CORRIGENDUM TO THE PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF CANFIN HOMES LIMITED

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This announcement ("Corrigendum") is in continuation of and should be read in conjunction with, the Public Announcement dated August 27, 2007 (the "PA") issued by us for and on behalf of Canara Bank (the "Acquirer") pursuant to and in compliance with sub-regulation 1 of regulation 11 of "the Regulations" issued by SEBI, to acquire upto 43,14,246 fully paid up equity shares of Canfin Homes Limited (the Target Company) representing 21.06% of the voting equity capital of the Target Company. Further to PA, the shareholders of the Target Company may please note the following:

1. The offer price stands revised upwards to Rs. 63.00 (Rupees Sixty Three Only) for each fully paid up equity share from the original offer price of Rs. 58.00 (Rupees Fifty Eight only) for each fully paid up equity share of the Target company

2. The schedule of major activities under the Offer stands revised as follows :

Activity	Original Schedule	Revised Schedule
Public Announcement (PA) Date	August 27, 2007, Monday	August 27, 2007, Monday
Specified Date	September 21, 2007, Friday	September 21, 2007, Friday
Last date for a competitive bid, if any	September 17, 2007, Monday	September 17, 2007, Monday
Date by which Letter of Offer will be dispatched to the shareholders of the Target Company	October 4, 2007, Thursday	December 14, 2007, Friday
Offer Opens on	October 19, 2007, Friday	December 19, 2007, Wednesday
Last date for revising the Offer Price / Offer Size	October 29, 2007, Monday	December 27, 2007, Thursday
Last Date for Withdrawal of acceptance by the shareholders	November 2, 2007, Friday	January 2, 2008, Wednesday
Offer Closes on	November 7, 2007, Wednesday	January 7, 2008, Monday
Last date for communicating rejection / acceptance (in part or full) and mailing of consideration for applications accepted	November 22, 2007, Thursday	January 22, 2008, Tuesday

3. The Shares of the Target Company are infrequently traded on the Bangalore Stock Exchange (BgSE) within the meaning of Regulation 20, Sub Regulation (5) of the Regulations. The Offer Price of Rs. 63.00 (Rupees Sixty Three only) per Share, (as revised upwards from the original offer price of Rs. 58.00 (Rupees Fifty Eight only) per share) is justified under Regulation 20 (5) of the Regulations as follows :

3.1 Other Parameters (As per Audited results for year ended 31.03.2007)

Return on Net Worth	15.22 %
Book Value Per Share (Rs.)	96.55
Earning Per Share (Rs.) - Fully Diluted	14.70
Price Earning Multiple on the Offer Price	4.29
Industry (Finance - Housing) Average P/E (Source: Capital Market Vol. XXII/11 Jul 30 Aug 12, 2007)	27.7

3.2 M/s. Abarna & Ananthan, Chartered Accountants have vide their certificate dated 30.10.2007 certified the fair value per share of the target company before adjusting the dividend as Rs. 62.96 and after adjusting the dividend as Rs. 61.79. The same has been arrived at by the Chartered Accountant as per principles of valuation upheld by the Hon'ble Supreme Court in the Hindustan Lever Employee Union Vs Hindustan Lever Limited, 1995 ("HLL case"), for amalgamation of companies, using a combination of Book Value (Net Asset Value), Yield (Earning capacity) and Market Price. On application of valuation technique as in HLL case, the valuation of the Target Company's shares is determined as under:

(i) Net Asset Value (NAV)

Year ended 31.03.07 (Rs. in Lakhs)	
Total Assets as per audited financials	199,175
Less : Liabilities	179,626
Net Worth	19,549
Value per share (Rs.)	95.42

(ii) Profit Earning Capacity Value (PECV)
Average Profit Before Tax for previous 3 Financial years (2004-05, 2005-06 and 2006-07) 3416

Tax	1079
FBT	9
PAT	2328
EPS	11.36
Capitalisation rate	20%
PECV (EPS/ Capitalisation rate)	56.82

The capitalization rate of 20% as recommended in the erstwhile Comptroller of Capital Issues (CCI) Guidelines has been adopted since both the NAV and PECV are more than the Market price. The tax impact has been calculated based on the change in tax laws allowing transfer to Special Reserve at a rate of 20% as applicable from the current Financial Year and the current tax rate has been used.

(iii) Market Value
Two week average of high and low (13.08.07 to 24.08.07) - 52.88

(iv) Fair Value

Particulars	Weights	Values	Weighted Value
NAV	1	95.42	95.42
PECV	2	56.82	113.63
Market Price	2	52.88	105.75
Total	5		314.80
Weighted Average			62.96

M/s. Abarna & Ananthan have also estimated the fair value after adjustment of one year's dividend of Rs. 2.92 per share (including dividend tax) from the NAV and PECV (as recommended as a prudent measure in the CCI guidelines, as a cushion against future uncertainties) as Rs. 61.79 per share

(v) The Offer Price of Rs. 63.00 (Rupees Sixty Three Only) is justified in terms of Regulation 20 (4) and Regulation 20 (5) of the Regulations.

4. The total financial resources required for this Offer, assuming full acceptance will be Rs. 27,17,97,498/- (Rupees Twenty Seven Crores Seventeen Lakhs Ninety Seven Thousand Four Hundred and Ninety Eight only) ("Maximum Consideration"). In accordance with Regulation 28 of the Regulations, an escrow account was created with Indian Bank, M G Road, Bangalore in the form of cash deposit of Rs. 6,26,00,000/- (Rs. Six Crores Twenty Six Lakhs only), before the PA on 27.08.07, being more than 25% of the total consideration payable under the Offer at the original offer price of Rs. 58.00 (Rupees Fifty Eight only) per share. Consequent to the revision in offer price upwards to Rs. 63.00 (Rupees Sixty Three only) per share an additional amount of Rs. 53.50 Lakhs in cash has been deposited in escrow with Indian Bank, M. G. Road, Bangalore. The amount deposited in the escrow account now stands increased to Rs. 6,79,50,000/- (Rs. Six Crores Seventy Nine Lakhs Fifty Thousand only), being 25% of the total revised consideration payable under the Offer. The Acquirer has arranged a lien on the cash deposit in favor of the Manager to the Offer. The Manager to the Offer is authorised to realise the value of the escrow in terms of the Regulations.

5. Sathyanarayana & Co., Chartered Accountants (Seshagiri Rao, Partner, Membership No.18523) 5-5-85/5 Amar Mansion, Ranigunj, Secunderabad - 500 003, Statutory Auditors of the Acquirer, have certified vide certificate dated 06.12.2007 that the Acquirer has sufficient liquid financial resources to meet the financial requirements of the offer. The Manager to the Offer confirms that adequate funds (liquid resources) are available with the Acquirer through verifiable means to implement this Offer in full.

Terms used but not defined in this Corrigendum to the PA shall have the same meaning as assigned in the PA. The Acquirer accepts full responsibility for this Corrigendum to the Public Announcement and also for fulfilling their obligations as laid down in the Regulations.

Issued by the Manager to the Offer For and on Behalf of the Acquirer

Indbank
Merchant Banking Services Ltd
(A Subsidiary of Indian Bank)

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Contact Person: Mr. Sanjay Varghese - Vice President

Dated: 13.12.2007 Place: Bangalore