PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

Gujarat Foils Limited

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This Public Announcement (**"PA"**) is being issued by Axis Bank Limited (**"Manager to the Offer"**) on behalf of Mr. Abhay Lodha, Mr. Ashwin Lodha and Akshata Merchantile Private Limited (**"Acquirers"**) and Mrs. Sheela Abhay Lodha, Mrs. Mona Ashwin Lodha, Mr. Prasanna Champalal Lodha, Mrs. Kusum Prasanna Lodha, Mr. Surendra Champalal Lodha, Mrs. Sharmishtha Surendra Lodha, Mr. Vimal Kumar Somani, Mr. Rajesh Kumar Jain, Rockdude Financial Services Private Limited, Akshata Realtors Private Limited, Netra Merchantile Private Limited, Deepstar Alloys & Steel Private Limited, Poshco Steel Private Limited, Phoenix Realtors Private Limited and Riya Real Estate Private Limited (**"Person Acting in Concerts/PACs"**), pursuant to and in compliance with Regulations 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 (the **"Regulations"** or **"SEBI (SAST) Regulations"**).

I. THE OFFER AND ITS BACKGROUND:

a) This Offer (**"Offer"**) is being made by the Acquirers and the PACs to the equity shareholders of Gujarat Foils Limited (**"Target Company"** or **"GFL"**). Other than the Acquirers and PACs who are acting in concert with each other for the purpose of the Offer, no other person is acting in concert with the Acquirers and the PACs for the Offer. Due to the operation of Regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, there could be persons who could be deemed to be acting in concert with the Acquirers and the PACs. However, such persons are not acting in concert for the purposes of the Offer.

b) (i) The share capital structure of the Target Company as on March 31, 2008 is represented as follows:

SHARE CAPITAL	Year ended March 31, 2008 (Rs.)
Authorised Share Capital 90,00,000 Equity Shares of Rs.10/- each	900,00,000
Issued, Subscribed and Paid up 49,38,670 Equity Shares of Rs.10/- each fully paid up	493,86,700
32,63,200 Forfeited Shares of Rs.10/- each Rs.5/- paid up	1,63,16,000
Total	**6,57,02,700**

(ii) In the year 1995, the Target Company issued to the public 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) at par wherein the resident Indian applicant had the option to pay Rs.5/- (Rupees Five Only) per Equity Share on Application and balance Rs.5/- (Rupees Five Only) on allotment. Out of the total issued capital 32, 63,200 (Thirty Two Lakhs Sixty Three Thousand Two Hundred) Equity Shares of Rs.10/- (Rupees Ten Only) remained partly paid-up to the extent of Rs.5/- (Rupees Five Only) per share due to non-payment of call monies by the shareholders. Despite sending individual notices to shareholders to pay the call money arrears such payments were not received by the Company. A final notice was also sent to the shareholders concerned, warning them that if the call money arrears were not paid, their shares would be forfeited. However, none of the concerned shareholders responded.

(iii) The Board of Directors of the Target Company had resolved at Board Meeting dated October 15, 2005 to initially forfeit 30,32,800 (Thirty Lakhs Thirty Two Thousand Eight Hundred) equity shares and thereafter at Board Meeting dated January 17, 2008, the Board of Directors of the Target Company had resolved to forfeit 2,30,400 (Two Lakhs Thirty Thousand Four Hundred) equity shares aggregating to forfeiture of a total of 32,63,200 (Thirty Two Lakhs Sixty Three Thousand Two Hundred) equity shares of the Target Company in accordance with the Articles of Association of the Target Company. After each of the aforesaid Board Meetings, necessary declaration of the forfeiture was duly made to the Bombay Stock Exchange (BSE) and the shareholders of the Target Company were intimated separately.

(iv) On January 3, 2008, one of the Acquirers Mr. Abhay Lodha acquired 2,00,000 (Two Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each fully paid up from Dhanlaxmi Lease Finance Limited, at Rs.25/- (Rupees Twenty Five Only) per equity share representing 3.87 % of the paid-up equity share capital of the Target Company.

(v) The Board of Directors of the Target Company has by its resolution dated January 17, 2008, considered a preferential sale and re-allotment of 32,63,140 (Thirty Two Lakhs Sixty Three Thousand One Hundred Forty) forfeited shares (**"Forfeited Shares"**), subject to obtaining the approval of the shareholders of the Target Company, to such person(s) as the Board of Directors of the Target Company may in its sole discretion decide at such price(s) and at such premiums as per the Bombay Stock Exchange guidelines and rules, the SEBI (Disclosures and Investor Protection) Guidelines, 2000 and other applicable law, provided that the sale and re-allotment price of the Forfeited Shares shall not be lower than Rs.10/- (Rupees Ten Only) per equity share.

(vi) The Target Company has obtained the approval of its shareholders in the extra-ordinary general meeting held on February 11, 2008, for a preferential sale and re-allotment of the Forfeited Shares to such person(s) as the Board of Directors of the Target Company may in its sole discretion decide at such price(s) and at such premiums as per the Bombay Stock Exchange Guidelines, the SEBI (Disclosures and Investor Protection) Guidelines, 2000 and other applicable law, provided that the sale and re-allotment price of the Forfeited Shares shall not be lower than Rs.10/- (Rupees Ten Only) per equity share.

(vii) Pursuant to the aforesaid approval of the shareholders of the Target Company, the Board of Directors of the Target Company at its meeting on April 9, 2008, have resolved to offer to sell and re-allot the Forfeited Shares to the Acquirers and PACs at a price of Rs.35/- (Rupees Thirty Five Only) per equity share (**"Forfeited Shares Price"**). The Acquirers and the PACs have agreed to acquire the Forfeited Shares at the Forfeited Shares Price. The Forfeited Shares Price has been determined in accordance with the provisions of the Bombay Stock Exchange guidelines, the SEBI (Disclosures and Investor Protection) Guidelines, 2000 and other applicable law. These Forfeited Shares if re-allotted would represent 39.79% of the expanded paid-up equity share capital of the Target Company.

(viii) The Acquirers and the PACs have entered into an Agreement for Sale and Re-Allotment of Forfeited Shares dated April 9, 2008 (**"FSA"**) with the Target Company and the promoter of the Target Company, Mr. Pramod Jain, (**"Promoter"**) for the sale and re-allotment of the Forfeited Shares by the Target Company to the Acquirers and the PACs at the Forfeited Shares Price The price payable by the Acquirers and the PACs for the purchase of the Forfeited Shares is Rs.35/- (Rupees Thirty Five Only) per share, aggregating to Rs.11,42,09,900/- (Rupees Eleven Crores Forty Two Lakhs Nine Thousand Nine Hundred Only). Upon the sale and re-allotment of the Forfeited Shares and the initial 2,00,000 (Two Lakh) equity shares, the Acquirers and the PACs shall hold 42.22% of the expanded paid- up equity share capital of the Target Company.

(ix) Some of the Salient Features of the FSA are as follows:

- Until the completion of the sale and re-allotment of Forfeited Shares, the Acquirers and the PACs shall have the right to appoint a representative (**"Observer"**) to attend all Board Meetings of the Target Company. The Observer shall not have the right to participate in the discussions or vote at meetings at Board meetings of the Target Company.
- The completion of the sale and re-allotment of the Forfeited Shares shall be subject to receipt inter – alia in-principle approval of the Bombay Stock Exchange for the listing and trading of the Forfeited Shares following sale and re-allotment thereof.
- Until the completion of the sale and re-allotment of Forfeited Shares, the Promoter has agreed not to engage directly or indirectly including through its affiliates or relatives, in any business which is competing with the business of the Target Company.
- The Acquirers and PACs shall have the right to reconstitute the Board and appoint their nominee directors on the Board before the Closing Date but after a period of 21 (twenty one) days from the date of making the public announcement by depositing 100% of the consideration payable under the public offer in cash in an escrow account in terms of regulation 22(7) of the Takeover Regulations.
- On and from Closing Date, the Promoter shall step down as the promoter of the Company and the Acquirers shall become the promoters of the Company. The Company will forthwith notify the Bombay Stock Exchange that the Promoter has stepped down as promoter of the Company and that the Acquirers shall be the promoters of the Company and have management control of the Company.

(x) On April 9, 2008, the Acquirers and the PACs have also entered into a Share Purchase Agreement (**"SPA"**) with Promoter and the Target Company for the acquisition by the Acquirers and the PACs of 14, 57,982 (Fourteen Lakhs Fifty Seven Thousand Nine Hundred And Eighty Two) fully paid equity shares of Rs.10/- each ("Sale Shares") of the Target Company constituting 17.78% of the expanded paid- up equity share capital of the Target Company owned and held by the Promoter. The price payable by the Acquirers and the PACs for the purchase of the Sale Shares is Rs.144/- (Rupees One Hundred and Forty Four Only) per share, aggregating to Rs.20,99,49,408/- (Rupees Twenty Crores Ninety Nine Lakhs Forty Nine Thousand Four Hundred and Eight Only).

(xi) The Promoter, Acquirers, the Target Company and Intime Spectrum Registry Limited ("the **Escrow Agent**") have also entered into an escrow agreement dated April 9, 2008 (**"Escrow Agreement"**) setting out the mechanism of the transfer of the Sale Shares to an escrow agent demat account to be held in escrow till the completion of the Offer.

(xii) Some of the Salient Features of the SPA are as follows:

- Until the completion of the sale and purchase of the Sale Shares, the Acquirers and the PACs shall have the right to appoint an Observer. The Observer shall not have the right to participate in the discussions or vote at meetings at Board meetings of the Target Company. On and from the completion of the sale and purchase of the Sale Shares, the Promoter has agreed not to engage directly or indirectly including through its affiliates or relatives, in any business which is competing with the business of the Target Company for a period of 3 (Three) years from the date of execution of the agreement.
- On completion of the Offer and in accordance with the terms of SPA and the Escrow Agreement, the Sale Shares shall be transferred from the escrow agent demat account to the respective demat accounts of the Acquirers.
- The Acquirers and PACs shall have the right to reconstitute the Board and appoint their nominee directors on the Board before the Closing Date but after a period of 21 (twenty one) days from the date of making the public announcement by depositing 100% of the consideration payable under the public offer in cash in an escrow account in terms of regulation 22(7) of the Takeover Regulations.
- On completion of the sale and purchase of the Sale Shares, the Promoter shall step down as promoter of the Target Company and be treated as a public shareholder of the Target Company and the Acquirers and the PACs, as a group shall become the promoters of the Target Company

After completion of the Offer and pursuant to the aforesaid acquisition of 2,00,000 (Two Lakhs) equity shares from Dhanlakshmi Lease Finance Limited, the purchase of Forfeited Shares pursuant to the FSA and purchase of Sale Shares pursuant to SPA, the Acquirers and the PACs shall hold in the aggregate 49,21,122 (Forty Nine Lakhs Twenty One Thousand One Hundred and Twenty Two only) equity shares of Rs.10/- (Rupees Ten Only) each fully paid up aggregating to 60% of the expanded paid-up equity share capital of the Target Company. The Promoter (Mr. Pramod Jain) shall step down as promoter of the Target Company and be treated as a public shareholder of the Target Company and the Acquirers and the PACs, as a group shall become the promoters of the Target Company.

c) The execution of the FSA and SPA has triggered obligation on the part of the Acquirers and PACs of making an open offer to the shareholders of Target Company pursuant to Regulations 10, 12 and other applicable provisions of the SEBI (SAST) Regulations.

d) The Acquirers and the PACs are making an Offer to the public to acquire up to 16,40,374 (Sixteen Lakhs Forty Thousand Three Hundred and Seventy Four) equity shares of Rs 10/- (Rupees Ten Only) each fully paid up after re-allotment of Forfeited Shares representing 20% of the paid up equity share capital of Target Company at a price of Rs.144/- (Rupees One Hundred and Forty Four Only) per equity share ("**Offer Price**") payable in cash subject to the terms and conditions mentioned in this PA and the Letter of Offer.

e) The equity shares to be acquired under the Offer will be acquired free form all liens, charges and encumbrances and together with all rights attached thereto, including rights to all dividends to be declared after all the formalities relating to the Offer are completed.

The Offer is not subject to any minimum level of acceptance. The Acquirers and the PACs will accept all the valid tenders. In case the equity shares tendered in the Offer by the shareholders of the Target Company are more than the equity shares to be acquired under the Offer, the acquisition of equity shares from each shareholder will be as per provisions of Regulation 21(6) of the SEBI (SAST) Regulations on a proportional basis, irrespective of whether the equity shares are held in physical or dematerialized form.

f) The equity shares of the Target Company are listed on the BSE. Based on the information available, the equity shares of the Target Company are frequently traded.

g) The Acquirers and the PACs have not acquired any equity shares of Target Company at a price above the Offer Price of Rs.144/- (Rupees One Hundred and Forty Four Only) per equity share, including by way of allotment in public or rights issue or by way of preferential allotment by Target Company during the 26 week period prior to the date of the Public Announcement.

h) Justification for the Offer Price in terms of the Regulation 20(4) of the SEBI (SAST) Regulations:

a.	Negotiated price under the Agreement referred to in Regulation 14(1) of the SEBI (SAST) Regulations (Rs.) i) Pursuant to the SPA: ii) Pursuant to the FSA:	 144/- 35/-
b.	Highest Price paid by the Acquirers and the PACs for acquisition, if any, during the twenty six period weeks prior to the date of public announcement (Rs.)	25/-
c.	The highest of (Rs.) - (i) average of the weekly high and low of the closing prices of the shares of the target company as quoted on BSE during the twenty-six weeks; or (ii) the average of the daily high and low of the prices of the shares as quoted on BSE during the two weeks preceding the date of public announcement.	 44.41 114.40

In view of the above, the Offer Price of Rs.144/- (Rupees One Hundred and Forty Four Only) is justified as per the Regulations.

i) There is no competitive bid as on date of the Offer.

j) Other than as disclosed above, there is no person acting in concert as per the provisions of regulation 2(1) (e) of the Regulations.

k) The Manager to the Offer does not hold any equity share in the Target Company as on date of the PA. They declare and undertake that they shall not deal in the equity 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 (Fifteen) days from the date of closure of Offer.

l) The Acquirers and the PACs have not entered into separate non-compete agreement with the Promoter. In the FSA and the SPA, the Promoter has agreed not to engage in a business which will compete with the business of the Target Company as mentioned above in the salient features of these Agreements.

m) The Acquirers and the PACs have undertaken to comply with the Regulations and complete the Offer formalities.

II. INFORMATION ABOUT THE ACQUIRERS AND THE PACs:

Information about the Acquirers:

i. Mr. Abhay Narendra Lodha, Indian inhabitant, aged about 37 years, resides at 602 "Vaitarna", Sir Pochkhanwala Road, Worli Sea Face, Worli, Mumbai – 400 030.

Mr. Abhay Narendra Lodha is an industrialist and chairman of Topworth Group. Topworth Group has active interest in the manufacture of sponge iron, steel, steel allied products and power. The Group is equally active in the trading activities of H.R. / C.R. Coils, Plates, Sheets and other allied products. Managed by highly qualified and experienced professional from the industry, its registered office is situated at Mumbai, with offices across India and operation in different states of India. The Group's turnover for the year 2006-07 is approximately over Rs.800,00,00,000/- (Rupees Eight Hundred Crores Only).

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mr. Abhay N. Lodha at Rs.20,52,34,000/- (Rupees Twenty Crores Fifty Two Lakhs and Thirty Four Thousand Only) as on December 31, 2007.

ii. Mr. Ashwin Narendra Lodha, Indian inhabitant, aged about 33 years, resides at 502 "Vaitarna", Sir Pochkhanwala Road, Worli Sea Face, Worli, Mumbai – 400 030.

Mr. Ashwin Narendra Lodha is B.Com, LLB and has joined the family business of steel trading at the age of 22 years. He has ventured into the family business of steel manufacturing, import and export and was actively involved in setting up of processing unit at Taloja, New Mumbai. He has developed wide contacts in the market and therefore enjoys a very high reputation in the business community of Mumbai.

He is on the Board of several companies of Topworth Group and takes an active participation in marketing, sales, accounts, function and other administrative functions of the Topworth Group.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mr. Ashwin N. Lodha at Rs.3,61,50,000/- (Rupees Three Crores Sixty One Lakhs and Fifty Thousand Only) as on December 31, 2007.

iii. Akshata Mercantile Pvt. Ltd. was incorporated on August 13, 2001 under the Companies Act, 1956. Its registered office is located at Raheja Centre, Office No. 4, Ground Floor, 214, Free Press Journal Marg, Nariman Point, Mumbai 400 021

Mr. Ashwin Lodha and Mrs. Sheela Lodha are the directors of the company and the shareholding pattern is as follows:

Name	No. of Shares	%
Mr. Abhay Lodha	25000	10.00%
Mrs. Sheela Lodha	125000	50.00%
Mr. Ashwin Lodha	87500	35.00%
Mrs. Mona Lodha	12500	5.00%
Total	**250000**	**100.00%**

The audited financial details of Akshata Mercantile Pvt. Ltd. are as follows:

Particulars	Rs. in million		
	FY 2007	FY 2006	FY 2005
Total Income	3065.08	4394.47	1724.22
Profit After Tax	19.63	6.72	2.83
Paid up Equity Share Capital	2.50	2.50	2.50
Reserves and Surplus	30.81	11.19	4.48
Networth	33.31	13.69	6.98
Earning Per Share (Rs.) (Face Value Rs.10/-)	78.52	26.88	11.32
Book Value Per Share (Rs.)	133.24	54.76	27.92
Returns on Networth (%)	58.93%	49.09%	40.54%

Information about the PACs:

i. Mrs. Sheela Abhay Lodha, Indian inhabitant, aged about 34 years, resides at 602 "Vaitarna", Sir Pochkhanwala Road, Worli Sea Face, Worli, Mumbai – 400 030.

She is a graduate and has done various computer courses and she is also diploma holder in fashion designing. She has come from Business Family of Durg (Chattisgarh). She has joined the family business at very young age and after marriage, she has joined her husband's business.

She is on the Board of several companies of Topworth Group and is an experienced entrepreneur. She takes an active participation in marketing and other administrative functions of the group.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mrs. Sheela Abhay Lodha at Rs.2,50,00,000/- (Two Crores Fifty Lakhs Only) as on December 31, 2007.

ii. Mrs. Mona Ashwin Lodha, Indian inhabitant, aged about 34 years, resides at 502 "Vaitarna", Sir Pochkhanwala Road, Worli Sea Face, Worli, Mumbai – 400 030.

She is a graduate and after her marriage, she has joined husband's business of steel trading.

She is on the Board of Riya Real Estate Pvt. Ltd and takes an active participation in day-to-day administrative functions of the Topworth Group.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mrs. Mona Ashwin Lodha at Rs.50,00,000/- (Rupees Fifty Lakhs Only) as on December 31, 2007.

iii. Mr. Prasanna Champalal Lodha, Indian inhabitant, aged about 50 years, resides at 501, Luv Apartment, Veera Desai Road, Andheri (West), Mumbai – 400 053.

He is a qualified Chartered Accountant and having 25 years experience in Audit, Accounts, Finance, Banking and Taxation.

He looks after the day-to-day activities of the whole Topworth Group and his core expertise is finance, banking, taxation and various legal matters.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mr. Prasanna Champalal Lodha's at Rs.2,50,00,000/- (Rupees Two Crores Fifty Lakhs Only) as on December 31, 2007.

iv. Mrs. Kusum Prasanna Lodha, Indian inhabitant, aged about 45 years, resides at 501, Luv Apartment, Veera Desai Road, Andheri (West), Mumbai – 400 053.

Mrs. Kusum Prasanna Lodha has done M.A. and is handling a firm namely M/s. Anand Business Centre which gives consultancy services in the filed of accounts, finance and banking. She has experience of around 10 years in this field.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mrs. Kusum P. Lodha at Rs.1,95,00,000/- (Rupees One Crore Ninety Five Lakhs Only) as on December 31, 2007.

v. Mr. Surendra Champalal Lodha, Indian inhabitant, aged about 42 years, resides at Flat No. 102, Utkarsh Alankar Apartment, Nr. Gupta House, Civil Lines, Nagpur – 440 001.

He is B.Com graduate and having an experience of around 15 years in the field of steel, cement etc. Presently, he is full time director of M/s. Shree Virangana Steels Limited, which is a part of Topworth Group.

He looks after day-to-day production, sales, procurement of raw material, banking, finance functions of M/s. Shree Virangana Steels Limited and he is overall in-charge of the plant situated at Nagpur.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mr. Surendra C. Lodha at Rs.1,25,00,000/- (One Crore Twenty Five Lakhs) as on December 31, 2007.

vi. Mrs. Sharmistha Surendra Lodha, Indian inhabitant, aged about 37 years, resides at Flat No. 102, Utkarsh Alankar Apartment, Nr. Gupta House, Civil Lines, Nagpur – 440 001.

She is looking after an administration and accounts departments of M/s. Shree Virangana Steels Limited and she has experience of around 10 years.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mrs. Sharmistha Surendra Lodha at Rs.50,00,000/- (Fifty Lakhs Only) as on December 31, 2007.

vii. Mr. Vimal Kumar Somani, Indian inhabitant, aged about 43 years, resides at 803, Godavari, Worli Sagar C. H. S., Sir Pochkanwala Road, Worli, Mumbai – 400 018.

Mr. Vimal Kumar Somani is a Chartered Accountant and an Entrepreneur and is in the Board of various Topworth Group of Companies and is also the director of Rockdude Financial Services Pvt. Ltd. and Rockdude Management Consultants Pvt. Ltd.

M/s. S. S. Rathi & Co., Chartered Accountants (Membership No. 042068) having their office at 401, Shree Shivdutta Apartment, Station Road, Near Lalit Restaurant, Goregaon (West), Mumbai – 400 062, have certified vide their statement dated February 8, 2008 the networth of Mr. Vimal Kumar Somani at Rs.1, 18, 85, 387/- Rupees One Crore Eighteen Lakhs Eighty Five Thousand Three Hundred and Eighty Seven Only) as on January 31, 2008.

viii. Mr. Rajesh Kumar Jain, Indian inhabitant, aged about 36 years, resides at 1st Floor, Palak Complex, Ramadhin Marg, Rajnandgaon Chattisgarh.

He is a director of Topworth Group.

M/s. Jasraj Rathi, Chartered Accountants (Membership No. 75627) having their Office at B-15, Shriniwas Housing Society, Shastri Nagar, Vasai (W), Dist. Thane, have certified vide their statement dated February 15, 2008 the networth of Mr. Rajesh Kumar Jain at Rs.70,00,000/- (Rupees Seventy Lakhs Only) as on December 31, 2007.

ix. Rockdude Financial Services Pvt. Ltd. was incorporated on January 9, 2007 under the Companies Act, 1956. Its registered Office is located at 803, Godavari Worli Sagar CHS., Sir Pochkonwala Road, Worli, Mumbai - 400 030.

Mr. Vimal Somani and Mrs. Vandana Somani are the directors of the company and they respectively hold 1000 and 9000 equity shares of Rs.10/- each.

The audited financial details of Rockdude Financial Services Pvt. Ltd. are as follows:

Particulars	Rs. (In million)
	FY 2007
Total Income	1.18
Profit After Tax	0.31
Paid up Equity Share Capital	0.10
Reserves and Surplus	0.31
Networth	0.41
Earning Per Share (Rs.) (Face Value Rs. 10/-)	30.87
Book Value Per Share (Rs.)	40.87
Returns on Networth (%)	75.53%

x. Akshata Realtors Pvt. Ltd. was incorporated on January 11, 2005 under the Companies Act, 1956. Its registered Office is located at Raheja Centre, Office No. 4, Ground Floor, 214, Free Press Journal Marg, Nariman Point, Mumbai - 400 021.

Mr. Abhay Lodha and Mrs. Sheela Lodha are the directors of the company and they each hold 5000 equity shares of Rs. 10/- each.

The audited financial details of Akshata Realtors Pvt. Ltd. are as follows:

Particulars	Rs. In million	
	FY 2007	FY 2006
Total Income	Nil	Nil
Profit After Tax	-0.02	0.00
Paid up Equity Share Capital	0.10	0.10
Reserves and Surplus	-0.04	-0.02
Networth	0.06	0.08
Earning Per Share (Rs.) (Face Value Rs.10/-)	-1.88	-0.22
Book Value Per Share (Rs.)	6.04	7.70
Returns on Networth (%)	-31.04%	-2.81%

xi. Netra Mercantile Pvt. Ltd. was incorporated on September 14, 2001 under the Companies Act, 1956. Its registered Office is located at Cama Chambers, First Floor, 23, Master Nagindas Road, Fort, Mumbai - 400 023.

Mr. Vijendra Ranka and Mr. Kunal Kasliwal are the directors of the company and the shareholding pattern is as follows:

Name of Shareholders	No. of Shares	Percentage (%)
Mr. S S Luharuka	5000	4.83%
Mr. Rajesh Luharuka	5000	4.83%
Reynolds Petrochems Ltd.	21600	20.85%
Shree Datta Industries India Ltd.	19260	18.59%
Gujarat Building Materials Pvt. Ltd.	23400	22.59%
Shreath Leasing and Finance Ltd.	29340	28.32%
Total	**103600**	**100.00%**

The audited financial details of Netra Mercantile Pvt. Ltd are as follows:

Particulars	Rs. In million		
	FY 2007	FY 2006	FY 2005
Total Income	2433.67	1888.73	435.62
Profit After Tax	5.52	0.36	0.06
Paid up Equity Share Capital	1.04	1.04	1.04
Reserves and Surplus	7.44	1.85	1.58
Networth	8.48	2.89	2.62
Earning Per Share (Rs.) (Face Value Rs.10/-)	53.08	3.46	0.58
Book Value Per Share (Rs.)	81.54	27.79	25.19
Returns on Networth (%)	65.09%	12.46%	2.29%

xii. Deep Star Alloys & Steels Pvt. Ltd. was incorporated on July 20, 1995 under the Companies Act, 1956. Its registered Office is located at A 4, Sunder Park, Veera Desai Link Road Extn., Andheri (West), Mumbai - 400 058.

Mr. Lahu Palande and Mr. Namit Surekha are the directors of the company and the shareholding pattern is as follows:

Name of Shareholders	No. of Shares	Percentage (%)
Mr. Abhay Lodha	5600	2.24%
Mr. Narendra Lodha	32600	13.04%
Mr. Surendra Lodha	90000	36.00%
Mr. Vijay Lodha	60000	24.00%
Mr. Ishwar Lodha	60000	24.00%
Mr. Prasana Lodha	1800	0.72%
Total	**250000**	**100.00%**

The audited financial details of Deep Star Alloys & Steels Pvt. Ltd. are as follows:

Particulars	Rs. In million		
	FY 2007	FY 2006	FY 2005
Total Income	915.47	751.11	74.00
Profit After Tax	2.28	2.73	3.11
Paid up Equity Share Capital	2.50	2.50	2.50
Reserves and Surplus	5.24	2.96	0.23
Networth	7.74	5.46	2.73
Earning Per Share (Rs.) (Face Value Rs.10/-)	9.12	10.92	12.44
Book Value Per Share (Rs.)	30.96	21.84	10.92
Returns on Networth (%)	29.46%	50.00%	113.92%

xiii. Poscho Steels Pvt. Ltd. was incorporated on August 23, 1999 under the Companies Act, 1956. Its registered Office is located at Cama Chambers, First Floor, 23, Master Nagindas Road, Fort , Mumbai - 400 023.

Mr. Abhay Lodha and Mr. Sanjeeb Das are the directors of the company and the shareholding pattern is as follows:

Name of Shareholders	No. of Shares	Percentage (%)
Mr. Adarsha Bagaria	30010	37.50%
Mr. Ramo Water Bagaria	10	0.01%
Shreya Commerce Private Ltd.	25000	31.24%
Welmon Tieup Ltd	25000	31.24%
Total	**80020**	**100.00%**

The audited financial details of Poscho Steels Pvt. Ltd. are as follows:

Particulars	Rs. In million		
	FY 2007	FY 2006	FY 2005
Total Income	1815.27	631.29	230.72
Profit After Tax	3.17	0.29	0.04
Paid up Equity Share Capital	0.80	0.80	0.80
Reserves and Surplus	4.30	1.12	0.83
Networth	5.10	1.92	1.63
Earning Per Share (Rs.) (Face Value Rs.10/-)	39.63	3.63	0.50
Book Value Per Share (Rs.)	63.75	24.00	20.38
Returns on Networth (%)	62.16%	15.10%	2.45%

xiv. Phoenix Realtors Pvt. Ltd. was incorporated on January 11, 2005 under the Companies Act, 1956. Its registered Office is located at Raheja Centre, Office No. 4, Ground Floor, 214, Free Press Journal Marg Nariman Point, Mumbai - 400 021.

Mr. Abhay Lodha and Mrs. Sheela Lodha are the directors of the company and they each hold 5000 equity shares of Rs. 10/- each.

The audited financial details of Phoenix Realtors Pvt. Ltd. are as follows:

Particulars	Rs. In million	
	FY 2007	FY 2006
Total Income	Nil	Nil
Profit After Tax	-0.31	0.00
Paid up Equity Share Capital	0.30	0.10
Reserves and Surplus	-0.33	-0.02
Networth	-0.03	0.08
Earning Per Share (Rs.) (Face Value Rs.10/-)	-10.35	0.00
Book Value Per Share (Rs.)	-1.04	7.92
Returns on Networth (%)	–	–

xv. Riya Real Estates Pvt. Ltd. was incorporated on November 17, 2005 under the Companies Act, 1956. Its registered Office is located at 229 ST Road, Opp Sant Tukaram Mandir, Carmac Bunder, Mumbai - 400 009.

Mr. Ashwin Lodha and Mrs. Mona Lodha are the directors of the company and they each hold 5000 equity shares of Rs.10/- each.

The audited financial details of Riya Real Estates Pvt. Ltd. are as follows:

Particulars	Rs. In million	
	FY 2007	FY 2006
Total Income	–	–
Profit After Tax	-0.01	0.00
Paid up Equity Share Capital	0.10	0.10
Reserves and Surplus	-0.02	-0.01
Networth	0.08	0.09
Earning Per Share (Rs.) (Face Value Rs.10/-)	-1.22	0.00
Book Value Per Share (Rs.)	7.86	9.08
Returns on Networth (%)	-15.54%	0.00%

III. INFORMATION ABOUT THE TARGET COMPANY:

a) The Target Company has been incorporated on November 16, 1992 and has received the certificate of commencement of business on December 18, 1992 under the Companies Act, 1956 in the State of Gujarat, Registrar of Companies, Gujarat.

b) The registered office of the Target Company is situated at Plot No-3436-3439, Chhatral G.I.D.C., Phase-IV, Taluka - Kalol, District – Gandhinagar, Gujarat, India.

c) The equity shares of the Target Company are currently listed on the BSE.

d) The Target Company is engaged in the business of manufacturing, selling, trading and distributing aluminum foils and sheets. The Target Company has its works at same premises as that of the registered office and has installed an electric wind power generator at Surajbari Site, Kutch District, Gujarat.

e) As on the date of the PA, the authorized share capital of the Target Company is Rs.9,00,00,000/- (Rupees Nine Crores Only) comprising of 90,00,000 (Ninety Lakhs) equity shares of Rs.10/- (Rupees Ten Only) each.

f) As on the date of the PA, the issued and subscribed equity share capital is Rs.8,20,18,700/- (Rupees Eight Crores Twenty Lakhs Eighteen Thousand Seven Hundred Only) comprising of 82,01,870 (Eighty Two Lakhs One Thousand Eight Hundred Seventy) equity shares of Rs.10/- (Rupees Ten Only) each. As of the date of the PA, the paid-up share equity capital of the Target Company is Rs.4,93,86,700/- (Rupees Four Crore Ninety Three Lakhs Eighty Six Thousand Seven Hundred Only) comprising of 49,38,670 (Forty Nine Lakhs Thirty Eight Thousand Six Hundred Seventy) equity shares of Rs.10/- (Rupees Ten Only) each.

g) As per the certified audited accounts figures for the period year ended March 31, 2007, the Target Company has reported total income of Rs. 966.04 million with PAT of Rs. 13.04 million as per the un-audited accounts for the nine months ended on December 31, 2007, the total income of the Company was Rs. 760.07 million and with PAT of Rs. 15.01 million.

IV. REASONS FOR THE ACQUISITION AND THE OFFER:

a) The Offer has been made pursuant to regulation and other provisions of Chapter III and in compliance with the Regulations. The Offer is being made in compliance with Regulations 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, for the purpose of substantial acquisition of equity shares and voting rights, as disclosed earlier accompanied with change in control and management of the Target Company, thereby enabling the Acquirers and the PACs to exercise control over the Target Company. The Acquirers and the PACs reserve the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI (SAST) Regulations and the SEBI Act.

b) The prime object of the Offer is to acquire substantial stake in the Target Company and thereby provide strategic direction and participate in business growth -of the Target Company.

c) Through this acquisition, the Acquirers and the PACs intend to expand the business of the Target Company and also derive the benefits of a listed company.

d) The Acquirers do not have any plans to sell, dispose off or otherwise encumber any assets of Target Company in the next two years, except in the ordinary course of business. The Acquirers and the PACs undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders and in accordance with and subject to the applicable laws, permissions and consents, if any.

V. STATUTORY/OTHER APPROVALS REQUIRED FOR THE OFFER

a) There are no statutory approvals required for the purpose of the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

b) The Acquirers and the PACs shall complete all procedures relating to the Offer within a period of 15 (Fifteen) days from the closure of the Offer.

c) In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the Offer provided the Acquirers and the PACs agree to pay interest to the shareholders beyond 15 (Fifteen) days.

d) If the Acquirers and the PACs fail to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on their part, the amount lying in the escrow account shall be forfeited in the manner provided in regulation 28(12) (e) of the Regulations.

e) The Acquirers and the PACs reserve the rights to withdraw the Offer in the event of the requisite statutory approvals being refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original Public Announcement is being made.

VI. OPTION IN TERMS OF REGULATION 21:

In the event, pursuant to the Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers and the PACs will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with BSE within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

VII. FINANCIAL ARRANGEMENTS:

a) The total financial resources required for the Offer assuming full acceptance at the Offer Price will be 23,62,13,856/- (Rupees Twenty Three Crores Sixty Two Lakhs Thirteen Thousand Eight Hundred and Fifty Six Only) ("**Maximum Consideration**"). The Acquirers and the PACs have made firm arrangements by way of individual resources, for the Maximum Consideration.

b) In accordance with regulation 28 of the Regulations, the Acquirers and the PACs have opened an Escrow Account No. 00401020217735 with Axis Bank Limited and has given a bank guarantee of Rs.6,00,00,000/- (Rupees Six Crores Only) and has made a cash deposit of Rs.25,00,000/- (Rupees Twenty Five Lakhs Only) in the Escrow Account, together being more than 25% of the Maximum Consideration payable to the shareholders under the Offer..

c) The Manager to the Offer has been solely authorized by the Acquirers and the PACs to operate and realize the value of Escrow Account in terms of the Regulations.

d) Jasraj Rathi, Chartered Accountant, have certified vide their certificate dated April 15, 2008, that on the basis of necessary information and explanation given by the Acquirers and the PACs and on verification of assets, liabilities, requirement of funds, the Acquirers and the PACs have adequate resources to meet the financial requirements of the Open Offer.

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