3rd CORRIGENDUM TO PUBLIC ANNOUNCEMENT

For the attention of the Shareholders of LOTUS CHOCOLATE COMPANY LIMITED

(Registered Office: 8-3-966/13, Ground Floor, Nagarjuna Nagar, Srinagar Colony, Hyderabad- 500 073)

This Announcement ("Announcement") is being issued by CIL Securities Limited (Manager to the Offer) on behalf of Shri Peraje Prakash Pai and Shri Peraje Anantha Pai (herein after referred to as Acquirers)

This Announcement is in continuation of, and should be read with the Letter of Offer along with, the original Public Announcement ("PA") dated July 7, 2008, Corrigendum to Public Announcement dated July 23, 2008 and September 3, 2008.

Terms used but not defined in this Announcement shall have the meaning assigned to them in the Letter of Offer. Shareholders are requested to note the following amendments with respect to the Letter of Offer.

1. **UPWARD REVISION OF OFFER PRICE:** As per the Letter of Offer, the Offer Price was Rs 16/- per equity share. After the date of the Letter of Offer, Shri Peraje Prakash Pai and Shri Peraje Anantha Pai, Acquirers, are voluntarily revising the Offer Price from Rs.16/- per equity share to Rs. 28/- per equity share and is in compliance with the Regulation 26.

   The revised offer is for acquisition of 25,68,210 fully paid equity shares of the face value of Rs 10/- each of Lotus Chocolate Company Ltd. representing 20% of its paid-up equity share capital at a price of Rs.28/- per share ("Revised Offer Price") payable in cash.

2. Consequent to the upward revision in the offer price, assuming full acceptances, the total monetary value of the Offer would be Rs. 7,19,09,880/- (Rupees Seven Crores Nineteen Lakhs Nine Thousand Eight Hundred and Eighty Only)
3. Acquirers had created an escrow in the form of Cash deposit of Rs 1,05,00,000/- (Rupees One Crore Five Lakhs Only) with HDFC Bank, Lakdi-ka-Pul Branch, Sayeed Plaza, Hyderabad 500 004, which amount is more than 25% of the consideration payable under the offer. After the upward revision of the offer price to Rs.28/- the Acquirers have enhanced the Cash deposit by Rs.75,00,000/- (Rupees Seventy Five Lakhs Only) and the Escrow Account balance now is Rs.1,80,00,000/- (Rupees One Crore Eighty Lakhs Only) which is more than 25% of the consideration payable under the revised offer and the total consideration is well above the limit prescribed under Regulation 28(9) if the SEBI (SAST) Regulations, 1997.
4. All other terms and conditions of the Offer remain unchanged. The Acquirers accept full responsibility for the information contained in this Announcement. The Acquirers shall be responsible for fulfillment of their obligations under the SEBI (SAST) Regulations, 1997.
5. This Corrigendum to Public Announcement may also be downloaded from SEBI's website at www.sebi.gov.in.

Issued by the Manager to the Offer:

CIL Securities Limited

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On Behalf of:

Shri Peraje Prakash Pai
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Hyderabad 500034

Shri Peraje Anantha Pai
H.No. 6-3-1102/307, Manjari Apartments,
Rajbhavan Road, Somajiguda, Hyderabad- 500082

Place : Hyderabad

Date: 17th September, 2008