PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF
LOTUS CHOCOLATE COMPANY LIMITED

(REGISTERED OFFICE:8-3—966/13, GROUND FLOOR, NAGARJUNA NAGAR, SRINAGAR COLONY, HYDERABAD- 500 073)

This Public Announcement is being issued by **CIL Securities Limited** (Managers to the Offer), on behalf of Shri Peraje Prakash Pai and Shri Peraje Anantha Pai (herein after referred to as **Acquirers**) pursuant to Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereto [herein after referred to as **Regulations].**

Note : The Merchant Banking Registration certificate of Cil Securities limited is valid upto 30.06.2008.The Managers to the Offer have applied for renewal application in the month of March 2008 along with additional informations as required by SEBI before March 31, 2008.The said application is under process by SEBI, accordingly, the Marchant Banker is eligible to under take the responsibility of Managers to the Offer.

A. BACKGROUND OF THE OFFER

1. This offer to the shareholders of the Target Company is being made by made by Shri Peraje Prakash Pai and Shri Peraje Anantha Pai (hereinafter referred to as "Acquirers").There are no persons acting in concert ("PAC") with the Acquirers for the purpose of this offer .
2. The acquirers have entered into a Sale and Purchase Agreement (SPA) dated 05.07.2008, with **Mr DEVABHAKTUNI DURGA PRASAD** residing at 307, Pancom Business Centre, Ameerpet "x" Roads, Hyderabad -500073 and **Mr ALAPATI RAMAKRISHNA** (Indian Passport No. B0572002) residing at H. No. 8-2-469/B 3, Sneha Enclave, Road No. 5, Banjara Hills, Hyderabad - 500034. (each an "SELLER" and together the "SELLERS") to purchase in aggregate 54,46,440 Equity Shares of the Target Company representing 42.41 % of the total paid up Equity Capital of the Target Company at a price of Rs 15/- per fully paid Equity Share and 73,96,600 Cumulative Redeemable Preference Shares representing 100% of the Preference Share Capital of the Target Company at a price of Rs 4/- per Preference Share payable in cash.
3. No other person is acting in concert with the Acquirer for the purpose of this Offer.
4. As the aggregate equity stake of the Acquirers in the paid up equity share capital of LCC, after the transfer of Sale Shares covered in the SPA will be more than the stipulated threshold of 15% in compliance with Regulations 10 and 12 of the SEBI (SAST) Regulations, the Acquirer is hereby making this PA of the Offer, to acquire up to 25,68,210 equity shares of Rs. 10 each representing 20% of the issued, subscribed and paid up equity share capital of LCC from the public shareholders at the Offer Price i.e. Rs. 16/- Rupees Sixteen only) per fully paid up Equity Share ("offer price") payable in cash (which is higher than the negotiated price and is in compliance with the Minimum offer price payable under Regulation 20(5) of the Regulations) subject to the terms and conditions, mentioned hereinafter. Equity shares that would be tendered in the valid form in terms of this Offer will be transferred in favour of the Acquirers upon completion of the Open Offer formalities.
5. The Acquirers do not have any representatives on the Board of the Target Company as on the date of this PA. However, the Acquirers propose to reconstitute the board of directors of the Target Company upon completion of open offer formalities.
6. Some of the salient features of the share Purchase Agreement are mentioned below:

a. The Acquirers shall acquire **54,46,440** Equity shares of Rs. 10 each and 73,96,600 Cumulative Redeemable Preference Shares including Accrued Dividend and Voting rights, from the sellers . The Purchase consideration for the equity shares will be paid **RS 8,16,96,600** @ Rs15/- per equity share **and** Cumulative Redeemable Preference Shares **RS 2,95,86,400 @ RS 4 per preference share.**

b. The execution of transfer of Equity shares shall be made through Stock Exchange and execution of the transfer of cumulative redeemable preference shares through transfer deed. The Consideration for Equity Shares shall be paid on execution of transfer through stock exchange and for Preference Shares shall be paid upon delivery of shares with transfer deeds.

c. The ACQUIRERS acquires all past, present and future rights and benefits including Rights for Equity and Preference Shares allotment arising under BIFR Rehabilitation Package available to the Target Company. The Sellers are not eligible for any rights and benefit including Rights for Equity and Preference Shares allotment arising under BIFR Rehabilitation Package to the Target Company in the future.

d . The ACQUIRERS will not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all of the Sale Shares is completed simultaneously.

e. The Sellers / Acquirers agree to abide by their obligations as contained in SEBI (SAST) Regultions, 1997, as amended from time-to-time.

7. The equity shares of the Target Company are listed/traded only on Bombay Stock Exchange Limited, Mumbai **("BSE").**
8. The annualized trading turnover based on the trading volume in the shares of LCC on BSE during January 2008 to June 2008 (6 calendar months preceding the date of this PA) is as under:

Name of Stock Exchange (s)	Total number of shares traded during the 6 calendar months prior to the month in which PA is made	Total number of listed Shares	Annualized Trading turnover (as a % to total listed shares)
BSE	29,02,557	12541049	45.21%

Source: www.bseindia.com

The Equity shares of the Target Company are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

9. Mr. Peraje Prakash Pai through BSE acquired 3,42,480 equity shares and sold 2,94,607 equity shares of the Target Company during the 12 months preceding the date of this announcement. The highest price paid by him during the said period was Rs. 25.08 (inclusive of all charges) per share and the lowest price was Rs. 11.95 (inclusive of all charges)
10. Mr. Peraje Anantha Pai through BSE acquired 3,94,392 equity shares and sold 3,40,609 equity shares of the Target Company during the 12 months preceding the date of this announcement. The highest price paid by him during the said period was Rs. 25.98 (inclusive of all charges) per share and the lowest price was Rs. 10.19 (inclusive of all charges)
11. The Acquirers Mr. Peraje Prakash Pai and Mr. Peraje Anantha Pai held 48,923 and 53,783 Equity Shares of Target Company representing 0.38% and 0.42% respectively of the fully paid up Equity Share Capital as on date of the public Announcement.

The provision of Regulation 20(5) of Regulations provides the following pattern for pricing the offer price:

(a)	The negotiated price under the agreements under Reg.14(1)	Rs. 15/- per share
(b)	The highest price paid by the acquirers or persons acting in concert with them for any acquisitions, including by way of allotment in a public/rights/ preferential issue, if any, during the 26-week period, prior to the date of Public Announcement.	Rs. 15.95/- per share
(c)	The average of the weekly high and low of the closing prices of the shares of Target Company on BSE, where it is most frequently traded, during 26 weeks preceding the date of the Public Announcement.	12.43
(d)	The average of the daily high and low prices of the shares of the Target Company on BSE, where it is most frequently traded, during the 2 weeks preceding the date of the Public Announcement.	12.99
(e)	Other parameters (as on March 31, 2008)	
	Return on Net Worth (%)	
	Book value per share (Rs.)	75.37
	Earning per share (Rs.) (before prior period adjustment)	
	Price to Earnings Multiple based on the Offer Price	0.58
	Industry P/E Ratio (Source: Vol. XXIII No.13	27.58
	Date June, 22, 2008 *Dalal Street Investment Journal, Industry fast moving consumer goods*)	*26.50*

Thus the offer price of Rs 16/- is justified in terms of Regulation 20(4) of the Regulations.

12. There is no non-compete fees agreement between the Acquirers and the Target Company and any other entity as envisaged under Regulation 20(8) of the Regulations. No additional payment by way of non-compete fees are being made by the Acquirers.
13. If the Acquirer acquires Equity shares of Target Company after the date of Public Announcement upto seven working days prior to the closure of the offer at a price higher that the Offer Price then the highest price paid for such acquisition shall be payable for all valid acceptances received under the Open Offer.
14. CIL (Managers and Registrars to the offer) hold 1050 equity shares of the target Company as a custodian on behalf of Mr Devabhaktuni Durga Prasad and Mr Alapati Ramakrishna. These share are lying in Demat Escrow A/c being opened at the time of previous open offer being given during 2003.
15. **This is not a Competitive Bid.**

B. INFORMATION ABOUT ACQUIRERS

1. Shri Peraje Prakash Pai is an Engineering Graduate. He is the Managing Partner of Puzzolana Machinery Fabricators for the past 26 years and possess extensive experience and entrepreneurial leadership in the development of a machine-building enterprise. He has developed several import substitutions for the engineering and process industries. His global exposure and hands-on experience in design, manufacturing, erection and commissioning of rotating equipment & systems and innovative leadership in major strength to puzzolana.
2. Shri Peraje Anantha Pai is a Chartered Accountant by qualification. He is the Joint Managing Partner of M/s Puzzolana Machinery Fabricators and has 21 years of machine manufacturing experiences. He has developed special skills in costing, purchasing, optimization methods, finance and accounts. His co-ordination and monitoring skills and project execution experience help the Firm to meet its targets.
3. As on the date of PA, Acquirers holds 102706 Equity Shares of the Target Company. The Acquirers were not required to comply with the provisions of Chapter II of SEBI (SAST) Regulations, 1997 with respect to the shares acquired by them before Share Purchase Agreement.
4. There are no persons acting in concert with the acquirer.
5. The Net-Worth of Mr. Peraje Prakash Pai and Mr. Peraje Anantha Pai being Acquirers, as on 31.03.2008, is Rs. 5156.00 Lakhs & 5022.33 Lakhs respectively as certified by M/s Vasanth Pai & Co. Chartered Accountants, 5-4-786,2nd floor, Ganesh Chambers, J.N.Road, Kattalmandi, Abids, Hyderabad-500 001, Ph No. (040) 24655217 vide their certificate dated 04.07.2008

C. INFORMATION ABOUT THE TARGET COMPANY

1. LOTUS CHOCOLATE COMPANY LIMITED is a public limited company, incorporated on 3rd October, 1988 and having its registered office at 8-3—966/13, Ground Floor, Nagarjuna Nagar, Srinagar Colony, Hyderabad- 500 073.
2. As on the date of Public Announcement Equity Capital of the Company is Rs 12,83,80,490/- consisting of 1,28,41,049 shares. Out of the above on 6,000 equity shares an amount of Rs 30,000 is unpaid. The Capital of Company also consists of 73,96,600 Cumulative Redeemable Preference Shares of Rs 10/- each. The total paid-up capital of the company is Rs 20,23,46,490.
3. The Target Company is engaged in the business of manufacturing, buying, selling, import and export of all kinds of chocolate products, chocolate confectionary, derivatives of cocoa and beverages etc.
4. The Company set up factory at Doulatabad village, near Narsapur, Narsarapur Mandal, Medak District, A.P.
5. Presently the shares of the Target Company are listed/traded on Bombay Stock Exchange Limited, Mumbai

6. Total revenue for the year ended 31st March 2008 were Rs. 241,462,209 (31st March 2007: Rs 225,073,699) and Profit Before Tax for the year ended 31st March 2008 was Rs 77,12,475 (31st March 2007: Rs 1,12,58,710) and Profit After Tax for the year ended 31st March 2008 was Rs. 74,92,305 (31st March 2007: Rs 1,08,91,010) As on 31st March 2008 share capital was Rs 20,23,46,490 and Reserves and Surplus were Rs 39,468,442 and accumulated loss was Rs. 23,15,81,678

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

1. Reason : The acquisition is for substantial acquisition of shares and voting rights accompanied with change in control/management. This offer is being made pursuant to Regulation 10 and 12 and other applicable provisions of Chapter III of the Regulations and in compliance with the Regulations.
2. Objects: The Object for acquisition of shares is to acquire the controlling stake in the Target Company.
3. Future Plans: The acquirers do not have any specific future major expansion plan as on the date of Public Announcement.
4. The Acquirer do not intend to dispose off or otherwise encumber any assets of Target Company in succeeding Two Years except in ordinary course of business of the Target Company.
5. The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.

E. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER

1. No Approvals, are required to be obtained from Banks/Financial Institutions for the offer.
2. As per the AP (DIR Series) Circular No. 16, dated 04/10/2004 (modified from time to time), grants general permission, subject to compliance with the specified conditions therein, for transfer of shares by a person resident outside India to a person resident in India.
3. As on the date of this Public Announcement, to the best of knowledge of the Acquirers, except the above, there are no other statutory approvals and/or consents required to implement this Offer.
4. The Offer however would be subject to all such statutory approvals as may be required and/or may subsequently become necessary to acquire at any later date.
5. 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 extention of time for the purpose of making payment subject to Acquirer agreeing to pay interest for the delayed period to the shareholders as directed by the 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.
6. The Acquirer shall withdraw this offer if the statutory/other approval(s) which shall become applicable at a later date, as specified in point No. 5 above, is refused as provided in Regulation 27 of the SEBI (SAST)Regulations 1997.

F. OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(2)

As per clause 40A of the Listing Agreement, the Company is required to maintain on continuous basis, public shareholding of atleast 25% of the total number of issued shares of a class or kind, for every such class or kind of its shares which are listed .On completion of the offer formalities the public shareholding of the Target Company shall not fall below the limit specified for the purpose of listing on continuous basis in terms of Listing Agreement with the Stock Exchange, therefore the option available under Regulation 21(2) of the Takeover Regulation is not applicable.

G. FINANCIAL ARRANGEMENTS

1. The Acquirers have made firm arrangements for financing the acquisition of Equity Shares under the Offer out of their internal resources. The total requirement of funds (assuming full acceptance of the Offer) for the acquisition of 25,68,210 equity shares of the Target Company at a price of Rs. 16/- per share would amount to Rs. 4,10,91,360/- (Rupees Four Crore Ten Lakhs Ninety One thousand three Hundred and Sixty only).
2. In accordance with Regulation 28 of the Regulations, the Acquirers have created an escrow account with HDFC Bank, 6-1-73 Ground and 3rd Floor Saeed Plaza, Hyderabad, in the form of a cash deposit of Rs. 1,05,00,000/- (Rupees One Crore five lakhs only) being more than 25% of the total consideration payable and the account is being operated by Manager to the Offer.
3. The Acquirer has empowered the Managers to the offer to realize the value of the Escrow Account by encashing or otherwise in terms of the SEBI (SAST) Regulations, 1997.
4. M/s Vasanth Pai & Co., Chartered Accountants, 5-4-786, 2nd floor, Ganesh Chambers, J.N.Road, Kattalmandi, Abids, Hyderabad-500 001, Ph No. (040) 24655217 vide their certificate dated 04.07.2008 has certified that acquirer has adequate liquid resources to implement the offer in full.
5. Based on the above, the Mangers to the offer have satisfied themselves about the Acquirer's ability to implement the open offer in accordance with the SEBI (SAST) Regulations.

H. OTHER TERMS OF THE OFFER

1. The Offer is subject to the condition specified in Clause E (2) of the announcement.
2. The offer is not conditional on any minimum level of acceptance
3. The Letter of Offer, together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of the Target Company (except the Acquirer, Person 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 Companyand 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 Saturday 2nd August 2008 ("Specified Date").
4. All the shareholders (except the acquirers and parties to agreements) who own the shares of Target Company anytime before the closure of the offer are eligible to participate in the offer.
5. The Managers & Registrars to the offer have opened a Special Depository Account with CDSL in the name and style of "CIL SECURITIES LIMITED ESCROW ACCOUNT-LCC OPEN OFFER" (the"Depository Escrow Account").The DP ID is 12013500 and the Client ID is 1201350000068092 Shareholders having their beneficiary Account in NSDL 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.
6. The Shareholders who wish to tender equity shares will be required to send the under mentioned documents to the Managers to the Offer at CIL Securities Limited # 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500 001 by hand delivery or registered post during business hours on or before the closure of the Offer.

In case of Shares in Physical Form: (A) Registered Shareholder (a) Form of Acceptance cum Acknowledgement duly completed and signed. (b) Original share certificate(s). (c) Valid share transfer form(s) duly signed (as transferors) by all the registered shareholders in the same order as per specimen signature registered with the company and duly witnessed at the appropriate place. The transfer deed should be left blank except for the signatures as mentioned above. All other requirements for valid transfer will be a precondition for valid acceptance.(B)Unregistered Shareholders(a?) Form of acceptance cum acknowledgement duly completed and signed.(b)Original share certificate(s) (c) ??Valid share transfer form(s) as received from market (d) ??Original contract note issued by the Broker through whom the shares were acquired. It may be noted that if the specimen signature(s) of the acceptor differs with the specimen signature(s) recorded with the Target Company or if they are not in the same order, such shares are liable to be rejected under this Offer. No indemnity would be required from unregistered shareholders.

Beneficial owners (holders of Share in dematerislised 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 slips in "Off Market" mode, duly acknowledged by the Depository Participant("DP") in favour of "CIL SECURITIES LIMITED ESCROW ACCOUNT-LCC OPEN OFFER" (the"Depository Escrow Account") to CIL Securities Limited # 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500 001 either by hand delivery on week days during normal business hours or by Registered Post/Courier on or before the close of the Open Offer, i.e. not later than Friday, 19 September, 2008.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 Open offer i.e. not later than Friday, 19 September, 2008.

7. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Manager & Registrars to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of shares offered, Distinctive Numbers, along with the documents as mentioned above so as to reach the Managers & Registrars to the Offer on or before the close of the open offer i.e. not later than Friday, 19 September, 2008 or in case of the beneficial owners, they may send the application in writing to the Managers & Registrars 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 slip in "Off Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Managers & Registrars to the Offer, on or before the close of the offer , i.e. not later than Friday, 19 September, 2008.The Letter of Offer along with Form of Acceptance would also be available at SEBI's web site http:// www.sebi.gov.in/ and Shareholders can also apply by downloading the Form of Acceptance from the web site
8. The Managers & Registrars to the Offer will hold in trust the Shares / Share Certificates. Shares lying in the 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.
9. If the aggregate of the valid responses to the Open Offer exceeds the Open Offer size of 25,68,210 fully paid Equity shares of the Target Company (representing 20% of the paid –up Equity Share Capital of the Target Company) then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with the Regulation 21(6) of the SEBI (SAST) Regulations .The Market Lot for the dematerialized Shares will be 1(one) Share and for the Physical Share the market lot will be 100 (one hundred) shares.
10. Time schedule for Major Activities for the Offer.

ActivityDay	Day and Date
Specified date	Saturday, 2 August 2008
Date by which Letter of Offer to be dispatched to shareholders	Friday, 22nd August, 2008
Date of opening of the offer	Monday, 1st September, 2008
Last date of closing of the Open Offer	Friday, 19th September, 2008
Last date for a competitive bid	Monday, 28 July 2008
Last date for revising the offer price/ number of shares	Wednesday, 10th Sept,2008
Last date for withdrawing acceptances from the Open Offer	Thursday, 16th Sept, 2008
Last Date of communicating rejection/ acceptance and paymentof consideration for applications accepted	Friday, 26th September, 2008

I. GENERAL

1. 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 Open Offer. The withdrawal option can be exercised by submitting the documents as per the instructions given below, so as to reach the Managers & Registrars to the Offer at the collection Centre mentioned above, as per the mode of delivery mentioned therein, on or before Thursday, 16th September, 2008.

(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 the case of Dematerialized Shares: Name, Address, Number of Shares offered , DP Name, DP ID, Beneficiary Account Number and a photo copy of the delivery instruction slip in "Off Market" mode or counterfoil of the delivery instruction slip in " Off Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account. The shares withdrawn by the Shareholders will be returned by Registered Post.

2. Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting their shares dematerislised 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 Open Offer i.e. not later than Friday, 19th September, 2008, else their application would be rejected.
3. 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 rejectedin 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.
4. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
5. The Acquirers/ Managers and Registrar to the offer 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.
6. While tendering the Shares under the Open Offer, NRIs/OCBs/FIIs if any will be required to submit the previous RBI Approval (wherever Specific approval required) 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.
7. 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.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.
8. The Acquirers can revise the price upwards up to 7 working days prior to closure of the offer i.e., Wednesday, 10th September, 2008 and revision, if any, in the offer price and the same would appear in the same news papers where Public Announcement has appeared and same price would be paid to all shareholders who validly tender their shares any time during the Open Offer and accepted under the Open Offer.
9. **" If there is competitive bid :**

i. The public offers under all the subsisting bids shall close on the same date.

ii. As the Offer Price cannot be revised during 7(seven) working days prior to the closing date of the Open Offer / Bids (i.e. Wednesday, 10 September, 2008), 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."

10. The Managers to the Offer Confirm that the Acquirers, Sellers or the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act.
11. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirers have appointed M/s CIL Securities Limited as Managers & Registrars to the Offer. This Public Announcement has been issued by CIL Securities Limited (Registrar & Manager to the Offer) on behalf of the Acquirers.
12. The Acquirers accept full responsibility for the information contained in this Public Announcement. The Acquirers are responsible for the fulfillment of their obligations under the SEBI (SAST) Regulations.
13. 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. Monday 1st September 2008. The Equity Shareholders may please note that the Form of Acceptance, ShareCertificates/copy of the delivery instruction slips and other documents shall be sent only to the Managers & Registrars to the Offer and not to the Acquirer, Target Company and Sellers.
14.

NAME AND ADDRESS OF ACQUIRERS

Shri Peraje Prakash Pai	Shri Peraje Anantha Pai
H. No. 8-2-269/A, Road No.2, Banjara Hills, Hyderabad – 500034	H.No. 6-3-1102/307, Manjari Apartments, Rajbhavan Road, Somajiguda, Hyderabad- 500082

MANAGERS TO THE OFFER

CONTACT PERSON: SRI BM MAHESHWARI
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