OFFER OPENING PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF HIMACHAL FIBRES LIMITED

(Regd. Office: Plot No. 43-44, Industrial Area, Barotiwala, Solan, Himachal Pradesh.)
Tel. No. - 01792-253034

This Advertisement is being issued by Mefcom Capital Markets Limited (the "**Manager to the Offer**") on behalf of Mr. Mayank Malhotra, M/s Balmukhi Textiles (P) Ltd, M/s Brijeshwari Textiles (P) Ltd, M/s Shiva Spinfab (P) Ltd (the "**Acquirers**") in respect of the open offer to the equity shareholders of HIMACHAL FIBRES LIMITED (the "**Target Company** " or "**HFL**") pursuant to and in compliance with Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(the "**Regulations**"). The Detailed Public Statement ("**DPS**") with respect to the aforementioned offer was published on June 4, 2012 (Monday) in the Business Standard (English-All Editions), Business Standard (Hindi-All Editions) and Apna Mahanagar (Marathi-Mumbai Edition) and the **Corrigendum** to the above mentioned DPS was published on August 17, 2012 (Friday) in the above mentioned newspapers.

1. Offer price is Rs. 17.50 (Rupees Seventeen & Paisa Fifty Only) per Equity Share and there is no revision in the offer price.
2. Committee of Independent Directors ("IDC") of the Target Company recommends acceptance of the Open Offer made by the Acquirers, as the Offer Price of Rs. 17.50/- (Rupees Seventeen & Paisa Fifty Only) per equity share of the Target Company is fair and reasonable based on the following reason:
   - As per last Audited Balance Sheet as on 31.03.2012, the Book Value per equity share of the Target Company is 16.74, which is lower than the Offer Price of Rs. 17.50/- per equity share being offered by the Acquirer.

   The recommendation of IDC was published in above mentioned newspapers on August 17, 2012.
3. There has been no competitive bid to this offer.
4. The Letter of Offer ("LOF") has been dispatched to all the shareholders of the Target Company on August 22, 2012.
5. Please note that a copy of the Letter of Offer (including Form of Acceptance cum Acknowledgment) will also be available on SEBI's website (www.sebi.gov.in) during the offer period and shareholders can also apply by downloading such forms from the website. Further, in case of non-receipt/non-availability of the form of acceptance, the application can be made on plain paper along with the following details:
   a. In Case of Physical Shares: Name, address, number of equity shares held, number of equity shares offered, distinctive numbers and folio number together with the original share certificate/s and valid transfer deeds with details of the Acquirers to be kept blank and Broker contract note(in case of unregistered shareholders).
   b. In Case of Demateralised Shares: Name, address, number of equity shares held, number of equity shares offered, DP name, DP ID and client ID (collectively called "Shareholding Details") together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the DP in favor of Special Depository Account("MCML-HFL- OPEN OFFER ESCROW ACCOUNT"):

   The details of special Depository account are as under:

Depository	National Securities Depository Limited
Depository Participant	SMC Global Securities Limited
Client ID	10001816
DP ID	IN303655
Market	Off- market
Execution date	On or before the date of Closure of Offer

   Shareholders having their depository account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the Special Escrow Account with NSDL.
6. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, 2011, the Draft Letter of Offer was submitted to SEBI on June 9, 2012. We have received the final observations in terms of Regulation 16(4) of the SEBI(SAST) Regulation, 2011 from SEBI vide its letter no. CFD/DCR/TO/PM/OW/17791/2012 dated August 7, 2012 which has been incorporated in the LOF.
7. There have been no material changes in relation the Open Offer, since the date of PA, save as otherwise disclosed in the DPS, Corrigendum to DPS and in the Letter of Offer.
8. The Public Announcement could not be published for the Equity Shareholders of Target Company as per Regulation 13(g) of the SEBI (SAST) Regulation, 2011. The company, while calculating the offer price, have considered interest @ 10% for the defaulted period hence and added it with the purchase price. SEBI may take suitable actions against the Acquirers for the said non-compliances.
9. **Schedule of Activity:**

Activity	Date	Day
Publication of Detailed Public Statement in newspapers	June 04, 2012	Monday
Last date of Filing of the Draft Offer Document with the SEBI	June 11, 2012	Monday
Last date of a Competing Offer	June 25, 2012	Monday
Identified Date*	July 04, 2012	Wednesday
Date by which the Letter of Offer will be dispatched to the shareholders	August 22, 2012	Wednesday
Last date for upward revision of Offer Price and/or Offer Size	August 24, 2012	Friday
Last date by which Board of the Target Company shall give its recommendation	August 24, 2012	Friday
Advertisement of schedule of activity for open offer, status of statutory approval in newspapers and sending the same to SEBI, Stock Exchange and Target Company	August 28, 2012	Tuesday
Date of commencement of tendering period	August 29, 2012	Wednesday
Date of closing of tendering period	Sep. 11, 2012	Tuesday
Date by which communicating rejection/ acceptance and payment of consideration for applications accepted	Sep. 25, 2012	Tuesday

*Identified Date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent being all shareholders (except the promoters/promoter group of the Target Company) whose names appear on the register of members of the Target Company and also to those persons who own the shares at any time prior to the closure of the offer, but are not the registered equity shareholders and as regards the beneficial owners of the dematerialized shares, whose names appear as beneficiaries on the records of the respective depositories, at the close of business on July 4,2012.

Issued by Manager to the Offer on behalf of the Acquirers

MEFCOM (financial services & solutions)

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Date : August 27, 2012
Place : New Delhi