PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF BLUE GREEN CONSTRUCTIONS & INVESTMENTS LIMITED

Registered Office: VI Floor, Habib Complex, No. 5, Durgabhai Deshmukh Road, Raja Annamalaipuram, Chennai - 600 028. (Tel: 044-6555 1257, Fax: 044-2498 7403)

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF **BLUE GREEN CONSTRUCTIONS & INVESTMENTS LIMITED** ('TARGET COMPANY' OR 'BGL')

This Addendum to Public Announcement ('Addendum to PA') is in continuation of and shall be read in conjunction with the Original Public Announcement ('PA') that appeared in this news paper on June 6, 2008 issued by Collins Stewart Inga Private Limited ('Manager to the Offer') for and on behalf of Cash & Carry Wholesale Traders Private Limited ('Acquirer' or 'C & C') to the Shareholders of Blue Green Constructions & Investments Limited ('Target Company' or 'BGL') pursuant to regulation 10, 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations'). The terms used but not defined in this Addendum to PA have the same meanings assigned to them in the PA issued earlier.

The shareholders of BGL may please note the following :

1. **Acquisition of Equity Shares :**

   C & C on June 27, 2008 has acquired 13,52,400 equity shares of Rs. 10/-each of BGL at Rs. 10/- per share through 'off-market' purchase, representing 26.78 % of the issued and paid-up capital of BGL. Pursuant to the said acquisition the total share holding of C & C in BGL has increased to 21,59,000 equity shares amounting to voting rights 42.75%

2. **Appointment of the Directors on the Board of BGL:**

2.1. In terms of the requirement of the second proviso to regulation 22(7) of the Regulations, the Acquirer has already deposited in cash Rs. 1,01,00,000/- (Rupees One Crore One Lakh only) being 100% of the maximum consideration payable under the Offer in Escrow Account with HDFC Bank Limited, Maneckji Wadia Building, Fort Branch, Mumbai-400 023 as disclosed in the PA. In terms of the said second proviso to regulation 22(7) of the Regulations, the Acquirer has right to appoint the directors on the Board of the Target Company. Further in the terms of, said second proviso to regulation 22(7) of the Regulations the Acquirer sought appointment of 6 persons as Directors on the Board of BGL

2.2. Consequent to above, the Board of Directors of BGL at their Meeting held on June 28, 2008, appointed Mr. S.B. Mathur, Mr. R. Subramanian, Ms. Bala Deshpande, Ms. Renuka Ramnath, Ms. Rama Bijapurkar and Mr. Kannan Srinivasan, as directors of the Target Company. Mr. S.B. Mathur was unanimously elected by the Board as Chairman of BGL. Mr. R. Subramanian has been proposed to be appointed as Managing Director of BGL for a period of 5 years subject to the approval of the shareholders.

2.3. The above named Directors recluse themselves and has not / will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of regulation 22(9) of the Regulations.

3. **Business Arrangement Agreement :**

   The Board of Directors of the Target Company, at their meeting held on June 28, 2008 has proposed to enter into Business Arrangement ('BA') with Subhiksha Trading Services Ltd ('STSL') subject to necessary approvals and compliance with the provisions of the applicable Statutes. Salient features of the BA are as follows:

   a) BGL will operate as its business the entire retailing business of STSL;

   b) use all assets, premises, lease hold rights, services of employees, brand names and trademarks, supply agreements currently available to STSL;

   c) for the above BA, BGL will pay a license fees and security deposit as may be mutually decided upon between BGL and STSL;

   d) Consequently, from commencement of the arrangement all retailing turnover of STSL will and income / costs thereon will accrue in the books of BGL.

4. **Issue of Warrants on Preferential basis :**

   The Board of Directors of the Target Company, at their meeting held on June 28, 2008 has proposed to issue and allot on preferential basis upto 65,09,489 warrants entitling the warrant holders to subscribe one equity share of the face value of Rs. 10/- each for every warrant for cash at a price of Rs. 3,618/- per share (including a premium of Rs. 3,608/- per share) in one or more tranch(es) for and on such terms and conditions and subject to the approval of the members of BGL at the ensuing Extra-Ordinary General Meeting to be held on July 25, 2008, to:

   a) Mr. R Subramanian 1,51,770 warrants.

   b) Subhiksha Trading Services Limited 63,57,719 warrants

5. **Merger proposal with Subhiksha Trading Services Limited**

   The Board of Directors of BGL and STSL have decided to consider a merger proposal between BGL and STSL and the respective Board meetings to finalize the terms of merger has been scheduled for Monday, June 30, 2008.

6. **Person Acting in Concert:**

6.1. Mr. R. Subramanian and STSL are persons deemed to be acting in concert with C & C in terms of regulation 2(1)(e) of the Regulations.

6.2. Mr. R. Subramanian is a partner of M/s. RS Associates (partnership firm); RS Associates is a promoter of C & C (the Acquirer).

6.3. STSL and C & C (the Acquirer) are the companies under the same management as both the companies are promoted by M/s. RS Associates and SSS Trust.

6.4. Pursuant to the proposed issue of warrants to STSL and Mr. R. Subramanian, both STSL and Mr. R. Subramanian are persons acting in concert with C & C for the purpose of this Offer.

7. **Information about the PACs –**

7.1. **Mr. R. Subramanian**

   Mr. R. Subramanian, son of Mr. G.S. Ramaswamy, aged 42 years residing at 2/583, Singaravelan I Cross Road, Chinna Neelangarai, Chennai 600 041, is a qualified B.Tech (IIT, Madras) and MBA (IIM, Ahmedabad). He has an experience of 19 years in the field of Finance, Retail trading and Management.

   The networth of Mr. R. Subramanian as on March 31, 2007, as certified by Mr. K.Sridhar (Membership No. 202382) partner of M/s. K.Sridhar & Co, Chartered Accountants, #5, Crescent Street, Seethamma Colony, Alwarpet, Chennai – 600 018, Tel: 044 24364154 Fax: 044 24360154 as per certificate dated June 28, 2008, is Rs. 286.80 lakhs.

   He is a Director of Viswapriya Financial Services and Securities Limited, Viswapriya Gold Hire Purchase Limited, Subhiksha Trading Services Limited (Managing Director) and South India Stock Broking Services Private Limited. He does not hold any equity shares of BGL.

7.2. **Subhiksha Trading Services Ltd.**

   Subhiksha Trading Services Ltd. ('STSL') was incorporated as a private limited company on April 20, 1997 and was converted into public limited company on March 30, 2005. The registered office of the company is at VI Floor, "Habib Complex", No5, Durgabhai Deshmuk Road, R.A. Puram, Chennai 600 029. The Telephone Number is (044) 6450 0195 and Fax Number is (044) 24615387. The main object of the company is to carry on the business of both wholesale and retail trading in all kinds of goods and products. The company carries on retailing business through its outlets in the name and style of Subhiksha. The company is promoted by Mr. R. Subramanian; M/s. RS Associates; and SSS Trust. The Shares of the company is not listed on any stock exchanges.

   The financial highlights of the company as per the unaudited financial results for the year ended on March 31, 2008 the total income of the company is Rs.2333.63 crores. The Profit after Tax is Rs.41.07 Crores and Earning per share is Rs.12.61. The equity share capital of the company is Rs. 32.57 crores consisting of 3,25,70,366 shares of Rs.10/- each. The accumulated reserves and surplus is Rs.215.46 crores. The Net worth of the company is Rs.247.26 crores which translates into book value of Rs.75.91 per share and Return on Networth 16.61%.

   The audited financial for the year ended March 31, 2007 the total income of the company is Rs. 712.52 crores. The Profit after Tax is Rs. 11.60 Crores and Earning per share of Re 1/- each is Rs. 0.36. The equity share capital of the company is Rs. 32.57 crores consisting of 32,57,03,666 equity shares of Re.1/- each. The accumulated reserves and surplus is Rs.174.39 crores. The Net worth of the company was Rs. 206.20 crores which translates into book value of Rs. 6.33 per share and Return on Networth 5.63%.

   Mr. S.B. Mathur, Mr. R. Subramanian, Ms. Bala Deshpande, Ms. Renuka Ramnath, Ms. Rama Bijapurkar and Mr. Kannan Srinivasan are directors of STSL

7.3. SEBI vide its is order dated September 11, 2002 had prohibited Mr. R. Subramanian from accessing the capital markets and dealing in securities for five years, however the Securities Appellate Tribunal passed an order dated July 8, 2004 quashing the order against Mr. R. Subramanian. Except as mentioned above, STSL and Mr. R Subramanian 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 Acts, 1992.

8. The Board of Directors of the Target Company at their meeting held on June 28, 2008 has also considered the following matters:

8.1. to surrender the NBFC Registration Certificate as the company is no longer engaged in the business of financial services and is taking up the business of retail trading in consumer goods.

8.2. Registered office of the Target Company shifted to the above address.

9. All the other terms and conditions remain unchanged.

C & C (Acquirer) along with Mr. R. Subramanian and STSL (PACs) and directors of C & C and STSL accepts full responsibility severally and jointly for the information contained in this Addendum to Public Announcement and also for the obligations of the Acquirer as laid down in the Regulations.

This Addendum to PA will be available on the SEBI website at http://www.sebi.gov.in

THIS ADDENDUM TO PUBLIC ANNOUNCEMENT IS ISSUED ON BEHALF OF THE ACQUIRER

ISSUED BY

Manager to the Offer	**Registrar to the Offer**
Collins Stewart Inga **Collins Stewart Inga Private Limited** A-404, Neelam Centre, 4th Floor, Hind Cycle Road, Worli, Mumbai 400 030. Tel.: +91-22-2498 2919 / 2498 2927, Fax: +91-22- 2498 2956 Email: bgl@csin.co.in Contact Person: Mr. Ashwani Deedwania	MCPL **Mondkar Computers Private Limited** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Tel.: +91- 22-2820 7201 / 022 - 28207203. Fax.: +91 22- 2820 7207. Email : info@mondkarcomputers.com Contact Person : Mr. Devanand Dalvi.

Place : Chennai
Date : June 28, 2008

Size : 12 x 43cm