PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

AADI INDUSTRIES LIMITED

(Formerly Known as JRC Industries Limited)

REGISTERED OFFICE: 1273, KANJI DIWAN'S KHANCHO, RAJA MEHTA'S POLE, TANKSHAL ROAD, KALUPUR, AHMEDABAD - 380 001.

This Public Announcement is being issued by Keynote Corporate Services Limited (hereinafter referred to as the **"Manager to the Offer"**), on behalf of Mr. Rushabh Jitendra Shah (hereinafter referred to as the **"Acquirer"**) pursuant to Regulations 11(1) and 11(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 & subsequent amendments thereto (hereinafter referred to as the **"Regulations"**).

I. Background of the Offer

Mr. Rushabh Jitendra Shah, promoter of Aadi Industries Limited, was holding 21,86,612 equity shares of Rs. 10/- each representing 43.67% of the paid up equity share capital of Aadi Industries Limited (hereinafter refer to as '**AIL**' or '**Target Company**'.)

The Board of Directors of AIL in its meeting held on August 26, 2008 had proposed to issue 49,93,400 equity shares of Rs.10/- each for cash at par on a preferential basis to the Mr. Rushabh J. Shah existing promoter of AIL subject to obtaining the approval of members/ shareholders of AIL. Accordingly at the Annual General Meeting of the members/shareholders of AIL held on September 27, 2008 the shareholders approved the said issue of equity shares on a preferential basis to the promoter.

Pursuant to the said resolution AIL approached Bombay Stock Exchange Ltd. (**BSE**) for obtaining their in-principle approval for allotment of aforesaid shares on preferential basis to the promoters. The in-principle approval from BSE has been received vide their letter no. DCS/PREF/SR/PRE/1756/08-09 dated December 24, 2008. In terms of the said approval and special resolution, the board of directors at its meeting held on January 05, 2009 allotted 49,93,400 equity shares of Rs. 10/- each at par on preferential basis to Mr. Rushabh J. Shah.

Pursuant to the preferential allotment the aggregate shareholding of the promoter/acquirer increased to 71,80,012 shares which is 71.80% of post preferential paid up equity share capital of AIL. As a result of the preferential allotment the provisions of Regulation 11(1) and 11(2) have been attracted, Hence promoter /acquirer is making an offer to acquire up to 20,00,000 equity shares being 20% of the post preferential paid up equity share capital of AIL from outside public shareholder.

II. The Offer

a) The aforesaid preferential allotment of equity shares to the Acquirer has attracted provisions of Regulation 11(1) and 11(2) of the Regulations. In view of this the Acquirer hereby announces an offer under the said Regulations, to acquire by tender up to 20,00,000 fully paid-up equity shares of Rs.10/- each representing 20% of the equity share capital of AIL for cash at a price of Rs. 10/- (Rupees Ten Only)per share (**"the Offer Price"**) from the remaining shareholders of AIL (other than promoter and persons in the promoter group") on the terms and subject to the conditions set out below.

b) The offer is not subject to any minimum level of acceptance.

c) The equity shares of AIL are listed on the Bombay Stock Exchange Ltd. (BSE) and Vadodara Stock Exchange Limited (VSE). The equity shares of the Company are frequently traded on BSE in terms of explanation (i) to Regulation 20(5) of the Regulations. There has been no trading in the equity shares of AIL on VSE. The offer price of Rs. 10.00 per equity share, has been determined as per Regulation 20(4) of the Regulations taking inter-alia into account the following factors:

The negotiated price under the agreement	:	Not Applicable
Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights issue or preferential issue, if any, during the twenty-six weeks period prior to the date of Public Announcement (P.A)	:	Rs. 10.00 (Preferential Allotment of Equity Shares)
Average of the weekly high and low of the closing prices of the equity shares of AIL as quoted on the BSE (being the exchange where the equity shares of AIL are most frequently traded) during the 26 weeks preceding the date of P.A.	:	Rs.7.76
Average of the weekly high and low of prices of the equity shares of AIL as quoted on the BSE (being the exchange where the equity shares of AIL are most frequently traded) during the 2 weeks preceding the date of P.A.	:	Rs. 5.30

d) The offer price of Rs.10/- (Rupees Ten Only) per share being highest of all the above parameters is justified in terms of Regulation 20(4) applicable in respect of frequently traded shares.

e) As per the audited financial results for the year ended 31/03/2008 AIL has reported a loss of Rs. 7.83 lacs. AIL has an EPS of Rs. (0.12), net worth of Rs. 489.11 lacs and a Book Value per share of Rs. 9.77 as on 31/03/2008. Taking these parameters into consideration, the offer price of Rs. 10/- per share is also justified in terms of Regulation 20(5) in respect of infrequently traded shares.

f) As on the date of the public announcement the Acquirer holds 71,80,012 equity shares of Rs. 10/- each representing 71.80% of the post preferential paid-up equity share capital of AIL.

h) The Acquirer and AIL are not included in the list of persons / entities debarred from accessing the capital market under Section 11 B of the SEBI Act, 1992 or under any other Regulation.

i) Mr. Rushabh J. Shah has been regular in compliance with the provisions of Chapter II of the SEBI(SAST) Regulations, 1997. But there has been considerable delays in compliance with the provisions of the Regulations 6(1), 6(3), 8(1) and 8(2) by the earlier promoters of the company.

III. Information on the Acquirer

a) Mr. Rushabh J. Shah aged 30 years is residing at 7/8 Lalkripa, 251, Hingwala Lane, Ghatkopar (East) Mumbai-400 075. He is a commerce graduate from Mumbai University. He is the present promoter of the company. He has over 9 years of experience in trading of plastic granules, chemicals and Tarpaulins.

b) Mr. Rushabh J. Shah is also a director in Aadi Polyflex Private Limited and Deluxe Petrochem Private Limited.

c) As per the certificate dated January 07, 2009 issued by M/s. C.T. Gandhi, Chartered Accountants, having their office at 318/2, Siddhivinayak Society, New Mhada Complex, Hingwala Lane Extn, Ghatkopar (East), Mumbai – 400 075 (Membership No. of proprietor C. T. Gandhi is 38185 : Tel – 022 5094029). The net worth of Mr. Rushabh J. Shah as on December 31, 2008 is Rs.80.00 lacs and he has immediate access to liquid assets amounting to Rs. 200.00 Lacs.

IV. Information on Target Company

a) AIL was originally incorporated as JRC Finvest Limited as Public Limited Company in the State of Gujarat on May 03, 1994 under the Companies Act, 1956. Subsequently, the name of the Company was changed to JRC Industries Limited and fresh certificate of incorporation consequent to change of name was obtained on November 25, 1997. The main promoters of the Company were Mr. Gautam R. Shah and Mr. Hiren R. Shah. The Company commenced its commercial operations in the year 1994 in the field of leasing hire purchasing, bills discounting, short term lending and also to act as an investment Banking and advisory and consultancy services. The members of the Company had approved the adoption of activities related to Manufacturing and Marketing of Various kinds of Electric instruments, Components, ferrite rods, hard and soft ferrites capacitors, rectifiers, integrated circuits, printed circuit boards and Computer, Mini computers and compounds vide special resolution passed on September 26, 1997 The Company had further amended its Object Clause and inserted clauses related to manufacture of Plastics and Plastic products as its activities. The name of the company was further changed to Aadi Industries Limited and a fresh certificate of incorporation was obtained on April 01, 2008. AIL is presently engaged in the trading of plastic products and in process of setting up facilities for manufacturing of tarpaulins and plastic bags.

b) The company was acquired by present promoter Mr. Rushabh J. Shah during 2007. Mr. Shah had vide Share Purchase Agreement (SPA) dated November 27, 2006 entered into agreement with the then Promoters of the Target Company to acquire 19,99,038 fully paid-up Equity Shares of Rs 10/- each representing 39.93% of the issued, subscribed & paid up capital ("the acquisition") for cash at a price of Rs. 1.75 per share (Rupees One Rupee Seventy five paise) ('the negotiated price'). The necessary formalities relating to SEBI (Substantial Acquisition of Shares and Takeover) Code 1997 were completed and an open offer was made to the equity shareholders of the target company in terms of Regulations 10 & 12 vide letter of offer dated October 10, 2007. 92,911 equity shares were acquired through the open offer. Since then there has been no change in the control of AIL.

c) As on date of this Public Announcement the Authorized share capital of AIL is Rs. 10,00,00,000/- (Rupees Ten Crores Only) comprising of 1,00,00,000 equity shares of Rs. 10 each and the issued & paid up equity share capital of AIL is Rs. 10,00,00,000/- (Rupees Ten Crores) comprising of 1,00,00,000 equity shares of Rs. 10/- each. There are no partly paid up equity shares in the Company.

d) AIL came out with a public issue of Rs. 200.00 lacs comprising of 20,00,000 equity shares Rs. 10/- each at Par through prospectus dated February 20, 1995. The equity shares of AIL are listed on the Vadodara Stock Exchange Limited (VSE) and Bombay Stock Exchange Ltd. (BSE) and presently traded in 'T' (i.e. Trade to Trade) category.

e) The company had not carried out any activities during the financial year 2007-08. As per the audited financial results for the year ended 31/03/2008 it has reported a loss of Rs. 7.31 lacs, book value per share of Rs. 9.77 and EPS of Rs. (0.12) respectively. Since Return on Net worth is negative the same is insignificant. During the current financial year i.e. 2008-09 the company has set up manufacturing facilities of Tarapaulins and plastic bags in the union territory of Silvassa. As per unaudited certified results for the 6 months period ended 30/09/2008 AIL has reported Profit after Tax of Rs. 8.27 lacs on total income of Rs. 329.62 lacs. Return on Networth is negligible, Book Value per share of Rs. 9.93, EPS of Rs. 0.17 respectively.

f) As on date there are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There has been no merger / de-merger or spin off in the Company during the past three years. Entire pre-preferential allotment holding of acquirer/ promoter will be under "lock-in" for a period of six months in terms of 13.3.1 (g) of SEBI DIP (Guidelines) 2000. In addition to this equity shares allotted on preferential basis to acquirer/promoter will be under "lock-in" in terms of clause 13.3.1 (a) (b) of SEBI DIP (Guidelines) 2000

g) AIL has not been regular in complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997. There were considerable delays in complying with various provisions of the Regulations 6(2), 6(4) and 8(3).

V. Rationale for the acquisition and Offer

a) Prior to the Preferential Allotment Mr. Rushabh J. Shah held 21,86,612 equity shares of Rs. 10/- each of AIL representing 43.67% of total paid up equity share capital of the Company. The Board of Directors of AIL in its meeting held on August 26, 2008 had proposed to issue 49,93,400 equity shares of Rs.10/- each at par on a preferential basis to the existing promoter of AIL i.e. Mr. Rushabh J. Shah. Accordingly at the Annual General Meeting of the members/shareholders of AIL held on September 27, 2008 the shareholders approved the said issue of equity shares on a preferential basis. In terms of the special resolution , the board of directors at its meeting held on January 05, 2009 allotted 49,93,400 equity shares on a preferential basis to Mr. Rushabh J. Shah (hereinafter referred to as the "Acquirer"). Pursuant to the preferential allotment the aggregate shareholding of the Acquirer increased to 71,80,012 shares which is 71.80% of post preferential paid up equity share capital of AIL. As a result of the preferential allotment the provisions of Regulation 11(1) and 11(2) have been attracted, Hence Acquirer is making an offer to acquire up to 20,00,000 equity shares being 20 % of the post preferential paid up equity share capital of AIL.

b) The Acquirer does not have any plans to dispose off or otherwise encumber any of the assets of AIL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of AIL. The Acquirer will not dispose off, sell or otherwise encumber any substantial assets of AIL except with the prior approval of the shareholders.

VI. Statutory Approvals and Conditions of the Acquisition and the Offer

a) As on the date of this PA, there are no statutory approvals required to acquire the shares validly accepted under this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to the receipt of such statutory approvals.

b) It may be noted that in case of non-receipt of statutory approvals within time, SEBI has a power to grant an extension of time to the Acquirer for payment of consideration to shareholders subject to the Acquirer agreeing to pay interest for the delay, as directed by SEBI under regulation 22(12) of the Regulations.

c) No approvals are required from FIs /Banks for the Offer.

VII. Delisting Option

Presuming full response to the offer, the promoter shareholding in AIL will increase to 91.80%.

If the acquisition made in pursuance of a public offer results in the public shareholding in the target company being reduced below the minimum level required as per the Listing Agreement, the acquirer shall take necessary steps to facilitate compliance of the target company with the relevant provisions thereof, within the time period mentioned therein.

VIII. Financial Arrangements

a) Assuming full acceptance, the total monetary value of the offer would be Rs. 200.00 lacs. The Acquirer has opened an Escrow Account with Dena Bank Limited, Ghatkopar, Mumbai, in favour of the Manager to the Offer and deposited an amount of Rs. 50.00 lacs, which is 25% of the total monetary value of the offer. Acquirer has empowered the Manager to the Offer to realize the value of the aforesaid Escrow Account in terms of the Regulation 28(5).

b) The Acquirer has adequate and firm financial resources to fulfill the obligations under the open offer. The financial obligation under the offer is being fulfilled through internal resources of the Acquirer and not through any bank/ financial institution/or from any foreign/NRI Funds. M/s C.T. Gandhi Chartered Accountants, having their office a 318/2, Siddhivinayak Society, New Mhada Complex, Hingwala Lane Extn, Ghatkopar (East), Mumbai – 400 075 (Membership No. of Proprietor C. T. Gandhi is 38185) has certified vide certificate dated January 07, 2009 that the Acquirer has an immediate access to liquid assets which can be used for the acquisition of shares of M/s. Aadi Industries Limited.

c) In view of this, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer as firm financial arrangement through verifiable means are in place to fulfill the offer obligation.

IX. Other Terms of the Offer

a) The Letter of Offer specifying the detailed terms and conditions of this offer together with Form of Acceptance cum Acknowledgement and Form of Withdrawal will be mailed to the equity shareholders of AIL whose names appear on the Register of Members of AIL, at the close of business hours on February 06, 2009 (referred to as "the Specified Date"). The offer is made to all the remaining shareholders (other than the promoter and persons in promoter group) whose names appeared in the register of shareholders on the specified date and also to those persons who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s).

b) Subject to the conditions governing this Offer as mentioned herein, the acceptance of this offer by the equity shareholders of AIL must be absolute and unqualified. Any acceptance to this offer which is conditional and incomplete in any respect will be rejected without assigning any reason whatsoever.

c) Shareholders who hold Shares in physical form and who wish to tender their Shares will be required to send the form of Acceptance-cum- Acknowledgement, duly signed and completed in the manner specified therein together with all the necessary documents, as specified in the section of this Public Announcement titled "Procedure for Acceptance and Settlement", to the Registrar to the Offer at address mentioned under point X (b) of this Public Announcement either by hand delivery during business hours or by registered post so that the same are received on or before the closing date i.e. March 21, 2009.

d) In respect of dematerialised Shares, the credit for the Shares tendered must be received in the escrow account as specified in point X (a) on or before 5.00 p.m. Indian Standard Time on March 21, 2009.

e) The Acquirer will not be responsible in any manner for any loss of Share certificate(s) and/or Offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard. In case of any lacunae and/or defect or modifications in the documents/forms submitted, the acceptance is liable to be rejected.

f) A tentative schedule of activities in respect of the Offer is given below:

Activity	Date	Day
Public Announcement	January 09, 2009	Friday
Last date for a competitive bid	January 30, 2009	Friday
Specified Date	February 06, 2009	Friday
Date by which the Letter of Offer will be dispatched to shareholders	February 21, 2009	Saturday
Date of opening the Offer	March 05, 2009	Thursday
Last date for revising the Offer Price/ number of shares	March 12, 2009	Thursday
Last date for withdrawal of acceptance	March 19, 2009	Thursday
Date of closing the Offer	March 24, 2009	Tuesday
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/demat delivery instruction for the rejected Shares will be dispatched/issued.	April 08, 2009	Wednesday

X. Procedure for acceptance and Settlement

a Procedure for accepting the offer by eligible persons

The equity shareholders of AIL who qualify and who wish to avail of this Offer (hereinafter referred to as "Acceptor") will have to deliver the relevant documents as mentioned at point (a), (b) and (c) below as applicable to the Registrar to the Offer i.e; Sharex Dyanmics (India) Private Limited . at addresses mentioned below, by hand delivery or Registered Post between 10.30 am. to 5.00 pm on all working days i.e. other than Sundays and public holidays.

Sharex Dynamics (India) Private Limited
17-B, Dena Building , 2nd Floor, Horniman Circle, Fort , Mumbai – 400 001
Tel.: (022) 22702485/22641376 ;**Fax:** (022) 22641376
E-mail ID: sharexindia@vsnl.cm
Contact Person: Mr. Shashi Kumar

b) For equity shares held in dematerialized form:

For the purpose of the offer a Special Depository Account has been opened by Registrar to the Offer i.e; "Sharex Dyanmics (India) Private Limited."-, in the name and style of "ESCROW ACCOUNT – AIL – OPEN OFFER." with Keynote Capitals Limited as the depository participant in Central Depository Services (India) Limited ("CDSL"). Equity Shareholders holding the shares in dematerialized form will have to deliver the following documents:

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository.

ii. Photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the relevant Depository Participant (DP).

iii. For each delivery instruction the beneficial owner should submit separate Form of Acceptance.

iv. The details of the special depository account opened for this purpose are as under:

DP Name	Keynote Capitals Limited
DP ID Number	12024300
Beneficiary Account Number	1202430000010011
ISIN	INE563D01013
Market	Off-market

Shareholders of AIL are requested to please note that the Company has signed an agreement only with Central Depository Services (India) Limited (CDSL) and not with National Securities Depository Limited (NSDL). Shareholders having their beneficiary account in National Securities Depository Limited (NSDL) have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Escrow Depository Account with CDSL.

v. The ISIN number allotted to equity shares of AIL is INE563D01013.

vi. Shareholders who have sent their physical equity shares for dematerialisation need to ensure that the process of getting equity shares dematerialised is completed well in time so that the credit in the Special Depository Account is received on or before closure of offer.

c) For equity shares held in physical form

Registered equity shareholders should enclose:

i. Form of Acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, by all equity shareholders whose name appears on the share certificates.

ii. Original share certificate(s)

iii. Valid share transfer form(s) duly signed as transferors by all registered equity shareholders (in case of joint holdings), in the same order and as per the specimen signatures registered with and duly witnessed at the appropriate place.

d) Unregistered owners of equity shares should enclose:

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein.

ii. Original share certificate(s)

iii. Original broker contract note of a registered broker of a recognized stock exchange.

iv. Valid share transfer form(s) as received from the market. The details of the buyer should be left blank. If the details of the buyer are filled in, the tender will not be valid under the offer. Acquirer's name will be subsequently filled in upon verifying the validity of the share transfer form.

v. No indemnity is needed from unregistered equity shareholders.

XI. Withdrawal option

The equity shareholders, who are desirous of withdrawing their acceptances tendered in the offer, can do so upto three working days prior to the date of the closure of the offer i.e. on or before March 18, 2009. The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, Sharex Dynamics (India) Private Limited at the address mentioned at point X (a) so as to reach them on or before March 18, 2009.

In case of non-receipt of 'Form of withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the details such as name, address, distinctive numbers, folio numbers, number of shares tendered, date of tender.

XII. General

a) **Shareholders may note that if there is a competitive bid, the public offers under all the subsisting bids shall close on the same date. As the offer price can not 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.**

b) The Acquirer and Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act, 1992.

c) For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer at the address mentioned in X (a) of this public announcement.

d) If the aggregate of the valid responses to the offer exceeds offer size, then the acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations. The equity shares of AIL are traded in compulsory dematerialized form and minimum marketable lot is one equity share.

e) Acquirer shall acquire the equity shares from the shareholders of the Company who have validly tendered the equity shares under the Offer (i.e. equity shares and other documents are in order in accordance with the terms of the Offer) and remit the consideration in respect thereof on or before April 04, 2009 in cash by Account Payee Pay Order / Demand Draft. Any delay will attract interest in terms of Regulation 22(12) of SEBI (SAST) Regulations 1997. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and consideration payable would be sent by Registered Post.

f) The Acquirer is permitted to revise this Offer upward up to seven working days prior to the date of closure of the Offer. In the event of such a revision, an announcement will be made in the same newspapers in which this PA has appeared and the revised offer price would be paid for all validly accepted equity shares tendered anytime during the Offer.

g) Pursuant to the Regulation 13, the Acquirer has appointed Keynote Corporate Services Ltd. as the Manager to the Offer.

h) Keynote Corporate Services Limited, manager to the offer does not hold any equity shares of AIL. Further, they have undertaken not to deal in equity shares of AIL upto a period of fifteen days after the closure of offer.

The Board of Directors of AIL along with other Acquirer accept full responsibility for the information contained in this PA and also accepts responsibility for the obligations of Acquirer as laid down in the Regulations.

The Public announcement will become available on SEBI website www.sebi.gov.in. Eligible persons to the Offer may also download a copy of Form of Acceptance cum Acknowledgement, Letter of Offer, Form of Withdrawal which will also be available on SEBI's website from the offer opening date i.e. March 05, 2009 and apply in the same.

Issued by Manager to the Offer on behalf of the Acquirer :

KEYNOTE
CORPORATE SERVICES LTD

4th Floor, Balmer Lawrie Building,5, J. N. Heredia Marg, Ballard Estate,
Mumbai – 400001.Tel.: (022) 30266000 ;Fax : (022) 2269 4323
E-mail : mbd@keynoteindia.net
SEBI Regn.: INM000003606, **AMBI Regn.** No.AMBI/040
Name of the contact person: Mr. Bhavin Shah

Place : Mumbai
Date : January 08, 2009

CONCEPT