PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF THE SHAREHOLDERS OF
Kar Mobiles Limited

(Regd. Office: Sri Chitrapur Commercial Complex, IV Floor, E No.68, 15th Cross, 8th Main, Malleswaram, Bangalore 560055)

OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement ("PA") is being issued subsequent to the public announcements issued on 28th May 2005, 9th June 2005 and 19th July 2005 wherein we had stated that the revised time schedule to the offer would be communicated through another Corrigendum to the PA. This PA is being issued by SBI Capital Markets Limited ('Manager to the offer") on behalf of Rane Engine Valves Limited pursuant to Regulation 11(1) and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("the Regulations").

1. Background to the Offer

1.1 Rane Engine Valves Limited ("the Acquirer" or "REVL"), a company incorporated under the Companies Act, 1956 having its registered office at "Maithri", 132 Cathedral Road, Chennai 600 086 is making this offer pursuant to 11(1) the Regulations to the shareholders of Kar Mobiles Ltd. (KML) to acquire upto 625,000 fully paid-up equity shares of Rs.10 each representing 27.90% of the fully paid up equity share capital of Kar Mobiles Ltd. at a price of Rs. 145/- (Rupees One hundred and forty five only) ("offer price") per fully paid up equity share of KML (the "Offer").

1.2 Shareholders of KML have the option to receive the consideration of Rs. 145 per share in cash in full ("cash offer") OR by way of allotment of fully paid up equity shares of Rs.10/- each of REVL ("share exchange offer") as follows:
a. Cash offer - Rs.145/- per share of KML to be paid in cash
OR
b. Share Exchange offer - REVL shall issue and allot for every 3 (three) equity shares of KML, 1 (one) equity share of REVL.

1.3 The Draft Letter of Offer was filed with SEBI on 10th June 2005. The revised letter of offer incorporating the disclosures required in compliance with the SEBI (Disclosure and Investor Protection) Guidelines was filed on 10th August 2005. SEBI has vide letter dated November 2,2005 provided comments in terms of proviso to Regulation 18 (2) of the Takeover Regulations, and has granted exemptions from certain provisions of the SEBI (Disclosure and Investor Protection) Guidelines.

2. Financial Arrangements for the Offer

2.1 The Acquirer has made firm financial arrangements to meet their obligations in full under the offer. For this purpose, REVL intends to meet its obligations through issuance of its own equity shares and utilize its internal resources.

2.2 The maximum consideration payable by the Acquirer in case of full acceptance of the Offer would be Rs.906.25 lacs. In accordance with the provisions of Regulation 28 of the Regulations, the Acquirer has created an Escrow Account in the form of a Bank Guarantee of Rs.231.50 lacs (representing not less than 25% of the maximum purchase consideration payable in terms of the Offer) issued by The Hongkong and Shanghai Banking Corporation Limited and having its office at Rajaji Salai, Chennai – 600001 valid until 15.01.2006, in favour of the Manager to the Offer. The Acquirer has empowered the Manager to the Offer to realize the value of the Escrow Account under the Regulations.

2.3 The Acquirer has also made a cash deposit of Rs. 9.25 lacs, representing an amount in excess of 1% of the maximum purchase consideration payable in terms of the Offer, in a Bank Account with The Hongkong and Shanghai Banking Corporation Limited having its office at Rajaji Salai, Chennai – 600001. The Manager to the Offer is empowered to realize the value of the aforesaid Bank Account.

2.4 The Hongkong and Shanghai Banking Corporation Limited, bankers of REVL, having their address at Rajaji Salai, Chennai – 600001, Phone No.:044 – 25240271-79; Fax No. 044 – 25220261, vide their certificate dated 27.05.2005 have confirmed that adequate funds to pay the sum of Rs. 906.25 lacs towards payment of maximum consideration are available with REVL. On the basis of the above, the Manager to the Offer has satisfied itself about the ability of the Acquirer to implement the Offer in accordance with the Regulations.

3. The revised schedule of events in respect of the Offer is as under:

Offer Time Table	Revised Time Schedule	Original Time Schedule
Public Announcement (PA) Date	May 28, 2005 (Saturday)	May 28, 2005 (Saturday)
Specified Date*	June 3, 2005 (Friday)	June 3, 2005 (Friday)
Last date for competitive bid	June 18, 2005 (Saturday)	June 18, 2005 (Saturday)
Last date by which Letter of Offer will be despatched to the shareholders	November 28, 2005 (Monday)	July 8, 2005 (Friday)
Offer Opens On	December 2, 2005 (Friday)	July 20, 2005 (Wednesday)
Last date for revising the Offer price/ Offer size	December 12, 2005 (Monday)	July 27, 2005 (Wednesday)
Last date to withdraw acceptance tendered by shareholders	December 16, 2005 (Friday)	August 2, 2005 (Tuesday)
Offer Closes On	December 21, 2005 (Wednesday)	August 8, 2005 (Monday)
Last Date for communicating rejection/acceptances (in part or full) & mailing of consideration for the applications accepted	January 5, 2006 (Thursday)	August 23, 2005 (Tuesday)

*Specified 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 and all owners (registered or unregistered) of the shares of KML (except the Acquirer) are eligible to participate in the Offer anytime before the closure of the Offer.

4. General

4.1 Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed SBI Capital Markets Ltd. as the Manager to the Offer.

4.2 The Acquirer accepts full responsibility for the information contained in this PA and also for the obligations of the Acquirer as laid down in the Regulations.

4.3 The Directors of REVL accept full responsibility for the information contained in this PA and also for the obligations of the Acquirer as laid down in the Regulations.

Eligible persons to the Offer may download a copy of this Public Announcement from SEBI's website at www.sebi.gov.in.

Issued by the Manager to the Offer
On Behalf of Rane Engine Valves Ltd.

SBI Capital Markets Limited

SBI Capital Markets Limited
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Cuffe Parade, Mumbai - 400 005
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Contact Person: Ms. Sheila Joseph
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Registrar to the Offer

Integrated Enterprises (India) Ltd.
2nd Floor, "Kences Towers" No.1,
Ramakrishna Street, North Usman Road, T Nagar,
Chennai 600 017. Tel:(044) 28140801/ 28140802.
Fax: (044) 2814 0652
Contact Person: Sriram S.
E-mail: sureshbabu@iepindia.com

Place: Mumbai

Date: 23/11/2005