisition is not available. In view of this, 21st February 1997 is considered as the date on which the regulation 11(1) was triggered. The Equity Shares were acquired at a price of Rs. 1/- per Equity Share. The Equity Shares of the Target Company was traded at Rs. 1.00 on 14th February 1997 and at Rs. 0/75 on 18th March 1997 at BSE. There was no trading on the other trading days at BSE in these months.

The Equity Shares of the Target Company were infrequently traded during 6 months period prior to the date on which the acquisition is deemed to be made i.e. February 1997. Had they actually acquired in March 1997, then also the Equity Shares were infrequently traded during the 6 months prior to March 1997. The equity Shares being infrequently traded, had an Open Offer was made at that time, the Offer price would have been determined based on the parameters set out under Reg. 20(5)© such as Book Value, EPS, Net Worth etc. Based on audited Financials as on 31st March 1996, the date on which the accounts were last audited (prior to the acquisition) The EPS was Rs. 0/53, Net Asset Value Rs. 8/48 & Return on Net Worth 6.23%. The Equity Shares were quoted at a PE ratio of around 1.5 only. As per the pricing formula given by the Supreme Court in HLL vs. Employees case, the Fair Value of Equity Shares of the Target Company at that time was Rs. 3/60 and this price is considered as the price at which Offer should have been made. Assuming the date of acquisition as 21st February 1997, the Public Announcement should have been made within 4 working days thereof, i.e. before Thursday, February 27, 1997. The Offer should have opened in 60 days of PA, kept open for 30 days and consideration should have been paid in 30 days. Accordingly the consideration should have been paid by Friday, June 27, 1997. On the Offer price of Rs. 3/60, interest @10% pa. Compounded, from June 27, 1997 till April 07, 2010, the scheduled date of payment of consideration under the present Offer is Rs. 8/58. Thus, the Offer Price ought to be Rs. 12/18. The present revised Offer Price of Rs. 12/18 is thus justified also considering the violation of Reg. 11(1) by the present promoters.

7.1.4. This is not an indirect acquisition/control.

7.1.5 Non Compete Fee: There is no non-compete agreement for payment to any person.

7.1.6 The Offer price is justified in terms of Regulation 20 (11) of the Regulations. The Offer price as per original PA was Rs. 11/25. The same has been revised to Rs. 12/18. In the opinion of the Manager to the Offer and the Acquirer, the revised Offer price is justified. The revised Offer price of Rs. 12/18 per Equity Share (fully paid up) is higher than the price being paid for acquisition under the Share Purchase Agreement and Book Value of Equity Shares of GFL as on 31-03-2009 the date of last audit. With respect to all the Stock Exchanges where the Equity Shares of the Target Company is infrequently traded, the Offer price is justified considering the various parameters such as the Book Value of Equity Shares, EPS, Return on Net Worth etc. The Offer price is also justified considering the acquisition of equity shares by the present promoters in excess of the limits under Reg. 11(1) as obtaining at the time of the said acquisition and consequent violation of the Regulations and the price at which an Open Offer should have been made and interest thereof as detailed under Note to Point 7.1.3 above. There are no partly paid Equity Shares

7.1.7 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. However, the Acquirer shall not be acquiring any Equity Shares of GFL during the period of 7 working days, prior to the date of closure of the Offer.

7.2 Financial arrangements

7.2.1 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/others or Foreign sources such as NRIs is envisaged.

7.2.2 Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 1,02,41,674/80 (Rupees One Crore Two Lacs Forty one thousand Six hundred and Seventy four and paise eighty only).

7.2.3 In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created Escrow Accounts in the form of (a) Fixed Deposit for Rs.25.00 Lacs (Rupees Twenty Five Lacs only), & (b) Fixed Deposit for Rs. 61,000/- (Rupees Sixty One Thousand only) with The Federal Bank Ltd, Branch Manickpur, Vasai (West), 401 202 on December 10, 2009 & February 22, 2010 respectively. The aggregate Fixed Deposit held in Escrow account is Rs. 25,61,000 (Rupees Twenty five Lacs sixty one thousand only) which is more than 25 % of the total consideration payable under the Offer, and lien has been noted in favor of Fedex Securities Ltd, Manager to the Offer.

7.2.4 The Acquirer has authorized Fedex Securities Ltd, Manager to the Offer , to realize the value of the Escrow Accounts.

7.2.5 As per Certificate dated 30-11-2009, from Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001 (Tel. No. (033) 2248 1037, 2213 1429 Fax No. (033) 2248 7335, Email ID: goyalpankajforyou@gmail.com), Statutory Auditors of the Acquirer, the Net worth of APL as on 30-09-2009 is Rs.1402.61 Lacs.

7.2.6 Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001 (Tel. No. (033) 2248 1037, 2213 1429, Fax No. (033) 2248 7335,

LETTER OF OFFER

Email ID: goyalpankajforyou@gmail.com), Statutory Auditors of the Acquirer, has, vide his Certificate dated 09-12-2009 certified that the Acquirer has liquid resources of Rs. 584.12 Lacs as on 09-12-2009. This will be adequate to meet the funds requirements of the Offer.

- 7.2.7 The liquid resources are Balance in Current Account and Short Term advances given and recoverable on demand. The liquid funds available are Bank balance Rs. 11.12 Lacs and Short Term advances recoverable on demand Rs. 573.00 Lacs.
- 7.2.8 The liquid resources available with the Acquirer are sufficient to meet the cost of Acquisition of Shares through the Agreement, the Open Offer and expenses thereof.
- 7.2.9 Fedex Securities 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.

8. TERMS AND CONDITIONS OF THE OFFER

8.1

- a. This Offer will open on Thursday, March 04, 2010 and will close on Tuesday, March 23, 2010. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
- b. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
- c. The Specified date for this Offer is Friday, January 08, 2010.
- d. **Specified date is only for the purpose of determining the names of the Shareholders / Beneficial Owners as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of GFL anytime before the closure of the Offer are eligible to participate in the Offer.**
- e. The Acquirer will comply with the Takeover Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Share Purchase Agreement and its related conditions.
- f. In case of non-compliance with any of the provisions of the Takeover Regulations, the Share Purchase Agreement shall not be acted upon by the Seller or the Acquirer.
- g. GFL has signed agreements with NSDL for offering Shares in dematerialized form. The ISIN Number is INE427D01011. No agreement is signed with Central Depository Services (India) Ltd (CDSL).
- h. The Marketable lot for the Shares of GFL for the purpose of this Offer shall be 1(one only).

8.2 **Locked in Shares:** There are no Equity Shares, which are subject to Lock in.

8.3. Eligibility for accepting the Offer

- 8.3.1 The Letter of Offer shall be mailed to all Equity Shareholders/Beneficial Owners holding Equity Shares in dematerialized form (except the present promoters, parties to the agreement and the Acquirer) whose names appear in register of Target Company as on Friday, January 08, 2010, the Specified Date.
- 8.3.2 This Offer is also open to persons who own Equity Shares in GFL but are not registered Shareholders as on the "Specified date".
- 8.3.3 All Equity Shareholders/Beneficial Owners (except the present promoters, parties to the Agreement and the Acquirer) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.
- 8.3.4 The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 (Tel. Nos. (022) 22702485 /22641376, Fax. No. (022) 22641349, Email: sharexindia@vsnl.com) (**Contact person: Shri. B S Baliga**) 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.
- 8.3.5 The Public Announcement, Corrigendum to PA, the 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's website for applying in the Offer or to withdraw from the Offer.
- 8.3.6 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.
- 8.3.7 The acceptance of this Offer by the Equity Shareholders of GFL 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.
- 8.3.8 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of GFL.

- 8.3.9 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms, Withdrawal Form, Share Transfer Deed etc. during transit and the Equity Shareholders of GFL are advised to adequately safeguard their interest in this regard.
- 8.3.10 The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 8.3.11 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.
- 8.3.12 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.
- 8.3.13 For any assistance please contact Fedex Securities Limited, Manager to the Offer or the Acquirer or the Registrar to the Offer.

8.4 Statutory Approvals :

- 8.4.1 As on the date of this Letter of Offer, no statutory approvals are required for the Offer/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.
- 8.4.2 Barring unforeseen circumstances, the Acquirer would endeavor 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 fail 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.
- 8.4.3 No approval is required to be obtained from Banks/Financial Institutions for the Offer.
- 8.4.4 GFL is registered with Reserve Bank of India as a Non Banking Finance Company (NBFC). The substantial acquisition of Shares and taking control by the Acquirer is subject to regulations by Reserve Bank of India governing Non Banking Finance Companies (NBFCs). Reserve Bank of India, vide circulars DNBS (PD) CC No. 11/02.01/99-2000 dated November 15, 1999, paragraph A (5) (iii) Of Circular DNBS (PD) CC No. 12/02.01/99-2000 dated January 13, 2000 and paragraph 2(ii) of Circular DNBS (PD) CC No. 63/02.02/2005-06 and circular DNBS (PD) CC No. 81/03.02.02/2006-07, stipulates that change in management of NBFCs and transfer of Shares to a new promoter shall be subject to the Acquirer and the Target Company making a public announcement and that the transfer of Shares and change in management shall not be effected earlier than 30 days from the date of such Public announcement. The Acquirer undertakes that they shall comply with the stipulation of making a public announcement as aforesaid, jointly with the Target Company and undertakes that they transfer to themselves the Equity Shares covered under the Share Purchase Agreement as well as open offer only after 30 days of such Public Announcement. The Acquirer also undertakes that they or their nominees shall not take control of the Board of Directors of GFL before expiry of 30 days from the date of the aforesaid public announcement.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

ACCEPTANCE OF THE OFFER

- 9.1.1 Name and Address of the persons (Registrars to the Offer) to whom the Equity Shares along with documents required to be submitted therewith, should be sent.

Registrars to the Offer	Working days and timings	Mode of delivery
SHAREX DYNAMIC (INDIA) PVT.LTD. SEBI Regn. No. INR000002102 17/B, Dena Bank Bldg, 2 nd Floor Horniman Circle Fort, Mumbai-400001 Tel. Nos. (022) 22702485 / 22641376 Fax. No. (022) 22641349 Email : sharexindia@vsnl.com Contact Person: Shri. B S Baliga	Monday to Friday 11.00 a. m. to 4.00 p.m. Saturday 11.00 a. m. to 2.00 p m	By Post/Courier/ Hand delivery

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- 9.1.2 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. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 (Tel. Nos. (022) 22702485 / 22641376, Fax. No. (022) 22641349, Email ID: sharexindia@vsnl.com) (**Contact person: Shri. B S Baliga**) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Tuesday, March 23, 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 GFL /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 lodgment with, or receipt issued by BSL/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.
- 9.1.3 Beneficial owners (holders of shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off –market" mode or counterfoil of the delivery instruction in "Off –market" mode, duly acknowledged by the Depository Participant (DP) in favor of a Special Depository account opened by the Registrar to the Offer, in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance-cum-acknowledgement. The details of the Special Depository Account is given below:

DP Name	KARVY STOCK BROKING LTD
DP ID	IN300394
Client Name	GGFL OPEN OFFER OPERATED BY SHAREX DYNAMIC INDIA PVT LTD
Client Id	17493422

- 9.1.4 **For the attention of Beneficial Owners holding Shares in dematerialized form:** Please note that the above account is maintained with National Securities Depository Limited (NDSL)
- 9.1.5 The Acceptance Form along with Share Certificates/copy of delivery instruction to DP and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.
- 9.2. Procedure for acceptance of the Offer by unregistered Shareholders/owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer
- 9.2.1. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way.
- 9.2.2 In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of GFL in physical form, may send his/her/their 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 so as to reach them on or before the date of closure of the Offer.
- 9.2.3 In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, 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, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the Special Depository account, so as to reach the Registrar to the Offer on or before the date of closure of the Offer.
- 9.2.4 In case the Share Certificate(s) and Transfer Deeds are lodged with GFL /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 lodgment with, or receipt issued by GFL /its Share Transfer Agent, 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 Memorandum & Articles of Association shall also be sent.
- 9.2.5 **Unregistered owners holding Equity Shares in physical Form should enclose**
- a. Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates.

- b. Original Share Certificates.
 - c. Original broker contract note of a registered broker of a recognized Stock Exchange
 - d. Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for acceptance.
- 9.3 The Acquirer shall accept all valid fully paid up Shares tendered (except those which are withdrawn, within the date specified for withdrawal).
- 9.4 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 and taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. It will also be ensured that the acceptance from a Shareholder is not less than marketable lot or the entire holding, if it is less than the marketable lot.. The market lot for GFL's Shares is 1(one only).
- 9.5 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 15 days from the date of closure of offer, for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from date of closure of the Offer.
- 9.6 The Equity Shares Certificate(s) and the transfer form (s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pays the Offer Price.
- 9.7 In case of acceptance on proportionate basis/or rejection for any reason, 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. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner(s) in the form of acceptance cum acknowledgement.
- 9.8 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).
- 9.9 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 Thursday, March 18, 2010.
- 9.10 The Withdrawal option can also be exercised by making an application on plain paper along with the following details:
- a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form
 - b. Name, Address, DP Name, DP ID, Beneficiary Account/Client ID No. of the Account from where Shares were tendered, photocopy of the delivery instruction in " Off Market Mode" duly acknowledged by the DP in favor of the Special Depository Account in the name of Registrar and number of Shares tendered /withdrawn.
- 9.11. The Shares withdrawn by Shareholders, which are in physical form 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.

9.12 SETTLEMENT/ PAYMENT OF CONSIDERATION

- 9.12.1 The Acquirer shall arrange to pay the consideration on or before Wednesday, April 07, 2010.

9.12.2 Consideration for Equity Shares accepted will be paid as given hereinafter: Acceptors of this Offer, having their Bank accounts at any of the Centres where Clearing Houses are managed by the Reserve Bank of India (RBI) will get payment of consideration through Electronic Credit Service (ECS), except where the acceptor is otherwise eligible to get payments through Direct Credit ("DC"), National Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS"). In case of other applicants, the consideration of value up to Rs. 1,500/- will be despatched "Under Certificate of Posting" and

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those of Rs. 1,500 and above by Registered Post or Speed Post, by Demand Drafts/Banker's Pay Order. Applicants to whom payments are made through Electronic transfer of funds will be sent a letter (Payment advice) "Under Certificate of Posting" intimating them about the mode of credit/payment within 15 days from the date of closure of the Offer. The Registrars to the Offer shall ensure despatch of Consideration/payment advice, if any, "Under Certificate of Posting" or Registered Post or Speed Post or Electronic Clearing Service or Direct Credit or RTGS, only in the name of the Sole or First shareholder and all communication will be addressed to the person whose name appears on Acceptance Form within 15 days of the date of Closure of the Offer and adequate funds for making payments as per the mode(s) disclosed above shall be made available to the Registrar by the Acquirer. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

- 9.12.3 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, 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 the last date mentioned for payment of consideration.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at 3A, Garstin Place, 3rd Floor, Kolkata 700 001, the registered office of the Acquirer. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.

1. Copy of Certificate dated 30-11-2009, from Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001 (Tel. No. (033) 2248 1037, 2213 1429 Fax No. (033) 2248 7335, Email ID: goyalpankajforyou@gmail.com), Statutory Auditors of the Acquirer, certifying the Net worth of APL as on 30-09-2009
2. Copy of Certificate dated 09-12-2009, from Shri. Pankaj Goyal (Membership No. 59991), Partner, V.Goyal & Associates, Chartered Accountants, Mercantile Buildings, A Block, 1st Floor, 9, Lalbazar Street, Kolkata 700 001, Statutory Auditors of the Acquirer certifying the adequacy of have adequacy of liquid resources with the Acquirer to meet the funds requirements of the Offer.
3. Copy of Certificate of Incorporation No. 18-20638 issued on 6-10-1992 by Registrar of Companies, Tamil Nadu, of GFL, the Target Company.
4. Certified copy of fresh Certificate of Incorporation consequent to conversion to public limited company, dated 13th August 1992 issued by Registrar of Companies, Tamil Nadu, Chennai.
5. Certified copy of fresh Certificate of Incorporation consequent to change of name, dated 6th October 1992 issued by Registrar of Companies, Tamil Nadu, Chennai.
6. Audited Balance Sheet, Profit and Loss Account, Report of Auditors, Directors etc. of GFL as on 31.03.2007, 31.03.2008 & 31.03.2009 & Certified financials as on 30-09-2009
7. Copy of Share Purchase Agreement dated December 10, 2009 between the Acquirer & present promoter of GFL for purchase of Shares and change in control of GFL.
8. Copy of (a) Fixed Deposit Account No. 15440400010113 dated December 10, 2009 of The Federal Bank Ltd, Branch Manickpur, Vasai (West), 401 202 for Rs. 25.00 Lacs (b) Fixed Deposit Account No. 15440400010600 dated February 22, 2010 for Rs. 61,000/- of The Federal Bank Ltd, Branch Manickpur, Vasai (West), 401 202 being Escrow Account created.
9. Copy of Letters dated December 10, 2009 & February 22, 2010 from The Federal Bank Ltd, Branch Manickpur, Vasai (West), 401 202 on September 29, 2009, certifying opening of Escrow Accounts and noting of lien in favour of Fedex Securities Ltd, Manager to the Offer.
10. Copy of Letter from the Acquirer, authorizing Fedex Securities Ltd, to realize the value of Escrow Account, in terms of the Regulations.

11. Audited Accounts/Certified Accounts, Memorandum & Articles of Association, Certificate of Incorporation & Certificate for Commencement of Business etc., as applicable, of all Companies/Ventures promoted by the promoters of the Acquirer, details of which are given in this Letter of Offer.
12. Published Copies of the Public Announcement made in newspapers on December 12, 2009.
13. Published Copies of the Corrigendum to the Public Announcement made in newspapers on February 25, 2010.
14. Copy of MOU dated December 10, 2009 between the Acquirer and Manager to the Offer.
15. Copy of MOU dated December 10, 2009 between the Acquirer and the Registrar to the Offer.
16. Copy of Resolution dated December 09, 2009 by the Board of Directors of Advani Private Limited, to sign Share Purchase Agreement, MOU with Intermediaries and the Letter of Offer and to do all other acts and deeds in connection with the Offer.
17. Client Master Copy dated December 29, 2009 of Karvy Stock Broking Ltd, DP attached to NSDL, relating to Special Account opened by Registrars to the Offer
18. Due Diligence Certificate dated December 24, 2009 submitted to SEBI by Fedex Securities Ltd., Manager to the Offer
19. Undertaking dated December 10, 2009 by the Acquirer, agreeing to maintain public holding as per Clause 40A of listing agreement.
20. Undertaking dated December 10, 2009 by the Acquirer, expressing their intention not to delist the Equity Shares of GFL after the Offer.
21. Undertaking dated December 10, 2009 by the Acquirer, agreeing to make Public Announcement in compliance with RBI regulations on transfer of Shares and control of NBFCs.
22. Undertaking dated December 10, 2009 by the Acquirer agreeing that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.
23. SEBI Observation letter No. CFD/DCR/TO/DA/195326/10 dated February 17, 2010

11. DECLARATION

The Acquirer and each of its Directors jointly and severally accept full responsibility for the information contained in this Letter of Offer and Form of Acceptance. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirer shall be responsible for ensuring compliance of the Regulations.

The Acquirer

For **Advani Private Limited**



Gyan Swaroop Garg

Director

Place : Kolkata

Date : February 26, 2010

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal
3. Share Transfer Deed

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FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	Thursday, March 04,2010
Offer closes on	Tuesday, March 23, 2010

From:

Unique identification No. under MAPIN, if applicable _____

To

SHAREX DYNAMIC (INDIA) PVT.LTD.
UNIT: Golechha Global Finance Limited – Open Offer
 17/B, Dena Bank Bldg, 2nd Floor
 Horniman Circle, Fort
 Mumbai-400001
 Tel. Nos. (022) 22702485 / 22641376
Contact Person: Shri. B S Baliga

Dear Sir,

**Sub: Open Offer to acquire 8,40,860 Equity Shares representing 20 % of the paid up and voting Equity Capital of Golechha Global Finance Limited
by Advani Private Limited**

I/We refer to the Letter of Offer dated February 26,2010 for acquiring the Equity Shares held by me/us in Golechha Global 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, hold Equity Shares of Golechha Global Finance Limited in physical form, 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:

(In the case of Shares in Physical Form)

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of **Golechha Global Finance Limited** which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

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

I/We hold the following Equity Shares of Golechha Global Finance Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares.

Tear Here

Acknowledgement Receipt

Received from Mr./Ms./M/s _____ Form of acceptance cum acknowledgement in connection with open offer to Shareholders of **Golechha Global Finance Limited**

Ledger Folio No. _____ No. of Share Certificates for _____ Shares of **Golechha Global Finance Limited**

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares

Tear Here

I/We have done an Off market transaction for crediting the Shares to the Special Depository Account noted below:	
DP Name	KARVY STOCK BROCKING LTD.
DP ID	IN300394
Client Name	GGFL OPEN OFFER OPERATED BY SHARES DYNAMIC INDIA PVT. LTD.
Client Id	17493422

For the attention of Beneficial Owners holding Shares in dematerialized form: Please note that the above account is maintained with National Securities Depository Limited (NSDL)

I/We note and understand that the Shares transferred to the above Special Depository Account will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

I/We confirm that the Equity Shares of Golechha Global Finance Limited which are transferred by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever. I/We authorize the Acquirer to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the payment/payment advice as the case may be, in settlement of the amount to the sole/first holder at the address mentioned below:

Name	
Address	
Pin Code	

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under

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

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place : _____

Date : _____

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS/RTGS etc, the applicants are requested to provide details of Bank account of the sole/first Shareholder .

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	
Payment through RTGS	
IFSC Code of the Branch	
MICR Code of the Branch	

----- *Tear Here* -----

Note : All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

SHAREX DYNAMIC (INDIA) PVT.LTD.
UNIT: Golechha Global Finance Limited - Open Offer
17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle, Fort
Mumbai-400001
Tel. Nos. (022) 22702485 / 22641376
Contact Person: Shri. B S Baliga

FORM OF WITHDRAWAL

Offer opens on	Thursday, March 04, 2010
Offer closes on	Tuesday, March 23, 2010
Last date for withdrawal	Thursday, March 18, 2010

From: Unique identification No. under MAPIN, if applicable _____

To

SHAREX DYNAMIC (INDIA) PVT.LTD.
UNIT:Golechha Global Finance Limited – Open Offer
 17/B, Dena Bank Bldg, 2nd Floor
 Horniman Circle, Fort
 Mumbai-400001
 Tel. Nos. (022) 22702485 / 22641376
Contact Person: Shri. B S Baliga

Dear Sir,

**Sub: Open Offer to acquire 8,40,860 Equity Shares representing 20 % of the paid up and voting Equity Capital of Omega Interactive Technologies Limited
by Advani Private Limited**

I/We refer to the Letter of Offer dated January 28, 2010 for acquiring the Equity Shares held by me/us in **Golechha Global Finance Limited**.

I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirer to return to me/us, the tendered Equity Shares 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 Acquirer/Manager to the Offer/Registrar to the Offer.

I/We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirer will return the original Share Certificate(s) , Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents .

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

Sl. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

----- *Tear Here* -----

Acknowledgement Receipt

Received from Mr./Ms./M/s _____ Form of acceptance cum acknowledgement in connection with open offer to Shareholders of **Golechha Global Finance Limited**.

Ledger Folio No. _____ No. of Share Certificates for _____ Shares of **Golechha Global Finance Limited**

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares

Tear Here

The Shares held in Dematerialized Form were transferred to Special Depository account noted below

DP Name	KARVY STOCK BROCKING LTD.
DP ID	IN300394
Client Name	GGFL OPEN OFFER OPERATED BY SHARES DYNAMIC INDIA PVT. LTD.
Client Id	17493422

The Shares proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sl. No	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares

I/We confirm that the Equity Shares of Golechha Global Finance Limited. , which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

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

Yours faithfully,

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place : _____

Date : _____

----- *Tear Here* -----

Note : All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

SHAREX DYNAMIC (INDIA) PVT.LTD.
UNIT: Golechha Global Finance Limited – Open Offer

17/B, Dena Bank Bldg, 2nd Floor
Horniman Circle, Fort, Mumbai-400001

Tel. Nos. (022) 22702485 / 22641376

Fax. No. (022) 22641349

Email : sharexindia@vsnl.com

Contact Person: Shri. B S Baliga

Crystal (022) - 6614 0900
cif_mum@crystalforms.com