

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

CROITRE INDUSTRIES LIMITED

(formerly known as Sai Wires India Limited)

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CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM EQUITY SHAREHOLDERS OF CROITRE INDUSTRIES LIMITED (FORMERLY KNOWN AS SAI WIRES INDIA LIMITED)

This Public Announcement ("PA" or "Public Announcement") is being issued by **BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED** ("BCFSL" or the "Manager to the Offer"), on behalf of Mr. K. SUDHEER RAO, Mr. S. R. K. MOHAN BABU and Mr. P. PAVAN KUMAR (hereinafter referred to as "Acquirers") to the equity shareholders of **CROITRE INDUSTRIES LIMITED** (formerly known as SAI WIRES INDIA LIMITED) ("CIL" or the "Target Company") pursuant to and in compliance with Regulation 10 and Regulation 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 ("SEBI (SAST) Regulations" or "Takeover Regulations").

I. BACKGROUND TO THE OFFER

1. This Open Offer (the "Open Offer") is being made pursuant to Regulations 10 & 12 of the SEBI (SAST) Regulations, 1997 as aforesaid, to the public shareholders of CROITRE INDUSTRIES LIMITED, the Target Company, jointly by Mr. K. SUDHEER RAO, Mr. S. R. K. MOHAN BABU and Mr. P. PAVAN KUMAR, to acquire up to 12,61,278 (Twelve Lakhs Sixty One Thousand Two Hundred and Seventy Eight Only) Equity Shares of INR 10.00 (Indian Rupees Ten Only) each representing 20.00% (Twenty Percent Only) of the paid-up equity share capital of CIL, at a price of INR 0.25 paisa (Indian Rupees Twenty Five Only) per share ("Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter. There are no other individuals or other entities/persons who are acting in concert with Acquirers for the purpose of the Open Offer.

2. The Acquirers have entered into a Share Purchase Agreement dated February 15, 2011 ("SPA") with the promoters of the Target Company namely Mr. G. V. K. Ranga Raju (hereinafter referred to "Seller") for the acquisition of 44,15,000 (Forty Four Lakhs Fifteen Thousand Five Hundred Only) fully paid-up Equity Shares ("sale shares") of face value of INR 10.00 each representing 70.00% of the total paid-up equity share capital of the Target Company for a consideration of INR 500,000 (Indian Rupees Five Lakhs Only) paid in cash at a price of INR 0.11 paisa (Indian Rupees Eleven only) per share of INR 10.00 fully paid-up. The details of the SPA is as under:

Sl. No.	Name of the Seller	No. of Equity Shares	% of paid-up capital
1	G V K Ranga Raju	4414500	70.00%

Sl. No.	Name of the Acquirers	No. of Equity Shares	% of paid-up capital
1	K Sudheer Rao	2251400	35.70%
2	S S R K Mohan Babu	1081550	17.15%
3	P Pavan Kumar	1081550	17.15%
	TOTAL	4414500	70.00%

3. The key terms of the SPA are as follows:
 i. Conditions precedent to completion of the SPA:
 The approvals, if any, of the authorities being obtained by the Seller at their own cost and such approvals being unconditional or if subject to conditions, the conditions are not unusual or onerous and certified copies thereof being submitted to the Acquirers.

ii. Compliance with Takeover Regulations:
 a. The Acquirers shall make a public announcement to acquire Equity Shares of the Target Company pursuant to the Takeover Regulations and shall acquire such shares in accordance with the Takeover Regulations.
 b. Acquirers and Seller shall comply with their respective obligations under the provisions of the Takeover Regulations. The Acquirers and Seller have agreed and confirmed that in case of non-compliance with any provision of the Takeover Regulations, this Agreement shall not be acted upon by either the Seller or the Acquirers.

4. Prior to the aforementioned acquisition, the Acquirers did not hold any Equity Shares in the Target Company. Besides the Acquirers there are no other persons acting in concert with the Acquirers for the purpose of this Offer.

5. Upon completion of the acquisition of sale shares by the Acquirers pursuant to SPA, entered into between the Acquirers and the Seller, there shall be a change in control and management of the Target Company.

6. After completion of all formalities relating to the acquisition and after complying with formalities required by the Takeover Regulations, the Board of Directors might be reconstituted to include Acquirers and/or representative of Acquirers.

7. For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer the SPA which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the Office of the Manager to the Offer.

8. The Acquirers, Seller and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

9. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

10. The Acquirers have not paid any other monetary consideration, whether by way of any no complete fee or otherwise or pursuant to any no-complete agreement for acquisition of the Shares of CIL.

11. The purchase and sale of shares under this SPA shall be completed within 5 working days of the submission of the 45 day final report by the Merchant Banker to the Offer, in terms of Regulation 24 (7) of the Regulations.

12. The SPA also provides that in case of non-compliance of any provisions of the Regulations pertaining to the Open Offer being triggered by the Share Purchase Agreement, the agreement shall not be acted upon by the Seller or the Acquirers.

13. As the aggregate equity stake of the Acquirers in the paid up equity share capital of CIL, after the transfer of Sale Shares covered in the SPA will be more than the stipulated threshold of 15% in compliance with Regulations 10 and 12 of the SEBI (SAST) Regulations, 1997, the Acquirers are hereby making the Open Offer, to acquire up to 12,61,278 Equity Shares of Rs. 10 each representing 20% of the issued, subscribed and paid up equity share capital of CIL from the public shareholders of CIL, at the Offer Price i.e. Re. 0.25 (Indian Rupees Twenty Five only) per equity share, payable in cash, subject to the terms and conditions, mentioned hereinafter. Equity Shares that would be tendered in the valid form in terms of the Open Offer will be transferred in favour of the Acquirers upon completion of the Open Offer formalities. The Open Offer will be made to those shareholders whose names appear on the Register of members on the specified date i.e. March 07, 2011.

14. There are no outstanding partly paid Equity Shares or any other instrument convertible into Equity Shares at a future date, in the books of the Target Company on the date of the PA.

II. THE OFFER

1. Pursuant to the above, the Acquirers are hereby making this Offer to the equity shareholders of the Target Company (other than the parties to the SPA) to acquire up to 12,61,278 (Twelve Lakhs Sixty One thousand Two hundred and Seventy Eight Only) Equity Shares of INR 10.00 each of the Target Company representing in aggregate 20% of the paid-up equity share capital and voting capital of the Target Company in terms of Regulation 21(1) of the SEBI (SAST) Regulations at a price of INR 0.25 (Indian Rupees Twenty Five Only) per fully paid-up equity share ("Offer Price") payable in cash subject to the terms and conditions mentioned in this PA and in the Letter of Offer that will be circulated to the equity shareholders in accordance with the SEBI (SAST) Regulations.

2. Pursuant to the proposed substantial acquisition of 70.00% of the paid-up capital of the Equity Shares and consequent change in control and management of the Target Company contemplated under the SPA referred to in para 2 above, this mandatory offer (the "Offer" or "Open Offer") is being made by the Acquirers in compliance with Regulation 10 and Regulation 12 and other applicable provisions of SEBI (SAST) Regulations.

3. This Offer is being made to all the equity shareholders of the Target Company (other than the parties to the SPA) and is not conditional upon any minimum level of acceptance. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer up to a maximum of 12,61,278 Equity Shares.

4. The Manager to the Offer does not hold any Equity Shares of the Target Company as on the date of this PA.

5. This is not a competitive bid.

6. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer ("LOO") that would be sent to the shareholders of CROITRE INDUSTRIES LIMITED.

7. The Offer is subject to the receipt of the statutory and other approvals mentioned in Clause VII of the PA. In terms of Regulation 27 of the Takeover Regulations, if the statutory approvals are refused, the offer would stand withdrawn.

8. The Acquirers do not hold any Equity Shares in the Target Company as of the date of this Public Announcement save and except those acquired under this SPA as stated in para 1(2) above.

9. None of the Acquirers have acquired any shares of the Target Company during the 12 months period prior to the date of this Public Announcement, save and except those to be acquired under the SPA by the Acquirers as stated in para 1(2) above.

10. The Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to bonus and rights offer declared thereon.

11. There are no partly paid-up Equity Shares of the Target Company. The Offer is not conditional upon any minimum level of acceptance i.e., the Acquirers will acquire all the Equity Shares of CROITRE that are tendered in terms of the Offer up to 12,61,278 Equity Shares representing in the aggregate 20% of the Equity Shares of the issued capital, subject to the conditions specified in this PA, Letter of Offer and Form of Acceptance-cum-Acknowledgement ("FOA").

12. The consideration shall be paid in cash.

13. The acquirers have undertaken to comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the agreement and its related conditions.

14. This offer is subject to the receipt of the Statutory and Other Approvals mentioned in Clause VII of the Public Announcement. In terms of Regulation 27 of the SEBI (SAST) Regulations, if the statutory approvals are refused, the offer would stand withdrawn.

III. THE OFFER PRICE

1. The equity shares of the Target Company are listed on Bombay Stock Exchange Limited ("BSE"), the Madras Stock Exchange Limited ("MSE"), the Ahmedabad Stock Exchange Limited ("ASE") and The Hyderabad Stock Exchange Limited ("HSE"). However the shares of the target company were suspended from trading on BSE, MSE and ASE with effect from March 24, 2001 for penal reasons. The Hyderabad Stock Exchange Limited was de-recognized as Stock Exchange with effect from August 29, 2007.

2. As the equity shares of the Target Company were suspended they are infrequently traded on BSE (source: www.bseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations.

3. The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during August 2010 to January 2011 (six calendar months preceding the month in which PA is made) is as follows:

Stock Exchange	Total no. of shares traded during 6 calendar months prior to the month in which the PA is made	Total no. of listed shares	Annualized Trading turnover (as % of total shares listed)
BSE	NIL	63,06,390	NIL
ASE	NIL	63,06,390	NIL
MSE	NIL	63,06,390	NIL
HSE	NIL	63,06,390	NIL

The Equity Shares of CROITRE are infrequently traded on BSE, ASE and MSE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations.

4. The offer price of Re. 0.25 (Indian Rupees Twenty Five Only) per share is justified in terms of Regulations 20 (4) and 20 (5) of the SEBI (SAST) Regulations in view of the following:

a	The Negotiated Price	Re. 0.11 paisa per share	
b	Highest price paid by Acquirers for acquisition, if any, including by way of allotment in a public or rights issue or preferential issue during the 26 weeks prior to the date of PA	Not Applicable	
c	The average of the weekly High and Low of the closing prices of the shares of CROITRE on Stock Exchange, where it is most frequently traded, during 26 weeks period preceding the date of PA	Not Applicable	
d	The average of daily High and Low of the prices of the shares of CIL on Stock Exchange, where it is most frequently traded, during 2 weeks period preceding the date of PA	Not Applicable	
e	Other Financial Parameters	31-03-2010	31-12-2010
	Return on Net worth (%)	Negative	Negative
	Book Value per share (Rs.)	-0.06	-0.07
	Earnings per share (Rs.)	-0.009	-0.003
	Price Earning Multiple (with reference to offer price of INR 0.25 per share)	NA	NA
	Industry (Mining, Minerals & Metals) Average Price Earning Multiple**	24.10	24.10

** (Source: Capital Markets, January 24-February 06, 2011 Issue)

Mr. D Premnath, Partner, Membership No. 207133, M/s. Ramachandram & Co., Chartered Accountants having their office at 3-6-237, Unit # 606, Lingapur La Bulide Complex, Hlmayatnagar, Hyderabad - 500 029; Ph. No.: 91 40 2326 4144; Fax No.: 91 40 2326 4145, vide his Certificate dated February 17, 2011, has certified that the Fair Value Rs. 10/- paid up per share of CIL, based on the valuation methodology as laid down by the Honourable Supreme Court of India in the case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited, 1995 (83 com case 30), would be INR 0.11 paisa per share.

5. There is no non-complete agreement between the Acquirers, Sellers and the Target Company any other entity as envisaged under Regulation 20 (8) of the Takeover Regulations. No additional payments are being made by the Acquirers as non-complete fees.

6. The Acquirers have decided to make an offer at Re. 0.25 (Indian Rupees Twenty Five Only) per share rounded off to the price to the nearest cent of the Government of India. The Offer Price of Re. 0.25 (Indian Rupees Twenty Five Only) per share offered by the Acquirers to the equity shareholders of the Target Company under the proposed open offer is justified in the opinion of the Manager to the Offer.

7. During the Offer period, Acquirers may purchase additional Equity Shares of the Target Company in accordance with the Regulations. In the event that the Acquirers purchases additional Equity Shares of the Target Company during the Offer Period, such purchases shall be disclosed to the stock exchanges where the Equity Shares of the Target Company are listed and to the Manager to the Offer in accordance with Regulation 22(17) of the Regulations.

8. If the Acquirers acquire shares of the target company after the date of this Public Announcement and up to 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the offer. However, the Acquirers shall not be acquiring any Equity Shares of CROITRE during the period of 7 working days, prior to the date of closure of the Offer.

IV. INFORMATION OF THE ACQUIRERS

Mr. K SUDHEER RAO - Acquirers

a. Mr. K. Sudeher Rao, son of Mr. K. Srihari Rao, aged about 38 years, residing at H. No. 1-2-24, Flat No. 104, Venkata Krupa Apartments, Domalguda, Hyderabad - 500 029, Andhra Pradesh. Telephone no.: 91 40 2373 6047, Fax No. 91 40 2373 6047, E-mail: sudheer269@gmail.com. He is having Bachelors Degree in Chemical Engineering from Osmania University, Andhra Pradesh.

b. He is partner of M/s. K Srihari Rao & Co., Adilabad, Andhra Pradesh, M/s. S R Minerals & Ores, Hyderabad, M/s. Samruth Minerals, Hyderabad, M/s. Sri Vinayak Minerals, Hyderabad, M/s. Glaze Minerals, Hyderabad, M/s. Uni Sai Minerals, Hyderabad and M/s. Raise Gold Minerals, Hyderabad. These firms are in the business of owning mines, mining and mineral trading activity. He or his firms doesn't belong to any Corporate Group.

c. The net worth of Mr. K. Sudeher Rao as on December 31, 2010 is INR 6,26,98,982.00 (Indian Rupees Six Crores Twenty Six Lakhs Ninety Eight Thousand Nine Hundred and Eight Two Only) certified by Mr. D. Premnath, Partner, Membership No. 207133, M/s. Ramachandram & Co., Chartered Accountants having their office at 3-6-237, Unit # 606, Lingapur La Bulide Complex, Hlmayatnagar, Hyderabad - 500 029; Telephone No.: 91 40 2326 4144, Fax No.: 91 40 2326 4145, vide certificate dated January 18, 2011.

Mr. S R R K MOHAN BABU - Acquirers

a. Mr. S. R. K. Mohan Babu, son of Late Mr. S. V. Subrahmanyam, aged about 53 years, residing at Flat No. 104, Ashoka Lakeview Apartments, 6-3-1192/A/2, Kundanbagh, Begumpet, Hyderabad - 500 016, Andhra Pradesh. Telephone no.: 91 40 2341 6626, E-mail: moh8858@rediffmail.com. He is having Bachelors Degree in Commerce from Osmania University, Andhra Pradesh and is also an Associate Company Secretary from the Institute of Company Secretaries of India.

b. He started his career as a company secretary in M/s. Raasi Finance Limited in 1985 and had an experience of 10 years as company secretary. In 1995 he promoted M/s. Sameer Financial Services (P) Ltd., as a consulting company in financial services. Later he also promoted M/s. Maithri Advisors & Planners (P) Ltd. and acted as Direct Selling Agents of NBFC organizations. He is a shareholder and director in M/s. Integre Engineers (P) Ltd. and initiated infrastructure and allied activities. He is also holding independent directorship office in M/s. Spinmet Engineering Limited and he doesn't hold any shares in that company. He doesn't belong to any Corporate Group.

c. The net worth of Mr. S. R. K. Mohan Babu as on December 31, 2010 is INR 1,50,65,000.00 (Indian Rupees One Crore Fifty Lakhs Sixty Five Thousand Only) certified by Mr. D. Premnath, Partner, Membership No. 207133, M/s. Ramachandram & Co., Chartered Accountants having their office at 3-6-237, Unit # 606, Lingapur La Bulide Complex, Hlmayatnagar, Hyderabad - 500 029; Telephone No.: 91 40 2326 4144, Fax No.: 91 40 2326 4145, vide certificate dated January 18, 2011.

Mr. P PAVAN KUMAR - Acquirers

a. Mr. P. Pavan Kumar, son of Late Mr. P. R. Vinod Kumar, aged about 36 years, residing at Flat No. B-202, Keshav Dale Apartments, Behind Zilla Parishad Office, Anand Nagar Colony, Khairatabad, Hyderabad - 500 004, Andhra Pradesh. Telephone no.: 91 40 2330 3384, E-mail: pavanknadi@rediffmail.com. He is a Masters in Business Administration from Newport University, California.

b. He started his career as an investment banker with M/s. Prudential Capital Markets Limited and later joined M/s. Sameer Financial Services (P) Ltd. and later also promoted M/s. Maithri Advisors & Planners (P) Ltd. and acted as Direct Selling Agents of NBFC organizations. He is a Shareholder and Director in M/s. Integre Engineers (P) Ltd. and initiated infrastructure and allied activities. He is also a Partner in M/s. Advaiy Associates, which at present is not carrying on any business. He doesn't belong to any Group.

c. The net worth of Mr. P. Pavan Kumar as on December 31, 2010 is INR 1,57,85,000.00 (Indian Rupees One Crore Fifty Seven Lakhs Eighty Five Thousand Only) certified by Mr. D. Premnath, Partner, Membership No. 207133, M/s. Ramachandram & Co., Chartered Accountants having their office at 3-6-237, Unit # 606, Lingapur La Bulide Complex, Hlmayatnagar, Hyderabad - 500 029; Telephone No.: 91 40 2326 4144, Fax No.: 91 40 2326 4145, vide certificate dated January 18, 2011.

4. As on the date of the Public Announcement, the Acquirers don't hold any shares of the Target Company and hence the Provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable.

5. The Acquirers are not forming part of the present promoter group of the Target Company. As on the date of PA, there are no Nominee Directors of the Acquirers on the Board of the Target Company.

6. There is no other person/individual/entity acting in concert with the Acquirers for the purpose of this Offer.

V. INFORMATION OF THE TARGET COMPANY

1. The Target Company was incorporated on October 12, 1989 as SAI WIRES PRIVATE LIMITED, under the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh and obtained a Certificate of Incorporation bearing number 01-10550 of 1989-90 dated October 12, 1989. Later the Target Company was converted to Public Limited Company and a Fresh Certificate of incorporation consequent on the conversion under Section 31/44 of the Companies Act, 1956 on January 16, 1995. Later the Target Company has changed its name to SAI WIRES INDIA LIMITED and has obtained a Fresh Certificate of Incorporation on April 25, 1995. The Target Company has further changed the name to CROITRE INDUSTRIES LIMITED and has obtained a Fresh Certificate of Incorporation on January 27, 2011. The CIN number of the Target Company is L31300AP1989PL0010550. The registered office of the Target Company is located at 8-2-87/89, 401, Srinivasa Plaza, Opp. Smiline Dental Hospital, Srinagar Colony Main Road, Punjagutta, Hyderabad - 500 082, Andhra Pradesh.

2. The Target Company is presently engaged in the business of wire manufacturing, information technology and trading of all types of products.

3. The Target Company made its Initial Public Offer (IPO) in February 15, 1996 and the equity shares of the company are listed on Bombay Stock Exchange Limited ("BSE"), Madras Stock Exchange ("MSE"), Ahmedabad Stock Exchange ("ASE") and The Hyderabad Stock Exchange Limited ("HSE"). The shares of the target company are suspended due to penal reasons from the BSE, MSE and ASE since March 24, 2001 and thus the shares are infrequently traded on BSE and MSE.

4. As on the date Mr. G. V. K. Ranga Raju is the promoter of the Target Company.

5. Mr. G. V. K. Ranga Raju, Promoter, acquired substantial shareholding and control over the Target Company by entering into Share Purchase Agreement dated March 14, 2001 with Mr. Ram Mohan (erstwhile promoter) and the other Non-promoter shareholders of the Target Company and making an open offer public announcement dated March 16, 2001 to the public shareholders in terms of the SEBI (SAST) Regulations.

6. The promoter of the Target Company is Mr. G. V. K. Ranga Raju who holds 46,05,090 (Forty Six Lakhs Five Thousand Ninety Only) fully paid-up equity shares in the Target Company as on the date of the PA constituting 73.02% of the paid-up capital of the Target Company. Under the SPA he will be selling 44,15,000 equity shares representing 70.00% of the paid-up capital of the target company. After completion of the open offer, the remaining shares i.e., 1,90,590 (One Lakh Ninety Thousand Five Hundred and Ninety Only) equity shares constituting 3.02% of the paid-up share capital of the Target Company will be held in the name of Mr. G. V. K. Ranga Raju will be transferred to public holding and he will no longer be a promoter of the Target Company.

7. The authorized share capital of the Target Company is INR 750,00,000 (Indian Rupees Seven Crores Fifty Lakhs Only) consisting of 75,00,000 (Seventy Five Lakhs Only) Equity Shares of INR 10.00 (Indian Rupees Ten Only) each and the Issued Capital of the Target Company is INR 7,00,00,000 (Indian Rupees Seven Crores Only) consisting of 70,00,000 (Seventy Lakhs Six thousand three hundred and ninety only) equity Shares of INR 10.00 (Indian Rupees Ten Only) each and the Subscribed Capital of the Target Company is INR 6,98,75,000 (Six Crores Ninety Eight Lakhs Seventy Five Thousand only) consisting of 69,87,500 (Sixty Nine Lakhs Eighty Seven Thousand Five Hundred only) equity shares of INR 10.00 (Indian Rupees Ten Only) each.

8. The Target Company had forfeited 6,81,110 (Six Lakhs Eighty One Thousand One Hundred and Ten Only) equity shares of INR 10.00 (Indian Rupees Ten Only) each on which INR 5.00 (Indian Rupees Five Only) was paid-up and for non-receipt of call money of INR 5.00 (Indian Rupees Five Only) from the shareholders during the financial year 2001-2002. As on the date hereof, the Paid-up Capital of the Target Company is INR 6,30,63,900 (Indian Rupees Six Crores Thirty Lakhs Sixty Three Thousand Nine Hundred Only) consisting of 63,06,390 (Sixty Three Lakhs Six Thousand Three Hundred and Ninety Only) equity Shares of INR 10.00 (Indian Rupees Ten Only) each and also INR 34,05,550.00 (Indian Rupees Thirty Four Lakhs Five Thousand Five Hundred and Fifty Only) being the monies received on the forfeited shares totaling aggregating to INR 6,64,69,450.00 (Indian Rupees Six Crores Sixty Four Lakhs Sixty Nine Thousand Four Hundred and Fifty Only). The forfeited shares of 6,81,110 have not been re-issued till date. There are no partly paid-up equity shares of the Target Company as on the date of the PA.

9. 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 are no shares under lock-in period.

10. The Target Company has not entered into any Tripartite Agreement with National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) for de-materialization of shares.

11. The Board of Directors of the Target Company consists of Mr. Ch. Sudheer (Non-Promoter Executive Non-Independent Director), Mr. K. Anand, Mr. K. Murali Krishna, Mr. J. Srinivasa Rao and Mr. N. Madhu Sudhana Reddy (Non-Promoter Non-Executive Independent Directors) and none of these directors represents the Acquirers.

12. The audited financial highlights of the target company are as given below for the last 2 (two) financial years and un-audited nine-months period from April 01, 2010 to December 31, 2010:

Particulars (In INR)	(INR)		
	Nine months ended December 31, 2010 (Un-audited)	Financial Year ended on March 31, 2010 (Audited)	Financial Year ended on March 31, 2009 (Audited)
Total Income	0.00	0.00	0.00
Net Profit/(Net Loss)	-23030.00	-62592.00	-65248.00
Equity Capital	66469450.00	66469450.00	66469450.00
Reserves and Surplus	-6689108.45	-66867078.45	-66804486.45
Earnings Per Share (EPS) (INR)	-0.00	-0.01	-0.01
Return on Net Worth (%)	-5.47%	-15.74%	-19.47%
Book Value per share (INR)	-0.07	-0.06	-0.05

(Source: Annual Reports and un-audited financial results)

9. CROITRE is not having any outstanding stock options granted to its employees under any ESOP Plan.

10. CROITRE has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulations made under the SEBI Act.

11. There has been no merger, de-merger and spin-off in the last three years in the Target Company.

VI. REASONS FOR ACQUISITION AND OFFER

1. The Offer is being made pursuant to the SPA entered into between the Acquirers and the Sellers as described in para 1(2) above, whereby the Acquirers intend to acquire 70.00% of the paid-up capital of the Target Company and also take over the Control and Management of the Target Company from the Sellers. This has resulted in substantial acquisition of shares and change in control and Management of the Target Company in terms of SEBI (SAST) Regulations. Hence, this Offer has been made pursuant to regulation 10 and 12 of other provisions of Chapter III and in compliance with the SEBI (SAST) Regulations.

2. The Acquirers intend to expand the activity base of the Target Company in order to enter into the new area of business. Subject to the satisfaction of the provisions under the Companies Act, 1956 and / or any other Regulations, the Acquirers intend to reconstitute the Board of Directors of the Target Company in accordance with the provisions of these Regulations. Since the Acquirers have deposited, in the Escrow Account, 100.00% (One Hundred percent) of the total consideration payable in cash, in terms of second proviso to Regulation 22 (7) of the Regulations, the Acquirers are entitled to be appointed on the Board of Directors of the Target Company after a period of 21 (Twenty-One) days from the date of PA.

3. The Acquirers do not have any intention to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the date of closure of the Offer, except such disposals or encumbrances in the ordinary course of business of the target company and/or for the purposes of restructuring, rationalizing and/or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company.

4. The Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any. An undertaking to this effect has been provided to the Manager to the Offer.

VII. STATUTORY / OTHER APPROVALS REQUIRED FOR THE OFFER

1. As on the date of this Public Announcement, there are no statutory approvals required to implement the Offer, other than those indicated above. If any other statutory approvals become applicable, the Offer would be subject to such approvals. The Acquirers, in terms of Regulation 27 of SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.

2. In case of delay in receipt of the above approvals, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

3. The Acquirers do not require any approval from the banks or financial institutions for the Offer.

VIII. DISCLOSURE UNDER REGULATION 21(2) OF THE SEBI (SAST) REGULATIONS.