Public Announcement for the Attention of The share Holders of JRC Industries Ltd.

This Public Announcement is being issued by Puneet Advisory Services Private Limited (hereinafter referred to as "Manager"), on behalf of Mr. Rushabh Jitendra Shah (hereinafter referred to as "Acquirer") pursuant to and in compliance with Regulation 10 and 12 of Chapter III of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [hereinafter referred to as "SEBI (SAST) Regulations" / "Regulations"] and subsequent amendments thereto.

I. THE OFFER:

1. The Acquirer Mr. Rushabh Jitendra Shah Resident of 7/8, Lalkripa, 251/Hingwala Lane, Ghatkopar (East) Mumbai-400 075 is making an open offer pursuant to Regulation 10 & Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997. There is no Person Acting in Concert ("PAC") with the Acquirer for the purpose of this offer.
2. The Acquirer has entered into a Share Purchase Agreement (SPA) with the Promoter Group of M/s JRC Industries Limited (hereinafter referred to as "JRC"/ "Target Company") on 27th November 2006 to acquire from them 19,99,038 fully paid-up Equity Shares of Rs 10/- each representing 39.93% of the issued, subscribed & paid up capital ("the acquisition") for cash at a price of Rs. 1.75/- (Rupees One Rupee Seventy five paise per share ('the negotiated price'). The Target Company does not have any partly paid up equity shares.
3. Salient features of the Share Purchase Agreement:
   a) The Acquirer has agreed to comply with their obligations arising out of this agreement for which, he is making a public offer in terms of the Securities Exchange Board of India (Substantial Acquisition of Shares & Takeovers), Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as the Regulations).
   b) In case of non compliance of any of the provisions of the Securities Exchange Board of India Takeover Regulations, this agreement shall not be acted upon by either Party.
   c) Upon completion of the formalities under the Regulations all the Directors representing the promoters on the Board of the Target Company shall resign and relinquish their office unless otherwise permitted by the Parties and the Acquirer shall induct Directors on the Board of the Target Company.
   d) Due to negligence or default of the Acquirer, the Sellers shall without prejudice to any other legal remedy, seek return of all shares delivered to the Acquirer.

II. OFFER PRICE

1. The Acquirer are now making this open offer to acquire 15,01,980 fully paid equity shares of Rs. 10/- each, representing 30% of the voting equity capital, of the Target Company at a price of Rs. 2.25 (Rupees Two and paise twenty five only) per fully paid up equity share payable in cash, ("Offer"). The Offer is not subject to any minimum level of acceptance and is not a conditional offer.
2. The equity shares of Target Company are listed on The Vadodara Stock Exchange Limited and The Bombay Stock Exchange Limited (BSE). The equity shares of the Company are infrequently traded in terms of explanation (i) to Regulations 20(5) of the SEBI (SAST) Regulations, 1997. The offer price of Rs. 2.25/- per share has been determined as per Regulation 20(5) taking into account the following factors:
   a. The Negotiated price in terms of the SPA entered into on 27th November 2006 is Rs. 1.75/-(Rupee One and paise Seventy five only) per fully paid equity share.
   b. The Acquirer has not acquired any shares of JRC Industries Limited at a price above the offer price of Rs. 2.25 per share, including by way of allotment in public or rights issue or by way of preferential allotment by Target Company during the 12 months Period prior to the date of this public Announcement.
   c. Book Value per share: The Latest audited Balance Sheet available for "JRC" as at valuation date is for the financial year ended 31st March 2006. The Book value per share of the company is Rs. 9.95/- (Rupees Nine and Paise Ninety Five only). However, the Company has not carried out activities since last couple of years and do not have any concrete plan to utilize the funds lying with the Company.
   d. Justification for the Offer Price in terms of the Regulation 20(4) & (5) of the SEBI (SAST) Regulations: (RS. LACS)

(a)	The negotiated price under the Agreement referred to in Regulation 14(1) of the SEBI (SAST) Regulations	Rs. 1.75
(b)	Price paid by the Acquirer for acquisition, if any, during the twenty six week period prior to the date of public announcement	Rs. 1.75
(c)	Return on Net Worth	Negative
(d)	Book value per share	Rs. 9.95
(e)	Earning Per Share	Negative
(f)	Price earning ratio on offer price	Not ascertainable
(g)	Industry Average P/E Multiple	Not ascertainable
(h)	The average of the weekly high and low of the closing prices of the Shares of the Target Company as quoted on The Bombay Stock Exchange Limited. No trading has taken place on the Vadodara Stock Exchange Limited. Hence the average weekly high and low of the closing prices of the Shares of the Target Company for the period is not available, since the Shares of the Target Company is most infrequently traded.	

The Company's Book Value is more than the offer price since the Company has not carried out any activities since last couple of years and the Company do not have concrete plans to utilize its fund. The Acquirer has programme to use funds for long term purposes.
The Offer price of Rs. 2.25/- is justified.

3. The Acquirer does not hold shares in the Target Company as on the date of Public Announcement.
4. Puneet Advisory Services Private Limited and Sharex Dynamics (India) Private Limited (Manager and Registrars to the offer) does not hold any shares in the target company.
5. This is not a competitive bid.

III. INFORMATION ABOUT ACQUIRER:

Mr. Rushabh Jitendra Shah resident of 7/8 Lalkripa, 251/Hingwala Lane, Ghatkopar (East) Mumbai-400 075 is a Commerce Graduate and is having an experience of 9 years in the business of trading of plastic granules, chemicals and manufacturing of Tarpaulins. The Networth of Mr. Rushabh Jitendra Shah as on 31-10-2006 is Rs. 57,94,986/- (Rupees Fifty Seven Lacs Ninety Four Thousand Nine Hundred Eighty Six only) as certified by Mr. Chandresh Gandhi of M/s. C. T. Gandhi & Co., Chartered Accountants, 318/2, Siddhivinayak Society, Near Popular Hotel, Hingwala Lane, Ghatkoper East, Mumbai 400 075. (Membership No. 38185)

IV. INFORMATION ABOUT THE TARGET COMPANY:

1. The Target Company was incorporated with the name JRC Finvest Limited vide Registration No. 21862 as a Public Company under the Companies Act 1956 and the Certificate of Commencement of Business was issued by the Registrar of Companies, Gujarat on 3rd May 1994. Subsequently, the name of the Company was changed from JRC Finvest Limited to JRC Industries Limited consequent to change of the activities of the Company. The Main Promoters of the Company were Mr. Gautam R. Shah and Mr. Hiren R. Shah. The Company commenced its commercial operations in the year 1994 in the field of leasing hire purchasing, bills discounting, short term lending and also to act as an investment Banking and advisory and consultancy services. The members of the Company had approved the adoption of activities related to Manufacturing and Marketing of Various kinds of Electric instruments, Components, ferrite rods, hard and soft ferrites capacitors, rectifiers, integrated circuits, printed circuit boards and Computer, Mini computers and compounds vide special resolution passed on 26th September 1997. The Name of the Target Company was changed consequent to change in activities of the Company. The certificate to the effect of Change of Name was issued by the Registrar of Companies, Gujarat on 25th November 1997. The Registered office address of the Target Company is at F/21, Vikram Chambers, Near Sales India, Ashram Road, Ahmedabad 380 009.
2. The Company had made a public issue of 20,00,000 Equity Shares of Face Value of Rs. 10/- for cash at par in February 1995. The object of the issue was to undertake the activities of leasing hire purchasing, bills discounting, short term lending and also to act as an investment Banking, advisory and consultancy services.
3. The Company had tried its level best to do the Business with its full strength but due to increase in the strict regulation and compliances from Reserve Bank of India and other statutory bodies, Company's main activities have reduced substantially. The New activities adopted vide special resolution also did not materialized fully as per the expectations. During the financial year 2005-06, the Company has not carried out any activities.
4. The Total Paid-up Equity Share Capital of the Target Company as on the date of this Public Announcement is Rs. 50066000/- divided into 50,06,600 Equity Shares of Rs. 10/- each. There are neither any partly paid-up shares nor outstanding convertible instruments, which can be converted into equity shares at a later date, as on the date of this Public Announcement.
5. The Equity Shares of Target Company is listed on The Vadodara Stock Exchange Limited and The Bombay Stock Exchange Limited (BSE).
6. Brief financials of the Target Company, based on the Audited Annual Accounts, are as under: (RS. LACS)

	Unaudited For the Half year ended 30.09.2006	Audited For the year ended 31.03.2006	Audited For the year ended 31.03.2005	Audited For the year ended 31.03.2004
Authorized Equity Share Capital	550.00	550.00	550.00	550.00
Paid-up Equity Share Capital	500.66	500.66	500.66	500.66
Reserves and Surplus	(4.28)	(2.40)	(1.45)	1.93
Total Income	0.00	0.35	0.72	16.39
Profit / (loss) after Tax	(1.88)	(1.55)	(3.39)	(4.63)
Earnings Per Share (EPS) Rupees	—	—	—	—
Book Value Per Share Rupees	—	9.95	9.97	10.04

7. The Shares of the Company were traded infrequently on The Vadodara Stock Exchange Limited and on The Bombay Sock Exchange Limited (BSE) in last 26 weeks.

V. REASONS FOR THE ACQUISITION AND OFFER AND FUTURE PLAN ABOUT TARGET COMPANY:

1. This Open Offer to the Shareholders of the Target Company is being made, pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations for the purpose of substantial acquisition of Shares with change in control and management of the Target Company.
2. Objects: The Object for acquisition of shares is to acquire the controlling stake in the Target Company.
3. Future Plans: The Acquirer in addition to carrying the existing business of the Target Company propose to amend the Object Clause of the Company to enable him to carry on the business of manufacturing of Pet Bottle, Plastic Bags and other allied plastics products. The Acquirer is in the field of trading of plastics granules since more than 5 Years and proposes to utilize his experience to ensure sustained growth and improve the performance of the Target Company. The Acquirer is yet to finalize on how he would implement the future plans.
4. As on the date of Public Announcement, the Target Company does not have any assets.

VI. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER:

1. The Company is not required to have any prior approval from Reserve Bank of India and from any Bank/Financial Institutions for the offer.
2. Besides this, as on this date, to the best of the knowledge of the Acquirer, no other statutory approvals are required to acquire the Shares tendered pursuant to this Open Offer. However, the Open Offer would be subject to all statutory and such other approvals that may be applicable at a later date.
3. The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer, in terms of Regulation 22(12) of the Regulations. In the case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to the Acquirer agreeing to pay interest for the delayed period to the shareholders as directed by SEBI. Further if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will also become applicable.
4. The Acquirer shall withdraw this offer if the statutory/other approval(s) required as above is refused as provided in regulation 27 of the SEBI (SAST) Regulation 1997.

VII. OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(3):

On Completion of the offer formalities the public shareholding of the Target Company is not likely to fall below the limit specified for the purpose of listing on continuous basis in terms of the Listing Agreement with the stock exchange, therefore the option available under Regulation 21 (3) of the Takeover Regulation is not applicable.

VIII. FINANCIAL ARRANGEMENTS:

1. The total fund requirement for the Open Offer is Rs. 33,79,455/- (Rupees Thirty three lacs Seventy Nine Thousand Four Hundred and Fifty five only) assuming that the entire Open Offer is accepted.
2. The Acquirer has assets, resources and means to meet his obligations under the Open Offer in full. For this purpose, the Acquirer intends to utilize the resources available with him.
3. In accordance with regulation 28 of SEBI (SAST) Regulation, Acquirer has deposited Rs. 10,00,000/- (Rupees Ten Lacs only) being more than 25% of the total consideration payable to shareholders for 15,01,980 fully paid equity shares @ Rs. 2.25/- per share with Puneet Advisory Services Pvt. Ltd., Manager to the Offer.

IX. OTHER TERMS

1. The Letter of Offer, together with the Form of Acceptance cum Acknowledgment will be mailed to the Shareholders of the Target Company (except the Acquirer, Persons Acting in Concert and the sellers who are party to the share purchase agreement) whose names appear in the Register of Members of the Target Company and to the beneficial owners of the Shares of the Target Company whose names appear as beneficiaries on the records of the respective Depositories at the close of business on Friday, 29th December 2006 ("Specified Date").
2. Shareholders (holding physical share certificates) who wish to tender their Shares will be required to send the Form of Acceptance cum Acknowledgment, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar, on or before the Close of the Offer, i.e., not later than Wednesday, 21st February 2007, in accordance with the instructions to be specified in the Letter of Offer and in the form of Acceptance cum Acknowledgment.
3. All owners (registered or unregistered) of Shares of the Target Company (except the Acquirer, Persons acting in concert and the sellers who are party to the share-purchase agreement) are eligible to participate in the Open Offer any time before the closure of the Open 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 Deed(s) and the original contract notes issued by the Broker through whom they acquired their Shares. No indemnity is required from the unregistered owners.
4. Beneficial owners (holders of Shares in dematerialised form), who wish to tender their shares will be required to send their Form of Acceptance cum Acknowledgement along with photocopy of the delivery instructions in "Off Market" mode or counterfoil of the delivery instructions in "Off Market" mode, duly acknowledged by the Depository Participant ("DP") in favour of the "SHAREX DYNAMIC (INDIA) PVT. LTD. ESCROW JRCIL OPEN OFFER" to 17-B, Dena Bank Building, 2nd Floor, Horniman Circle, Mumbai 400 001 either by hand delivery on week days during the normal business hours or by Registered Post/Courier on or before the closure of the Offer, i.e., not later than Wednesday, 21st February 2007 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 closure of the Offer, i.e., not later than Wednesday, 21st February 2007.
5. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, Distinctive Numbers, along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer. i.e., not later than Wednesday, 21st February 2007 in case of beneficial owners, they may send the 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, DP Name, DP ID, Beneficiary Account Number, and a photo copy 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, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., not later than Wednesday, 21st February 2007.
6. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, Equity Shareholders desirous of withdrawing the acceptance tendered by them in the Open Offer, may do so up to 3 (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 given below, so as to reach the Registrar to the Offer at the Collection Centre mentioned above, as per the mode of delivery mentioned therein, on or before Friday, 16th February 2007.
   (a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.
   (b) 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 the case of Dematerialised Shares: Name, Address, Number of Shares Offered, DP Name, DP ID, Beneficiary Account Number and a photo copy 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
7. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Shares lying in credit of the Special Depository Account, if any, and the transfer form(s) on behalf of the Shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the acceptable Shares / Share Certificates are dispatched / returned.
8. The acquirer has opened a Depository Account with NSDL and CDSL (the "Depository Escrow Account"). The DP ID for NSDL is IN-300484, DP Name is UTI BANK LIMITED & Client ID is 12696976 and DP ID for CDSL is 13027500, DP Name is UTI BANK LIMITED & Client ID is 00008994. Shareholders having their beneficiary account in NSDL/CDSL have to use the inter-depository delivery instructions slip for the purpose of crediting their Shares in favour of the Special Depository Account with CDSL/NSDL.
9. If the aggregate of the valid responses to the Open Offer exceeds the Open Offer size of 15,01,980 fully paid-up Equity Shares of the Target Company (representing 30% of the paid-up Equity Share Capital of the Target Company), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. The market lot for the dematerialized shares and for the physical shares will be 1 (one) share.
10. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at Shareholders' / unregistered owners' sole risk to the sole / first Shareholder. Unaccepted Shares held in de mat form will be credited back to the beneficial owners' depository account with the respective depository participant, as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.
11. Shareholders who have sent their Shares for dematerialisation need to ensure that the process of getting their Shares dematerialised is completed well in time so that the credit in the Special Depository Account is received on or before the date of the closure of the Offer, i.e., not later than Wednesday, 21st February 2007, else their application would be rejected.
12. Any Shares that are the 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 Open 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.
13. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
14. The Acquirer will not be responsible in any manner for any loss of Equity Shares Certificate(s) and Offer Acceptance Document(s) during transit and the Equity Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
15. While tendering the Shares under the Open Offer, NRIs / OCBs / FIIs if any will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Shares tendered.
16. While tendering Shares under the Open Offer, NRIs / OCBs / FIIs, if any, 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 and in case the aforesaid Tax Clearance 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 Shareholder.
17. The Acquirer has empowered the Manager to the Offer to realize the value by using the money deposited with them or otherwise in terms of the SEBI (SAST) Regulations, 1997.
18. Based on the above, the Manager to the Offer has satisfied himself about the Acquirer ability to implement the Open Offer in accordance with the SEBI (SAST) Regulations.
19. A schedule of activities pertaining to the Open Offer is given below:

Sr No	Activity	Day	Date
1.	Public Announcement	Thursday	30-Nov-2006
2.	Specified date	Friday	29-Dec-2006
3.	Last date for a competitive bid	Thursday	21-Dec-2006
4.	Date by which letter of offer will be dispatched to the Shareholders	Friday	12-Jan-2007
5.	Offer opening date	Wednesday	24-Jan-2007
6.	Last date for revising the offer price/ number of shares	Monday	12-Feb-2007
7.	Last date for withdrawal by shareholders	Friday	16-Feb-2007
8.	Offer Closing date	Wednesday	21-Feb-2007
9.	Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and/ or the share certificate for the rejected shares will be dispatched	Thursday	8-Mar-2007

X. GENERAL:

1. Shareholders who have accepted the Open 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 upto three working days prior to the date of closure of the Open Offer, i.e. upto Friday, 16th February 2007
2. If there is any upward revision in the Offer Price by the Acquirer till the last date of revision, viz., Monday, 12th February 2007, or withdrawal of the Open Offer, the same would be informed by way of a Public Announcement in the same newspapers in which the original Public Announcement has appeared. The Acquirer would pay such revised price for all shares validly tendered any time during the Open Offer and accepted under the Open Offer.
3. 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 7 (seven) working days prior to the closing date of the Open Offers / bids (i.e. Monday, 12th February 2007), it would therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
4. The Acquirer and Sellers or Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act.
5. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed M/s. Puneet Advisory Services Private Limited as Manager to the Offer. This public announcement has been issued by Puneet Advisory Services Private Limited (Manager to the Offer) on behalf of the Acquirer.
6. The Acquirer accepts full responsibility for the information contained in this Public Announcement. The Acquirer is responsible for the fulfillment of his obligations under the SEBI (SAST) Regulations.
7. This Public Announcement would also be available on the SEBI's website at (http://www.sebi.gov.in/). Eligible persons to the Open Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at (http://www.sebi.gov.in/) from the Offer Opening Date, i.e. Wednesday, 24th January 2007 The Equity shareholders may please note that the Form of Acceptance, Share Certificates/ copy of the delivery instructions and other documents shall be sent only to the Registrar to the Offer and not to the Acquirer, Target Company and Sellers.

Name and Address of the Acquirer
Mr. Rushabh Jitendra Shah
7/8, Lalkripa, 251/Hingwala Lane, Ghatkopar (East), Mumbai-400 075

Public Announcement to the Equity Shareholders of JRC Industries Limited
F/21, Vikram Chambers, Near Sales India, Ashram Road,
Ahmedabad 380 009

Issued by the Manger to the Offer:
PUNEET ADVISORY SERVICES PRIVATE LIMITED
1101, DALAMAL TOWERS, NARIMAN POINT, MUMBAI- 400 021
Contact Person : Mr. Hemal Jhaveri
Contact Number (022) 22855351/ 52, Fax No. 22825417.
E Mail: research@puneetindia.com

Registrar to the Offer
SHAREX DYNAMIC (INDIA) PRIVATE LIMITED
17-B, DENA BANK BUILDING, 2ND FLOOR
HORNIMAN CIRCLE, FORT, MUMBAI 400 001
Contact Person : Mr. Henry Fernandes
Cont. No. (022) 22702485/ 2264 1376
Fax No. 2264 1376. E Mail: sharexindia@vsnl.com