POST OFFER PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

AVON ORGANICS LIMITED

(Regd. Off.: Survey No-18, Yawapur, Sadasivpet (M), Medak Dist, Andhra Pradesh-502 291)
(Corp. Off.: 6-3-865, 4th Floor, Madhupala Towers, Opp. Greenlands Apartments, Ameerpet, Hyderabad-500 016)

The details subsequent to the completion of the Offer made vide Public Announcement dated November 7, 2007 and November 20, 2008 in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations') by **ARCH PHARMALABS LIMITED** (hereinafter referred to as 'Acquirer') to acquire 45,00,000 equity shares of Rs. 10/- each representing 20% of the fully expanded voting capital of the Target Company (including the allotment of Shares under Preferential Issue), at a price of Rs. 21.85 (including interest of Rs.1.85) per share ('Offer Price') payable in cash are as under:

1. Name of the Target Company : **AVON ORGANICS LIMITED**
2. Name and Address of the Acquirer : **ARCH PHARMALABS LIMITED** (Acquirer)
   'H' Wing, 4th Floor, Tex Centre, Off Saki Vihar Road,
   Chandivali Road, Andheri (East), Mumbai - 400 072
3. Name of Manager to the offer : **ASHIKA CAPITAL LIMITED**
4. Name of Registrar to the offer : **XL SOFTECH SYSTEMS LIMITED**
5. Offer details
   a) Date of Opening of the Offer : December 3, 2008 (Wednesday)
   b) Date of Closing of the Offer : December 22, 2008 (Monday)
6. Details of the acquisition (based on fully expanded voting capital)

S. No.	Particulars	Proposed in the Offer Document		Actuals	
(i)	**Offer Price:** Fully Paid-up Equity Shares Partly Paid-up Equity Shares	Rs. 21.85 per share Not Applicable		Rs. 21.85 per share Not Applicable	
		Number	**(%)**	**Number**	**(%)**
(ii)	Shareholding of Acquirer before Preferential Allotment	Nil	Nil	Nil	Nil
(iii)	Shares acquired by way of Preferential Allotment	98,09,100	43.60	98,09,100	43.60
(iv)	Shares acquired in the Open Offer	45,00,000	20.00	45,00,000	20.00
(v)	Size of the Open Offer (No. of shares multiplied by Offer Price per Share)	Rs.9,83,25,000/-		Rs.9,83,25,000/-	
(vi)	Shares acquired after PA but before 7 working days prior to Closure Date, if any.	Nil	Nil	Nil	Nil
(vii)	Post Offer Share Holding of Acquirer (ii+iii+iv+vi)	1,43,09,100	63.60	1,43,09,100	63.60
(viii)	Pre & Post Offer Shareholding of Public	**Pre Offer**	**Post Offer**	**Pre Offer**	**Post Offer**
		93,37,851 (41.50%)	81,90,900# (36.40%)	93,37,851 (41.50%)	81,90,900# (36.40%)

The residual shareholding of erstwhile Promoters Group has been included in the Public Category.

7. Status of Escrow Account : Amount of Rs. 28,80,000/- was transferred to Special Account for the payment of consideration to the shareholders whose shares were accepted. Balance amount lying in the Escrow in the form of cash and Bank Guarantee is yet to be released / discharged to the Acquirer.
8. Payment of Interest, if any : Interest of Rs. 1.85 per share has been paid for the delay in payment of consideration
9. Status of Investor Compliances received, if any : Nil

This Public Announcement will also be available on SEBI website at www.sebi.gov.in

The Acquirer and its directors accept full responsibility jointly and severally for the information contained in this announcement and also for the obligations of the Acquirer laid down in the Regulations.

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

ASHIKA CAPITAL LIMITED
1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai - 400 021.
Tel: +91-22-6611 1700; Fax: +91-22-6611 1710
E-Mail: mbd@ashikagroup.com
Contact Person: Mr. Niraj Atul Kothari

ASHIKA
Growing & Sharing with You

Place: Mumbai
Date: January 3, 2009