PUBLIC ANNOUNCEMENT FOR ATTENTION OF THE EQUITY SHARE HOLDERS OF JAMES HOTELS LTD.

This Public Announcement is being issued by Master Capital Services Ltd. ("Manager to the Offer /MCSL") on behalf of Sh. Ajmair Singh Bhullar S/O Sh Kewal Singh Bhullar R/O 7,Wicton Chase ,Leeds PC-LS178SG (UK) and Sh. Haravtar Singh Arora S/O Sh Kartar Singh R/O -85 ,Fulmer Drive, Gerarrds Cross, Buckinghamshire PC SL97HF, UK and persons acting in concert (PAC) , (hereinafter referred to as "Acquirer") pursuant to Reg. 10 & 12 and in compliance with the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as the "SEBI (SAST) Regulations").

A. SHARE PURCHASE AGREEMENT:

James Hotels Ltd (incorporated under the Companies Act 1956)is having its Registered Office at Block-10, Sector-17-A Chandigarh (U.T) INDIA (Ph:0172-5068050) (hereinafter referred to as 'Target Company/JHL') made a maiden Public Offer of equity shares in 1994. The present issued capital of Target Company is 80,00,500 equity shares of Rs. 10/- each and listed at Bombay Stock Exchange (BSE),Delhi Stock Exchange(DSE) and Ludhiana Stock Exchange (LSE).

1. JHL was incorporated on August 25, 1980 in the name of Mehfil Restaurants & Hotels Pvt Ltd.The name was changed to James Hotels Ltd in 1992 and a fresh certificate of incorporation was obtained on 20-3-92.

JHL interalia had envisaged setting up of a four star hotel with 96 rooms in Chandigarh. Though JHL was incorporated in August 1980, yet there was no activity in the till 1985. JHL acquired the land on 99 years lease in 1985. However, there was delay of about two years from U.T Admin, Chandigarh to grant Urban Land Ceiling Exemption to the Company. In the meantime, upon resignation of former Managing Director, Mr Harmohan Dhawan, Mr. Surjit Singh Gulati (hereinafter along with his associates referred to as 'Seller') took over as the Managing Director of JHL and as main promoter. He took effective steps to implement the project. Under his supervision. All India Financial Institutions, sanctioned term loan to the extent of Rs.284 lacs in June 1989 & additional loan of Rs 68 lacs in Aug 1992.

JHL made a maiden Public Issue of 42,60,000 equity shares of Rs 10 each for cash at par (Rs 2.50 per share as application money & Rs 7.50 per share as allotment money) in 1994. But could not fully implement the project as envisaged at the time of the Public Issue. However, it commenced commercial operations of the restaurant, banquet and 20 rooms at 70 % occupancy in 1995. But due to cost overruns and non-receipt of allotment money from subscribers in the Public Issue, it ran into losses & closed operations in 1997 and defaulted with the Financial Institutions. The site of the hotel at Plot -10, Sector -17A, Chandigarh was also resumed on 13.12.2001 due to non-payment of lease money of Rs 79.82 Lacs to the Estate Office, Chandigarh and also non-completion of the building as per approved plans. The Financial Institutions recalled the loans in 1999 and obtained decree on 15/12/2001 for auction from Debt Recovery Tribunal Chandigarh (DRT) for recovery of Rs 1478 lacs. The unit was put to auction in Jan, 2002 at a reserve price of Rs 4200 Lacs but sale did not materialize. The main Seller /promoter Sh Surjit Singh Gulati could not manage the requisite funds for running the unit and has been looking for help from friends and relatives since then. In that process, in August 2004, he met the Acquirer. The Acquirer extended personal loans to Sh Surjit Singh Gulati of Rs.365.05 Lacs between Oct 2004 and May 2005 and through M/s Vesta Hotels & Resorts Ltd (incorporated under the Companies Act 1956 and having registered office at 1232, Sector-34, Chandigarh in which Acquirer have 50% shareholding) extended short term loan of Rs 1228.50 lacs against pledge of equity shares of JHL held by the Seller between May, 2005 & and Oct,2005. To overlook the interest of the Acquirer, Sh Gurmit Singh s/o Sh Kirpal Singh was appointed Director on the Board of the Target Company on 09.02.05. With these funds, the Seller settled the accounts of the Financial Institution as one time settlements and paid outstanding lease money to Estate Office, Chandigarh and got the site restored after appeal before the Advisor to Administration, Chandigarh (Revision Petition No.69 of

2004). However due to non-completion of the building the case for resumption/payment of non-construction charges is still pending with the Estate Office, Chandigarh (last hearing was held on 15.2.2006 and minutes/orders awaited). Further, appeal for clarification of earlier order of Advisor to Administrator, Chandigarh dated 13/12/2004 in case of revision petition 69 of 2004, is also pending and next hearing is scheduled for 1/3/2006. Further, the appeal against demand of extension fee for obtaining occupation/completion certificate is pending before the Chief Administrator, Chandigarh (filed on 15/2/2006) and listed for 19/4/06. JHL has received notice dated. 16/1/06 under rule 12(3),13(iii), 14(i) of the Chandigarh Lease Hold Sites and Building Rules,1973 for payment of Govt dues/Non Execution of Lease deed in respect of the hotel site has been received on 28/01/2006, for appearance on 18/1/2006, Company is taking up the matter with the Estate Office as it had paid the lease premium charges & executed the lease deed. But due to ill health and inability to raise further approx Rs 25 crore to complete the total project and commence the operations and also repay loans of the Acquirer, Sh Surjit Singh Gulati & his associates ("Seller") offered to sell their entire stake to the Acquirer and hand over the control. The Acquirer has become a bit familiar with the project and looking at the bright future of the hotel industry and for securing their financial interest, accepted the offer.

2. Accordingly, on Feb 27,2006, Seller & Acquirer entered into Share Purchase Agreement (SPA) for acquisition of 27,33,540 fully paid equity shares(constituting 34.17 % of the voting capital of JHL) at Rs 13.50 per fully paid share from Surjit Singh Gulati s/o Sh Inder Singh R/O 1, Gobind Nagar ,Ambala Cantt and his associates,Sh Jasbir Singh S/O Sh late Dharam Singh R/O House No-126/A,Staff Road, Ambala Cantt , Haryana , Sh Lovkesh Kumar S/O Sh Chandroop Singh R/O , Village & Post Office- Babyal , Ambala Cantt ,Sh Amarjit Singh S/O Sh Ranjit Singh R/O H.No-2175/1, Sec-45 C, Chandigarh payable in cash aggregating to Rs.3,69,02,790.

The Acquirer shall pay the Seller the total consideration amount of Rs. 3,69,02,790 towards complete transfer of individual Shares held by the Seller and also the controlling interest in JHL by way of adjustment of personal loans of Rs-3,65,05,000 extended to Sh Surjit Singh and additional payment of Rs 3,97,790.The authorization to adjust the consideration against earlier personal loans and their respective scripts and transfer deeds duly stamped and executed indicating the transfer of Sale Shares in favour of the Acquirer or their nominees has been kept with Sh I P Singh s/o Sh Man Mohan Singh r/o House no-2225, Sector -19C Chandigarh, mutually appointed for the purpose till the closure of the Offer. The requisite personal loan shall be deemed to have been converted into consideration after fulfillment of obligations under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as certified by Merchant Banker under Regulation 23(6).

3. Further, to enhance their stake in JHL, the Acquirer has acquired 13, 46,800 equity shares of JHL through following spot share purchase agreements on 27/02/2006:

1. Sh Haravtar Singh Arora s/o Sh Kartar Singh with Sh Parveen Kumar, s/o Sh. Surinder Parkash r/o # 3625, Timber Market, Ambala Cantt.for 1,30,085 equity shares (constituting 1.63 % of the voting capital of JHL).
2. Sh Ajmair Singh Bhullar s/o Sh Kewal Singh Bhullar with Parveen Kumar, s/o Sh. Surinder Parkash r/o # 3625, Timber Market Ambala Cantt. for 1,89,915 equity shares (constituting 2.37 % of the voting capital of JHL).
3. Sh Haravtar Singh Arora s/o Sh Kartar Singh with Sh Manmeet Singh, s/o Sh.Ravinder Singh r/o # 333/11 Shahabad Markanda Distt.Kurukshetra for 2, 56,000 equity shares (constituting 3.20 % of the voting capital of JHL).
4. Sh Ajmair Singh Bhullar s/o Sh Kewal Singh Bhullar with Sh Ramesh Kumar, s/o Sh.Ram Carhop, r/o VPO Nagla Dist. Patiala ,and the Acquirer ,for 2,00,000 equity shares (constituting 2.50 % of the voting capital of JHL).
5. Sh Ajmair Singh Bhullar s/o Sh Kewal Singh Bhullar with Sh Naib Singh , s/o Sh.Naranjhan Singh ,r/o VPO. Samabhalki, Dist Kurukshetra for 2, 24,000 equity shares (constituting 2.80 % of the voting capital of JHL).
6 Sh Ajmair Singh Bhullar s/o Sh Kewal Singh Bhullar with Sh Ravi Das , s/o Sh. Sadhu Ram, r/o VPO.Thakurpura, Dist Ambala for 3,46,800 equity shares (constituting 4.33 % of the voting capital of JHL).

Total aggregating to 13,46,800 equity shares for (constituting 16.83 % of the voting capital)all at Rs 14.00 per fully paid share in cash at total consideration of Rs .1,88,55,200

4.At present, Sh Bhupinder Singh s/o Sh Kartar Singh r/o # 1232 ,Sector-34D Chandigarh,one of the persons acting in concert ("PAC") with the Acquirer holds 3500 fully paid equity shares (constituting 0.04% of paid up equity shares capital and voting capital of JHL). After the above said acquisitions of shares. Acquirer along with the PAC would hold 40, 83,755 paid up equity shares, constituting 51.04 % of the issued, paid up share capital of JHL.

B. THE OFFER :-

1. The Acquirer hereby announce their intention to shortly make an Offer to Acquire in **cash** up to 16,00,100 fully paid equity shares of face value of Rs.10/- each of the Target Company, (representing 20 % of the issued paid-up equity share capital & voting capital) from the public shareholders of the Target Company, on the terms and conditions as set out below and in the Letter of Offer to be sent to the Shareholders at a price of Rs.18 per each fully paid share (hereinafter referred to as the "Offer").

2 The shares of JHL are listed at Delhi Stock Exchange, Ludhiana Stock Exchange and Bombay Stock Exchange but there has been no trading in the relevant period and hence are not frequently traded (as per definition under Regulation 20 of the SEBI (SAST) Regulations). The Offer price of Rs 18 per fully paid equity share of face value of Rs.10 each is higher then the negotiated price paid under Share Purchase Agreements and has also been determined as per requirements of Regulation 20(5) of the SEBI (SAST) Regulations.

3 The present issued and subscribed share capital of the Target Company comprises of 80, 00,500 fully paid-up equity shares of Rs. 10 each aggregating to Rs. 800.05 Lacs. At present the Acquirer and PAC hold 3500 fully paid equity shares of the Target Company (constituting 0.04% of the equity share capital and voting capital). No shares have been acquired during the twelve months period prior to the date of this Public Announcement and there are no agreements in respect of acquisition of shares in the Target Company, other than as mentioned above. After acquisition of 27,33,540 shares and 13,46,800 shares under the respective Share Purchase Agreements as mentioned above and assuming acquisition of 16,00,100 equity shares from the Public under this Offer, the Acquirer shall hold 71.04 % of the equity share capital and voting capital of the Target Company.

4. The Offer is **not** subject to any minimum level of acceptance from the public shareholders.

C. INFORMATION OF THE ACQUIRER:

Sh Ajmair Singh Bhullar s/o Sh Kewal Singh Bhullar, 56 Years .NRI based in UK since 1961. British Passport No-101847567 , Permanent Address - 7, Wicton Chase ,Leeds PC- LS178SG (UK) Tel No:00441132660070 Fax No:00441132421882 (Indian Address- 328,New Jawahar Nagar,Jalandar, Ph No 0161-2223322) . He has over 40 years experience in manufacturing & trading of textiles. He is Chairman of M/s Wetherby Fashions Limited UK engaged in imports of textiles from China, Hongkong etc and has real estate interests.

Sh Haravtar Singh Arora S/o Sh Kartar Singh ,46 Years .NRI based in UK since 1985 Passport No-093070435, Permanent Address- 85 Fulmer Drive, Gerarrds Cross, Buckinghamshire PC-SL97HF , London (U.K) Tel No: 00442089921789 Fax: 00442089921689 (Indian Contact Address- 1715, Sector 34D, Chandigarh Tel No:0172-5003580). He has working experience of almost 10 years in textile trade in India and 20 years in retailing, import/export trade and real estate in Germany and UK. He is Director of Wise Spendings Limited U.K), Euroflair Import Export Limited (UK), De Barons Property Services Limited (UK).

OTHER PERSONS ACTING IN CONCERT

Bhupinder Singh s/o Sh Kartar Singh r/o # 1232, Sector-34D Chandigarh brother of Sh H.S Arora is holding 3500 shares of JHL purchased on 8/4/05 at Rs 5.50 per equity shares. Further some relatives of Sh Ajmair Singh Bhullar and Sh Haravtar Singh Arora might acquire shares under the above mentioned Share Purchase Agreements as their nominees (to be detailed in the Letter of Offer) .

D. CONTROL:

The Acquirer Sh. Ajmair Singh Bhullar and Sh Haravtar Singh Arora, having deposited Rs 2,88,01,800(Rupees Two Crore eighty eight lacs one thousand eight hundred Only) being 100 %of the consideration of the Public Offer in the Escrow Account, shall be co-opted on the Board of the Directors of the Target Company after 21 days(i.e 22nd March ,2006) from the date of this Public Announcement and assume the majority on the Board (including support of Directors, Sh.Gurmit Singh and independent Directors Sh. Neeraj Mohindroo, Sh Rajesh Saini, Sh Narsingh Bedi, appointed on 20.12.2005), thereby assuming control. Sh. S.S Gulati & Sh Jasbir Singh shall resign after the completion of this Offer under SEBI (SAST) Regulations and thereafter the Board of Directors of JHL may further be reconstituted.

E. INFORMATION ABOUT TARGET COMPANY (JAMES HOTEL LTD.)

1. JHL was incorporated on August 25,1980 in the name of Mehfil Restaurants & Hotels Pvt Ltd.The Name was changed to James Hotels Ltd in 1992 and a fresh certificate of incorporation was obtained on 20-3-92. Its registered office is at Plot No.10, Sector – 17 A, Chandigarh (Ph: 0172-5068050).

2. JHL interalia had envisaged setting up of a four star hotel with 96 rooms in Chandigarh. Though JHL was incorporated in August 1980, yet there was no activity till 1985. It acquired the land on lease in 1985. However, there was delay of about two years from U.T Admin, Chandigarh to grant Urban Land Ceiling Exemption to the Company. In the meantime, upon resignation of former Managing Director , Mr Harmohan Dhawan , Mr. Surjit Singh Gulati took over as, the Managing Director of the company and as main promoter. He took effective steps to implement the project. All India Financial Institutions sanctioned Term Loan to the extent of Rs.284 lacs in June 1989 & additional loan Rs 68 Lacs in Aug 1992. JHL made a maiden Public Issue of 42,60,000 equity shares of Rs 10 each for cash at par (Rs 2.50 per share as application money & Rs 7.50 per share as allotment money) in 1994, but could not fully implement the project as envisaged at the time of the Public Issue. However it commenced commercial operations of the restaurant, banquet and 20 rooms at 70 % occupancy in 1995. But due to cost overruns and non-receipt of allotment money from subscribers in the Public Issue, it ran into losses & closed operations in 1997 and defaulted with the Financial Institutions. The site of the hotel at Plot -10, Sector -17A, Chandigarh was also resumed on 13.12.2001 due to non payment of lease money of Rs 79.82 Lacs to the Estate Office, Chandigarh and also non-completion of the building as per approved plans. The Financial Institutions recalled the loans in 1999 and obtained decree on 15/12/2001 for auction from Debt Recovery Tribunal Chandigarh (DRT) for recovery of Rs 1478 lacs. The unit was put to auction in Jan, 2002 at a reserve price of Rs 4200 Lacs but sale did not materialize. The main Seller /promoter Sh Surjit Singh Gulati could not manage the requisite funds for running the unit and has been looking for help from friends and relatives since then. In that process, in August 2004, he met the Acquirer. The Acquirer extended personal loans to Sh Surjit Singh Gulati of Rs.365.05 Lacs between Oct 2004 and May 2005 and through M/s Vesta Hotels & Resorts Ltd (incorporated under the Companies Act 1956 and having registered office at 1232, Sector-34, Chandigarh in which Acquirer have 50% shareholding) extended short term loan of Rs 1228.50 lacs against pledge of equity shares of JHL held by the Seller between May, 2005 & and Oct, 2005. To overlook the interest of the Acquirer, Sh Gurmit Singh s/o Sh Kirpal Singh was appointed Director on the Board of the Target Company on 09.02.05. With these funds, the Seller settled the accounts of the Financial Institution as one time settlements and paid outstanding lease money to Estate Office, Chandigarh and got the site restored after appeal before the Advisor to Administration, Chandigarh (Revision Petition No.69 of 2004). However due to non-completion of the building the case for resumption/payment of non-construction charges is still pending with the Estate Office, Chandigarh (last hearing was held on 15.2.2006 and minutes/orders awaited). Further, appeal for clarification of earlier order of Advisor to Administrator, Chandigarh dated 13/12/2004 in case of revision petition 69 of 2004 is also pending and next hearing is scheduled for 1/3/2006.Further the appeal against decree of extension fee for obtaining occupation/completion certificate is pending before the Chief

Administrator, Chandigarh (filed on 15/2/2006) and listed for 19/4/06. JHL has received notice dated. 16/1/06 under rule 12(3), 13(iii) and 14(i) of the Chandigarh Lease Hold Sites and Building Rules, 1973 for Payment of Govt Lease/Non Execution of Lease deed in respect of the hotel site has been received on 28/01/2006. For appearance on 18/1/2006, Company is taking up the matter with the Estate Office as it had paid the lease premium charges & executed the lease deed. But due to ill health and inability to raise further approx Rs 25 crore to complete the total project and commence the operations and also repay loans of the Acquirer, Sh Surjit Singh Gulati & his associates ("Seller") offered to sell their entire stake to the Acquirer and hand over the control. The Acquirer has become a bit familiar with the project and looking at the bright future of the hotel industry and for securing their financial interest, accepted the offer.

3 . The Directors in the Target Company as on date of this Public Announcement are

(i) Sh. Mr. Surjit Singh Gulati S/o Sh Inder Singh R/o 1, Gobind Nagar, Ambala Cantt Haryana.
(ii) Mr. Jasbir Singh s/o Late Sh Dharam Singh r /o # 126/A, Staff Road Ambala Cantt Haryana.
(iii) Sh Gurmit Singh s/o Sh Kirpal Singh r/o# 2160,Sector -44c ,Chandigarh.
(iv) Sh Nar Singh Bedi s/o Sh Harkrishan Singh Bedi, 3920, Sector-47D Chandigarh.
(v) Sh Neeraj Mohindroo s/o Sh Krishan Pal Mohindroo 509/2, Uppar Bazaar, Kalka.
(vi) Sh Rajesh Saini s/o Sh Ram Nath Saini 1439, Sector-34D, Chandigarh.

Directors at Sr No-(iv), (v) and (vi) appointed on 20.12.2005 as independent Directors.

4. Total paid-up share capital of the Target Company as on the date of this Public Announcement is Rs.800.05 lacs divided into 80.005 fully paid equity shares of Rs. 10 each. There are neither partly paid shares nor outstanding convertible instruments as on the date of this Public Announcement.

5. The shares of the Target Company are listed on DSE, BSE & LSE.

6. a. As per letter dated 24.12.2005 from Delhi Stock Exchange the Target Company has not complied with Regulations (6), (7),(8)of SEBI (SAST) Regulations, 1997and not filed annual quarterly reports. However the Target Company has claimed to have filed the same & has taken up the matter with DSE vide letter dated 16.2.2006.

b**.** As per letter dated 19.12.2005 Ludhiana Stock Exchange ,the Target Company has not filed some annual/ quarterly report, but Target Company claims to have filed all documents as its taking up matter with LSE.

c. Reply to letter dated 3.2.2006 to BSE for confirmation of all compliances is awaited.

d. The share trading is suspended at BSE & DSE.

7. Based on the latest audited annual report, total income(being lease /other income) for the 8 months ended 30.11. 2005 was Rs.1.97 Lacs (year ended March 2005 Rs. 3.14 Lacs), profit/(loss) after tax for period ending 30.11.2005 was Rs.(6.72 Lacs) (year ended March 2005 was Rs.(14.81) Lacs), the equity share capital as on 30.11.2005 was Rs. 8,00,05,000 (on March 31, 2005 was Rs. 8,00,05,000) & reserve and surplus (being capital reserve as on 30.11.2004) was Rs.184.75 Lacs (on March 31, 2005 was Rs. 184.75 Lacs).

F. OBJECTS OF ACQUISITION OF SHARES OF THE TARGET COMPANY & FUTURE PLANS:

The reason of acquisition of shares of the Target Company is (i) to acquire majority holding in the Target Company (ii) and acquire management control .The Offer is in accordance with Reg. 10& 12 of the SEBI (SAST) Regulations. The Acquirer has no plans to dispose off or otherwise encumber assets of the Target Company in the succeeding two years, except in the ordinary course of business of the Target Company. However, Acquirer shall seek shareholders approval in case need arises to dispose, encumber assets of the Target Company in succeeding two years.

G. SPECIFIC APPROVALS AND AUTHORISATION:

1. The Offer is not subject to receipt of any specific approval by the Acquirer as there is no restriction in investment by NRIs in Hotel Industry. However the Acquirer shall obtain permission of FIPB /RBI for acquisition of shares in the Target Company .

2. The Acquirer does not require any approval from its bankers or lenders to make the present Offer.

H. **Undertaking under Regulation 21**

Acquirer has undertaken that if acquisition of shares pursuant to Share Purchase Agreements, Public Offer and any other purchases during the Offer period exceeds 75%, then only as many shares shall be acquired under the SPA so that the Public Shareholding does not fall below 25% after the Offer.

I. **FINANCIAL ARRANGEMENTS FOR THE OFFER:**

(i) The Acquirer has already deposited Rs.2, 88, 01,800(Rupees two crore eighty eight lacs one thousand eight hundred only), being 100% of the consideration payable to the public shareholders under the Offer, in an Escrow Account with the Lord Krishna Bank,Sco-147-148, Sector- 9C, Chandigarh , opened in conjunction with the Manager to the Offer, in accordance with Reg. 28 of SEBI(SAST) Regulations. MCSL has been duly authorized to realize the value of Escrow Account in terms of SEBI (SAST) Regulations.

(ii) The Acquirer Sh. A.S.Bhullar & Sh H.S.Arora have remitted funds from UK for extending personal loans to Sh S.S Gulati ('Seller') which shall be adjusted against share purchase consideration & for further payments for acquisition of shares under Share Purchase Agreements and the Offer. All funds have been routed through banking channels through their NRE / NRO Accounts.

(iii) M/s Kumar Bhagwad & Co., Sector 17-C Chandigarh Chartered Accountants have certified vide certificate dated 27.02.2006 that the Acquirer has made financial arrangement for meeting the obligation under the Offer. Manager to the Offer has satisfied about the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations.

J. **OTHER TERMS OF THE OFFER:**

a) The Letter of Offer together with the Form of Acceptance-cum- Acknowledgement will be mailed to the shareholders of Target Company, (except the Seller, Acquirer and PAC) whose names appear on the register of members of Target Company and the beneficial owners of the shares of Target company, whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on March 1, 2006 **("specified date").**

b) Shareholders who wish to tender their shares will be required to send the Form of Acceptance-cum-Acknowledgement along with original Share Certificates and transfer deeds, duly signed to the **Registrar to the Offer M/s Skyline Financial Services Pvt. Ltd., 123, Vinoba Puri, Lajpat Nagar-II, New Delhi - 24 Telephone Number: 011-29833777, Fax number 011-29848352 (Contact person Mr. V. Rana)** either by hand delivery on week days (Monday to Saturday between 10 AM to 7 PM) or by Registered Post on or before the close of the Offer i.e. May 13, 2006 in accordance with the instructions be specified in this Letter of Offer and in the Form of Acceptance Cum Acknowledgement.

c) The Registrar to the Offer, M/s Skyline Financial Services Pvt. Ltd. has opened a special depository account with Globe Capital Market Ltd. at **NSDL** styled, **"SKYLINE – ESCROW - JHL A/c".** The **DPID is IN 300966** and **Client ID is 10184806** Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their share in favour of the special depository account with NSDL.

d) Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares will be required to send their form of Acceptance-Cum- Acknowledgement along with the photocopy of the delivery instruction in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the special depository account of the Registrar to the Offer:- M/s Skyline Financial Services Pvt. Ltd. 123, Vinoba Puri, Lajpat Nagar-II, New Delhi - 24 Telephone Number: 011-29833777, Fax number 011-29848352 (Contact person Mr. V. Rana), either by hand delivery on weekdays (Monday to Saturday between 10 AM to 7 PM) or by registered post at their own risk, on or before the close of the Offer, i.e. May 13, 2006 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.

The credit for the delivered shares should be received in the special depository account on or before close of the Offer, i.e. May 13, 2006 In case of non- receipt of the aforesaid documents, but receipt of the shares in the special depository account, it will be deemed that the shareholder has tendered acceptance of the Offer.

e) All owners (registered or unregistered) of shares of Target Company, (except the Seller, Acquirer and PAC) anytime before the closure of the Offer, are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of shares held, Number of shares offered, Distinctive numbers, Folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the brokers through whom they acquired their shares. **No indemnity is required from the unregistered owners.**

f) In case of non-receipt of the Letter of the Offer, the eligible persons may send their consent to the Registrar to the Offer on a plain paper stating the Name, Address, No. of shares held, Distinctive number, Folio number, No. of share Offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e.Saturday,May 13,2006 or in case of beneficial owners, they may send the applications in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of shares held, No. of share offered. DP Name DP Id, beneficiary account number and a photocopy of delivery instruction in "Off market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer i.e. Saturday, May 13,2006.

g) In term of Regulation 22(5a) of the SEBI (SAST) Regulations, equity share holders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer as per the mode of the delivery indicated therein on or before Wednesday, the May10, ,2006.

(i) The withdrawal option can be exercised by submitting the Form of Withdrawal enclosed with the Letter of Offer.

(ii) In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details.

- In case of physical shares: Name, Address, Distinctive numbers, Folio number, Number of shares tendered and

- In case of dematerialized shares: Name, Address, Number of shares Offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off- Market" mode or counterfoil of the delivery instruction in "Off-Market" mode duly acknowledged by the DP, in favour of the special depository account.

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

i) 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. Unaccepted share held in Demat form will be credited back to the beneficial owner depository account with the respective depository participant as per the detail furnished by the beneficial owner in the form of Acceptance-cum-Acknowledgement.

j) Shareholders who have sent their shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account is received on or before the date of closure of the Offer i.e. Saturday, the 13 May, 2006 else the application would be rejected.

k) While tendering shares under the Offer, NRIs/ OCBs/ Foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring shares of the Target Company. **In case of previous RBI Approvals not being submitted, the Acquirer reserves the right to reject the shares.** While tendering shares under the Offer, NRI/ OCBs/ Foreign shareholders will be required to submit a tax clearance certificate from the income tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid tax certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961 on the entire consideration amount payable to such shareholders.

K)TIME SCHEDULE OF THE OFFER:

Activity	**Day and Date**
Specified Date*	Wednesday , March 01,2006
Last date for a competitive bid	Tuesday March 21,2006
Date by which Letter Of Offer to be Dispatched to shareholders	Tuesday , April 11,2006
Date of opening of the Offer	Monday , April 24,2006
Last date of revising the Offer price	Thursday , May 04,2006
Last date for withdrawing acceptance from the offer	Wednesday , May 10,2006
Date of closing of Offer	Saturday , May 13,2006
Date of communicating rejection/ Acceptance and payment of Consideration for accepted tenders	Saturday , May 27 ,2006

***** Specified date is only for the purpose of determining the name of the share holders as on such date to whom the Letter of Offer would be sent and all owners (registered or un registered) of share of Target Company, (except the Seller, Acquirer and PAC) any time before the closure of the Offer, are eligible to participate in the Offer.

GENERAL:

a) **Shareholders, who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer shall have the option to withdraw acceptance tendered by them up to three working days prior to the date of closure of the Offer, in term of Regulation 22(5A) of SEBI (SAST) Regulations.**

b) If there is any upward revision in the Offer Price by Acquirer till the last date of revision viz.May 4, 2006 or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers in which the original Public Announcement had appeared. Acquirer would pay such revised price for all the shares tendered any time during the Offer and have been accepted under the Offer.

c) **If there is a competitive bid:**

- **The Public Offers under all the subsisting bids shall close on the same date.**
- **As the offer price can not be revised during seven working days prior to the closing date of the Offer/ Bids, it would, 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 their acceptance accordingly.**

d) None of the Acquirer and PAC has neither acquired shares now entered into agreement for acquisition of shares of Target Company in the last 12 months except under the Share Purchase Agreements and by the PAC as mentioned above.

e) Neither Acquirer, PAC nor Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act.

f) Pursuant to Regulation 13 of SEBI (SAST) Regulations, Acquirer has appointed MCSL as Manager to the Offer.

g) The Acquirer and PAC accept responsibility for the information contained in this Public Announcement. The Acquirer and PAC are jointly and severally responsible for their respective obligation in terms of the SEBI (SAST) Regulations.

This Public Announcement would also be available on the SEBI website (www.sebi.gov.in) Eligible person Offer may also download a copy of Form of Acceptance cum Acknowledgement which will be available on SEBI's website (www.sebi.gov.in) from the Offer opening date i.e. April 24, 2006.

Issued by :

Master Capital Services Ltd.
SCO 22-23, Sector 9-D, Chandigarh - 160 009
Ph: 0172-2741921, Fax: 0172-2745865
Email: infochd@mastermarts.com
Contact Person : G.S Chawla
Place: Chandigarh
Date: Feb 28, 2006

On Behalf of :
(Acquirer)

Sh. A.S. Bhullar S/O Sh Kewal Singh Bhullar R/O 7,Wicton Chase Leeds PC-LS178SG (UK)

Sh. H.S. Arora S/O Sh Kartar Singh R/O 85 Fulmer Drive,Gerarrds Cross Buckinghamshire PC SL97HF(UK) **&PAC**

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