**Public Announcement**
**FOR THE ATTENTION OF THE SHAREHOLDERS OF**

# Genera Industries Limited

**(Formerly Known as Anand Lakshmi Finance Limited)**
**(Registered Office 9-6-17, 1st Street, Brodipet, Palakol-534 260, Andhra Pradesh)**

This Public Announcement ("PA") is being issued by Khandwala Securities Limited "KSL" or the "Manager to the Offer"), on behalf of, Mr. M. R. Naidu and Mrs. M. K. Raj for the purpose of this open offer (hereinafter referred to as the "Acquirers") to the fully paid Equity Shareholders of M/s. Genera Industries Limited (Formerly Known as Anand Lakshmi Finance Ltd), (herein after referred to as "GIL" or the "Company" or the "Target Company"), pursuant to provisions of Regulations 10, 11(1) and 12 and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto.

## 1. The Offer

a) This offer (the "Offer") is being made by **Mr. M. R. Naidu and Mrs. M. K. Raj** for the purpose of this open offer; no other person is acting in concert with the Acquirers for the Offer.

b) On 9th September 2005, the Acquirers have entered into a Share Purchase Agreement (the "SPA") with Mr.D.N.Ravi Kumar, Mrs.D.V.S.Lakshmi and Mr.D.Ashok Chakravarty through his power of attorney Mr.D.N.Ravi Kumar, residing at 9-6-17, 1st Street, Brodipet, Palakol, Andhra Pradesh, who are the promoters of the Target Company (herein after referred to as the "Promoter Sellers") and also acquired on the same day on Spot Delivery Basis from them, subject to what is stated in paragraph herein after appearing, 14,98,800 (Fourteen Lakh Ninty Eight Thousand Eight Hundred Only) fully paid-up equity shares representing 49.98% of the total paid-up equity share capital of M/s Genera Industries Limited, (Formerly Known as Anand Lakshmi Finance Ltd), a company incorporated under the Companies Act, 1956 and having its registered office at 9-6-17, 1st Street, Brodipet, Palakol-534 260, Andhra Pradesh (Target Company) at a price of Rs. 2.72 (Rupees Two and Seventy Two Paise) per fully paid-up equity shares of the Target Company payable in cash (herein after referred to as the "Negotiated Price"). The total consideration for the equity shares acquired as mentioned above is Rs. 40,76,736 (Rupees Forty Lakhs Seventy Six Thousand Seven Hundred Thirty Six Only) and that triggered the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The above referred acquisition of shares were as under:

| **Name of the Promoter Seller** | **Shares Agreed to be acquired under the SPA by Mr. M.R.Naidu on behalf of acquirers** | **Total No. Of Shares to be sold by the Each Promoter Seller** |
|---|---|---|
| Mr.D.N.Ravi Kumar | 1,09,600 | 1,09,600 |
| Mrs.D.V.S.Lakshmi | 12,56,734 | 12,56,734 |
| Mr. D.Ashok Chakravarthy | 1,32,466 | 1,32,466 |
| **Total No. Of Shares to be Acquired by each Acquirers** | **14,98,800** | **14,98,800** |

**The summary of the major terms of the SPA is as follows:**

a) The Acquirers shall comply with all the obligation of Acquirers under the SEBI Takeover Code and in case of non-compliance with the provision of the SEBI Takeover Code; this SPA shall not be acted upon by the parties.
b) The Purchaser shall bear the stamp duty payable on the transfer of shares.
c) Upon the Purchaser acquiring the shares, the Sellers shall cooperate with the Purchaser in restructuring the Board of Directors of the Company.
d) The Acquirers are now making Open Offer in terms of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 to the fully paid equity shareholders of the GIL to acquire 5,99,740 equity shares representing 20% of the total equity shares capital of the Company of the Target Company at a price of Rs. 2.75/- per equity share payable in cash (the "Offer Price"). The individual Acquirers shall acquire such shares in the following numbers:

| **Name of the Acquirers** | **Number of shares of Target Company to be acquired** |
|---|---|
| Mr. M. R. Naidu | 2,99,870 |
| Mrs. M. K. Raj | 2,99,870 |
| **Total:** | **5,99,740** |

e) The Offer is not subject to any minimum level of acceptance from the Shareholders of the Company i.e. it is not a conditional offer.
f) Other then Acquirers there are no Persons acting in concert (PACs) under this offer.
g) The Acquirers have acquired through SPA 14,98,800 (number of equity shares) and prior to that they have been holding 1,49,700 (number of equity shares) totaling to 16,48,500 (number of equity shares of Rs. 10/- each at Rs. 2.72/- per share representing 54.97% of the total equity share capital of the Company of the GIL during the 12 months period prior to the date of PA at the price of Rs. 2.72/- which was acquired as mentioned in Para 1(b) above.
h) As on the date of this PA, the Acquirers holds 16,48,500, namely Mr. M. R. Naidu holds 8,24,250 and Mrs. M. K. Raj 8,24,250 fully paid equity shares in GIL representing 54.97% of the total equity share capital of the Company which was acquired as mentioned in Para 1(b) above.
i) This is not a competitive bid.
j) The offer is not as result of a Global Acquisition resulting in indirect acquisition of Target Company.
k) The Manager to the Offer i.e. Khandwala Securities Limited does not hold any shares in the Target Company as on the date of PA. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the offer till the expiry of 15 days from the date of closure of offer.
l) This PA is being issued in The Free Press Journal, Mumbai, Indoor - English Daily (All Editions), Hindi Milap – Hindi Daily, Hyderabad (All Editions), and Andhra Prabha, Hyderabad (All Editions) as per the Regulation 15(1) of the Regulations.

**2. The Offer Price Rs. 2.75**

Justification of Offer Price

a) The equity shares of the Company are listed on Hyderabad Stock Exchange (HSE) and Madras Stock Exchange (MSE).

b) The Annualized Trading Turnover of the equity shares of the Company on HSE & MSE during the preceding six months i.e. from 1st March 2005 to 31st Aug 2005, prior to the month in which this PA is required to be made is negligible and insufficient and shares are not frequently traded. Though the company finds purchase quotes but lack of supply on the bourses *(Based on the query with HSE/ MSE)*, is negligible and what is stated to be less than 5% of the total listed equity shares of the Company.

c) Based on above information, the equity shares of the Company are deemed to be infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and hence the Offer Price is determined in accordance with the requirement of Regulation 20(5) of the Regulations.

d) The Share Price of Rs.2.75/- per fully paid up equity share of GIL is justified in terms of Regulation 20 (5) of the Takeover Regulations since the same has been determined after considering following facts:

| | |
|---|---|
| A. Negotiated price | Rs. 2.72 |
| B. Highest price paid by the Acquirers for acquisition including a Public or right or a preferential issue during the period of 26 Weeks prior to PA | Rs. 2.72 |
| C. Other parameters based on Net Asset Value Per Share | Rs. 2.01 |
| D. Fair Value of Shares | Rs. 0.40 |
| Year ended | 31st May, 2005 |
| (a) Return on Net Worth | -19% |
| (b) Earning Per Share (Rs.) | -1.96 |
| (c) Industry Price Earning Ratio* | 17.8 |

*Source: Dalal Street Investment Journal for September 5-18, 2005.

e. Since the shares of GIL are infrequently traded on the above mentioned Stock Exchanges, the fair value of shares has been arrived at by considering the above parameters and by placing reliance on the Supreme Court Judgment in the Case of Hindustan Lever Employee Union vs. Hindustan Lever Limited [(1995) 83 CC 30] and with due regard to the erstwhile CCI Formula for valuation of shares. Accordingly, the fair value has been calculated taking weighted average of three methods as follows:

| Method | Amount (Rs.) (x) | Weights (y) | Weighted Amount (X * ) |
|---|---|---|---|
| 1. Value of shares as per Net Assets Method (NAV) | 2.01 | 1 | 2.01 |
| 2. Value of shares as per Earning Capitalization Method** | -13.04 | 2 | -30.96 |
| 3. Value of Shares as per Imputed Market Price Method | 0.0 | 2 | 0.00 |

| | | | |
|---|---|---|---|
| Total | | 5 | 2.01 |
| Fair value of shares<br>(By considering the NAV and by ignoring the weighted amount and taking the total of weights) | | | 0.40 |

** As per the guidelines where the PECV is NIL and liquid assets are not substantial, the Fair Value is assessed to be 50% of the NAV, Accordingly the fair value of the shares of GIL for the purpose of the open offer as per regulation 20(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 is in the region of Rs. 1.05 per share.

The above working is certified by K.V.Mohan Rao, (Membership No: 26323) Partner, Vasireddi & Co, Chartered Accountants, having their office at Flat No: G-1, Kalinga Home, Plot No: 42, Nayakranti Nagar, Kapra, ECIL (P.O), Hyderabad-500 062. (Telephone No: 040-2713 7800) vide their certificate dated September 9, 2005.

Based on the above information, in the opinion of the Manager to the Offer, the Offer Price is Rs. 2.75/- per share is being justified in terms of Regulation 20 (5) of the Takeover Regulations.

## 3. Information about Acquirers

**Mr. M. R. Naidu,** aged 40 years, residing at Plot No. 249, Road No. 78, Phase III, Jubilee Hills, Hyderabad 500 033, Andhra Pradesh. Mr. Naidu is a PG Diploma Holder in Business Administration and a graduate in commerce by qualification and has a total 18 years industrial experience in technology ventures. He presently holds the directorship in Genera Industries Limited. His net worth as on the date of PA is Rs. 85 Lakhs

The above working is certified by K.V.Mohan Rao, (Membership No: 26323) Partner, Vasireddi & Co, Chartered Accountants, having their office at Flat No: G-1, Kalinga Home, Plot No: 42, Nayakranti Nagar, Kapra, ECIL (P.O), Hyderabad-500 062. (Telephone No: 040-2713 7800) vide their certificate dated September 9, 2005, have certified that the net worth of Mr. M. R. Naidu is of Rs. 85 lacs (Rupees Eighty Five Lakhs Only) as on 31st March 2005.

**Mrs. M. K. Raj,** aged 30 years, residing at Plot No. 249, Road No. 78, Phase III, Jubilee Hills, Hyderabad 500 033, Andhra Pradesh. Mrs. Raj is a commerce graduate by qualification and has 10 years experience in Finance and Accounts. She is presently holds the directorship in Genera Industries Limited. Her net worth as on the date of PA is Rs. 50 Lakhs.

The above working is certified by K.V.Mohan Rao, (Membership No: 26323) Partner, Vasireddi & Co, Chartered Accountants, having their office at Flat No: G-1, Kalinga Home, Plot No: 42, Nayakranti Nagar, Kapra, ECIL (P.O), Hyderabad-500 062. (Telephone No: 040-2713 7800) vide their certificate dated September 9, 2005, that the net worth of Mrs. M. K. Raj is of Rs. 50 lacs (Rupees Fifty Lacs Only) as on 31st March 2005.

## 4. Information of the Target Company (formerly known as Anand Lakshmi Finance Ltd (Genera Industries Limited)

a) Genera Industries Limited is a Public Limited Company having its Registered Office at 9-6-17, 1st Street, Brodipet, Palakol-534 260.
b) The Company was originally incorporated on 28th October 1992 with the name M/s. Anand Lakshmi Finance Private Limited, during 1994 Company went to public and on 18th April 1994 name of the company was changed from Pvt. Ltd. to Ltd. On 11th August 2005 name of

the Company is changed from Anand Lakshmi Finance Limited to Genera Industries Limited. The Company had been originally promoted by Late Mr. D. V. S. Anand and Mrs. D. V. S. Lakshmi. The present Directors of the Company are Mr. D. N. Ravi Kumar, Managing Director, Mrs. D. V. S. Laxmi, Director, Mr. M. R. Naidu, Director, Mrs. M. K. Raj, Director.

c) The Authorized Share Capital of the Company as on the date of PA is Rs. 3,10,00,000 divided in to 3,10,000 equity shares of Rs. 10/- each . The issued, subscribed and paid up share capital is Rs. 2,99,87,000/- comprising 29,98,700 fully paid-up equity shares of Rs. 10/- each. The Equity Shares of the Company are listed on Hyderabad Stock Exchange (HSE) and Madras Stock Exchange (MSE).

d) The Target Company is engaged in the business of farming agriculture, tissue culture, cultivation and sericulture, which includes all kinds of agricultural products, oil seeds, herbal plants, medicinal plants etc.

e) The total income of the Company for the year ended 31$^{st}$ May 2005 was Rs. 18.30 Lakhs and net loss of Rs. 58.81 Lakhs. The net worth of the Company was Rs. 60.45 Lakhs as on 31$^{st}$ May 2005. The book value per share as on 31$^{st}$ May 2005 was 2.01. The earning per share is Rs. 0.00 (Not Applicable) and return on net worth being 0 (Not Applicable). As per the un audited statements, the total income of the Company for the quarter ended 31$^{st}$ August 2005 was Rs. 60.66 Lakhs and net profit of Rs. 7.05 Lakhs. The net worth of the Company was Rs. 301.83 without considering the debit balance of the P&L account and with the debit balance of P&L account being adjusted the net worth stands at Rs.67.49 Lakhs as on 31$^{st}$ August 2005. (Source: Un audited results of GIL)

**5. Reason for Acquisition, Offer and Future Plans about Target Company.**

This Offer is being made pursuant to provisions of Regulation 10, 11(1) and 12 and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto to the Public Shareholders for the purpose of acquisition of 20% of the total equity capital and 20% of the voting capital of the Company. After the proposed offer and transfer of shares so acquired under Para 1 (b) above, the Acquirers will achieve substantial acquisition of shares and voting rights accompanied with change in control and management of the Target Company.

The present Promoters of GIL voluntarily expressed their intentions to sell their holdings in GIL to Acquirerers expressing their inability to run the business in the identified diversified areas of biotechnology and software technology and also expressed their inabilities to bring in further moneys for fresh business initiatives.

The acquirers are in the business of biotechnology and software technology. The acquirers gained expertise and have experience in the fields of biotechnology and software technology for more than 10 years. The Acquirers have entered into SPA on 9$^{th}$ September 2005 and acquired on Spot Delivery basis 14,98,800 (Fourteen Lakhs Ninty Eight Thousand Eight Hundred Only) fully paid-up equity shares representing 49.98% of the total paid-up equity share capital of GIL from the Promoter Sellers. After the said transaction the total holding of the Acquirers in the GIL is amounting to 54.97% of the total voting equity share capital of GIL and that resulted in triggering the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

The Acquirers by virtue of their managerial and administrative expertise intend to enter in to Bio Diesel, Software and Manufacturing of packaging material in large scale by taking management control through acquisition of shares of Target Company.

The Acquirers do not have any intention to dispose of or otherwise encumber any assets of the Company in the next two years from the date of the closure of the offer, except in the ordinary course of business with the prior approval of the shareholder of the Company.

## 6. Statutory Approvals

There is no loan taken or granted in the Company. Hence no approval from any Bank / Institution / any other authority is required to be obtained for the purpose of this offer, to the best of the knowledge of the Acquirers.

No statutory approvals are required to the best of the knowledge of the Acquirers to acquire the shares that may be tendered pursuant to the Offer.

If any other statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals.

Subject to the receipt of statutory approval, the Acquirers shall complete all procedure relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date to those shareholders whose share certificates and / or other documents are found valid and in order and are approved for acquisition by the Acquirers. In case of delay in receipt of any statutory approval, if any, SEBI has power to grant extension of time to the Acquirers for the payment of the consideration to the shareholders subject to the Acquirers agreeing to pay interest as directed by SEBI under Regulation 22(12). If the delay occurs due to willful default of the Acquirers in obtaining the requisites approval, if any, Regulation 22(13) will become applicable.

## 7. Delisting option to the Acquirers

The Public Shareholding shall not reduce to a level below the limit specified in the Listing Agreement with the stock exchanges for the purpose of listing on continuous basis as a consequence of the Offer. Hence the provision of Regulation No. 21(3) do not apply.

## 8. Financial Arrangements

Acquirers have adequate and firm financial arrangements in terms of Regulation 16(xiv) out of their business income, investments, personal savings and other assets to fulfill the obligations under the open offer. No borrowings from Bank/ Financial Institution are being made for the purpose. The funds to be utilized shall be domestic and not any foreign funds.

The maximum purchase consideration payable by Acquirers in case of full acceptance of offer i.e. 5,99,740 fully equity shares of Rs. 10/-- at a price of Rs. 2.75/- per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

The Acquirers have created an Escrow Account in the form of a designated Escrow Account for the specific purpose by depositing Rs. 16.50 lakhs in the said account (being 100 % of the consideration payable) with UTI Bank Ltd., Chembur Branch, Mumbai-400 071.

The Manager to the Offer has been duly authorized by the Acquirers vide his letter dated 9th September 2005 to realize the value of escrow account in terms of the Regulation.

The above working is certified by the above working is certified by K.V.Mohan Rao, (Membership No: 26323) Partner, Vasireddi & Co, Chartered Accountants, having their office at Flat No: G-1, Kalinga Home, Plot No: 42, Nayakranti Nagar, Kapra, ECIL (P.O), Hyderabad-500 062. (Telephone

No: 040-2713 7800) vide their certificate dated September 9, 2005, that sufficient resources are available with the Acquirers to fulfill its obligations under the Offer.

Manager to the Offer is satisfied that firm arrangement through verifiable means are in place and the Acquirers have adequate financial resources to meet the obligation under the offer.

## 9. Other Terms of the Offer

The Letter of Offer together with the Form of Acceptance cum Acknowledgement shall be mailed to the shareholders of the Company (except to the Acquirers) whose names appear on the Register of Members of the Company and to the beneficial owners of the shares of the Company whose name appear on the beneficial records of the respective depository at the close of the business on 22nd September 2005 ("Specified Date")

Ikon Visions Private Limited having their office at 33, Sanali Heavens, 8-3-948, Ameerpet, Hyderabad-500 073 is acting as the Registrar to the Offer ("Registrar").

The companies shares are traded in physical form and Shareholders holding their shares in physical form and who wish to tender their fully paid shares will be required to send the Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and Transfer Deed(s) duly signed, to the Registrar to the Offer at the address given above, either by hand delivery during normal business hours Monday to Friday 11.00 a.m. to 4.00 p.m. (excluding Saturday, Sunday and Bank Holidays) or by Registered Post on or before the close of the offer i.e. 25th November 2005 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement in an envelope subscribing the same with "Genera Industries Limited – Offer For Acquisition Of Shares".

All owners of fully paid-up equity shares, registered or unregistered and the beneficial owners of the shares (except the Acquirers) who own the shares at any time prior to the closure of the offer are eligible to participate in the offer. Unregistered owners/ shareholders who have not received Letter of Offer can send their application in writing, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered to, Distinctive Numbers, Folio No., together with documents stated above so as to reach the Registrar to the Offer on or before 25th November 2005. In case of unregistered owners, the same should be accompanied by a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

In case of non-receipt of Letter Of Offer, eligible person may send their acceptance to the Registrar to the Offer on a plain paper stating the name, address, no. Shares held, distinctive no., folio no., no. of shares offered, along with documents as mentioned above, so as to reach to the Registrar to the Offer at the above address on or before the close of the Offer i.e. 25th November 2005 .

In case on non-receipt of Letter of offer, the eligible person may obtain the copy of the same from the Registrar to the Offer by providing suitable documentary evidence to that effect. Such shareholders may also down load the Form of Acceptance Cum Acknowledgement from the website of SEBI i.e. http://http://www.sebi.gov.in/ which will be made available from the opening of the Offer.

The Registrar to the Offer will hold in trust the shares, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company, who have accepted the offer, until the cheques / drafts for the consideration and / or the unaccepted shares/ share certificates are dispatched/ returned.

Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders/ unregistered owners' sole risk to the sole / first shareholder. Shareholders whose shares are held in dematerialized form to the extent not accepted will be intimated by post for the non-acceptance.

Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

Shareholders who have sent their shares for demat need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer i.e. $25^{th}$ November 2005 else the application would be rejected.

In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid application received from the shareholders on a proportional basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and dose not result in non-marketable lots.
Acquirers is confident of completing all the formalities pertaining to the acquisition of the said shares, within 15 days from the date of closure of this Offer including payment of consideration to the shareholders who have accepted the Offer and for the purpose open a Special account as provided under Regulation 29.

Provided that where the Acquirers is unable to make payment to the shareholders who have accepted the offer before the said period of 15 days due to non-receipt of requisite statutory approval, if any, the SEBI may, if satisfied that non-receipt of requisites statutory approval was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the application for such approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Shareholders for delay beyond 30 days, as may be specified by the SEBI from time to time.

In accordance with Regulation 22(5)(A) of the Regulations, shareholders who have tendered requisite documents in terms of Public Announcement and Letter of Offer shall have option to withdraw acceptance tendered upto 3 working days prior to the offer closing date. The withdrawal option can be exercised by submitting the form of withdrawal (separately enclosed with the Letter of Offer) and the copy of acknowledgment received from the Registrar to the Offer while tendering the acceptance together with following details

> In case of physical share: name, address, distinctive no. folio no., no. of shares tendered / withdrawn
>
> In case of dematerialized shares: name, address, no. shares tendered / withdrawn, DP name, DP ID, Beneficiary Account No., photo copy for delivery instruction in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the DP in favour of the depository escrow account.

In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making an application on the plain paper along with the details mentioned above.

## 10. Schedule of Activities pertaining to the Offer:

| ACTIVITY | DAY & DATE |
|---|---|
| Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent) | Thursday, 22nd September 2005 |
| Last date for Competitive Bid | Monday, 10th October 2005 |
| Date by which Letter of Offer to be posted to the shareholders. | Monday, 31st October 2005 |
| Date of Opening of the Offer | Monday, 7th November 2005 |
| Last date for revising the offer price / Number of shares | Monday 14th November 2005 |
| Last date up to which shareholders may withdraw | Monday, 21st November 2005 |
| Date of Closure of the Offer | Friday, 25th November 2005 |
| Date by which acceptance/ rejection would be communicated and the corresponding payment for the acquired shares and/ or the unaccepted shares/ share certificates will be dispatched/ credited. | Thursday, 8th December 2005 |

## 11. General Conditions

Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of the closure of the offer i.e. Friday 25th November 2005 by filling the withdrawal form attached herewith. The withdrawal form is also available in the SEBI website (http://www.sebi.gov.in/)

The Acquirers can revise the price upwards upto 7 working days prior to the date of closure of the offer i.e. Friday 25th November 2005, and revision, if any, in the offer price would appear in The Free Press Journal (English) – All Editions, Andhra Prabha (Telugu), All Editions and Hindi Milap (Hindi), in all edition and same price would be paid to all shareholders who tender their shares in the offer.

Pursuant to Regulation 13 of the Regulations, The Acquirers have appointed Khandwala Securities Limited as Manager to the Offer and the Manager to the offer issues this Public Announcement on behalf of the Acquirers.

If there is competitive bids:

(i) The public offer under all the subsisting bids shall close on the same date.
(ii) As the offer price cannot be revised during 7 working days prior to the closing date of the offers/ bids, it would be 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 acceptance accordingly.

The Acquirers and the Company are not prohibited by SEBI from dealing in securities in terms of directions issued under Section 11B of SEBI Act.

The Acquirers accepts full responsibility for the information contained in this Announcement and also for the obligations of the Acquirers as laid down in SEBI Takeover Regulations and subsequent amendments made thereto.

For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement. This Public Announcement and the Letter of Offer together with Form of Acceptance cum Acknowledgement would also available on SEBI's website at http://www.sebi.gov.in// Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance cum Acknowledgement from the said website from the offer opening Date i.e. 7th November 2005 and apply in the same.

| **Issued by:**<br>**Manager To The Offer**<br>**Khandwala Securities Limited**<br>**Contact: Mr. Ajay Puri,**<br>Head – Investment Banking<br>Vikas Building, Ground Floor, Green Street, Fort,<br>Mumbai 400 023<br>Tel.: (022) 22642300<br>Fax: (022) 22615172<br>Email: ajaypuri@kslindia.com | **Registrar to the Offer**<br>Ikon Visions Pvt.Ltd<br>33, Sanali Heavens<br>8-3-948, Ameerpet<br>Hyderabad-500 073.<br>Tel: (040) 23744138<br>Fax: (040) 55829559<br>Email: ikonvisions@yahoo.com |
|---|---|

(M.R.Naidu)
For and On behalf of the Acquirers
Date: 12th September 2005
Place: Mumbai

Mr. M. R. Naidu

Mrs. M. K. Raj