PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
NEEMTEK ORGANIC PRODUCTS LIMITED
Regd Off.: Unit No.307, Solaris Premises II, Saki Vihar Road, Opp. L&T Gate No.6, Powai, Andheri (East), Mumbai400072.
CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF NEEMTEK ORGANIC PRODUCTS LIMITED

This Public Announcement ('PA') is being issued by Ashika Capital Limited ('Manager to the Offer') for and on behalf of Smt. Sarayu Somaiya (hereinafter referred to as 'Acquirer') pursuant to regulation 10 & 12 and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as 'Regulations').

1. Background to the Offer

1.1. This Offer is being made by Smt. Sarayu Somaiya ('Acquirer'), residing at 113, Jupiter Apts., Cuffe Parade, Mumbai-400005 and having office at 304, Maker Chamber V, 221, Nariman Point, Mumbai-400021 to the equity shareholders of Neemtek Organic Products Limited (hereinafter referred to as 'Target Company' or 'NOPL').

1.2. The Acquirer has entered into Share Purchase Agreement(s) (hereinafter referred to as 'SPA(s)') on April 10, 2007 with the Sellers, as per clause 1.3 below, for the acquisition of 12,78,530 (Transaction Shares) fully paid up equity shares of Rs.10/- each, representing 69.83% of the equity share capital of the Target Company at a price of Rs. 10/- per equity share, payable in cash.

1.3. The Salient features of the SPA(s) are:

1.3.1. The Sellers have agreed to sell and the Acquirer has agreed to purchase 12,78,530 fully paid up equity shares vide the abovementioned SPA(s) in the following manner:

S. No	Name of the Sellers	No. of Equity Shares	% of outstanding Equity Share Capital
I.	**Promoter Group**		
1.	Inga Management & Investment Pvt. Ltd.	8,46,070	46.21
II.	**Non-Promoter Group**		
1.	Rosswin Pharmaceuticals Pvt. Ltd.	2,40,000	13.11
2.	Indiaco Capital (P) Ltd.	1,42,460	7.78
3.	Asha Girish Babu	50,000	2.73
	TOTAL	**12,78,530**	**69.83**

1.3.2. The Sale of the Transaction Shares is subject to Acquirer complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997.

1.3.3. Upon the completion of the acquisition of Transaction Shares by the Acquirer pursuant to these SPA(s), there shall be a change in control of the Target Company and the management of the Target Company would rest with the Acquirer. Upon such change in control, the Acquirer shall have the right to appoint her nominees including the independent directors on the Board of Directors of the Target Company.

2. The Offer

2.1. Pursuant to the above SPA(s), Acquirer is making an Open Offer to the shareholders (other than the Sellers) of NOPL to acquire upto 3,66,200 fully paid up equity shares representing 20% of the existing outstanding equity share capital, at a price of Rs. 10/- per fully paid-up equity share ('Offer Price') payable in cash, in terms of Regulation 20 of the Regulations ('Offer' or 'Open Offer').

2.2. The Offer to the shareholders of NOPL is hereby made in accordance with regulation 10 & 12 of the Regulations, on account of substantial acquisition of equity shares and change in control of the Target Company as a consequence of the SPA(s) referred to in paragraph 1.2 above.

2.3. The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only. There are no Person(s) Acting in Concert with the Acquirer.

2.4. The Offer is not subject to any minimum level of acceptance.

2.5. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of NOPL.

2.6. As on the date of this Public Announcement, the Acquirer does not hold any equity shares of NOPL. The Acquirer has not acquired any equity shares of NOPL during the 12 months period preceding the date of this Public Announcement.

2.7. Irrespective of the outcome of the SPA(s) the Acquirer would complete the Offer formalities under the Regulations.

2.8. This is not a Competitive Bid.

2.9. As on date, the Manager to the Offer does not hold any shares in the Target Company. It declares and undertakes that it will not deal in the shares of the Target Company during the period commencing from the date of its appointment as Manager to the offer till the expiry of 15 days from the date of closure of the Offer.

2.10. The Acquirer is permitted to revise the Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.

3. The Offer Price

3.1. The equity shares of NOPL are listed on Bombay Stock Exchange Limited, Mumbai (BSE).

3.2. As per the available information, the shares of the Target Company are infrequently traded within the meaning of the explanation (1) to regulation 20(5) of the Regulations.

3.3. The Offer Price of Rs. 10/- is justified in terms of regulation 20(5) of the Regulations, in view of the following:

a.	Negotiated price under the SPA(s)	Rs. 10/-	
b.	Highest price paid by Acquirer for acquisition including by way of allotment in a public or rights Issue, if any, during the twenty six weeks period prior to the date of Public announcement	Not Applicable	
c.	Other Parameters	**For the year ended 31.03.2006**	**For the period ended 31.12.2006**
	Book Value per Share (Rs.)	6.87	6.18
	Return on Networth (%)	(33.17)	(14.37)
	Earning Per Share (annualized) (Rs.)	(2.35)	(0.89)

In view of the above, the Offer Price of Rs. 10/- per share under the proposed open offer is justified in terms of regulation 20(5) of the regulations.

4. Information about the Acquirer

4.1 Smt. Sarayu Somaiya aged 63 years, wife of Sri Rasiklal Somaiya, is residing at 113, Jupiter Apts., Cuffe Parade, Mumbai-400005 and having office at 304, Maker Chamber V, 221, Nariman Point, Mumbai-400 021. She completed her Bachelor of Education in the year 1968 from Gujarat University and Master of Arts in the year 1989 from SNDT University. Smt. Sarayu Somaiya has successfully promoted number of companies having wide business interests. She has developed a pool of human talent who has demonstrated excellence in the management of various business of the group. She has demonstrated her capability of leading various teams to a well structured growth driven Company. The networth of Smt. Sarayu Somaiya as on 04.04.2007, as certified by Shri Deepak Kanabar (Membership No 41157) Proprietor of M/s. D. N. Kanabar & Co., Chartered Accountants, having office at 404, Maker Chambers V, 221, Nariman Point, Mumbai-4000021; Tel No. 022-56356695/96; Fax. 022-22020228, vide his certificate dated 05.04.2007, is Rs. 517.20 Lakhs.

Smt. Sarayu Somaiya is the Promoter /Director of the following companies:

a) Span Capital Services Private Limited
b) India Technology Investments Private Limited
c) Toral Finance and Trading Private Limited
d) Ganesh Keshav Securities Private Limited
e) Indian Market Watch.com Private Limited
f) Netesoft India Limited
g) India Internet Investments Private Limited
h) Soft Circuit.com (India) Private Limited

Smt. Sarayu Somaiya is not on the Board of any listed company.

5. Information on Neemtek Organic Products Limited (Target Company)

5.1. Neemtek Organic Products Limited was originally incorporated on 22.09.1983 as a Public Limited Company in the name & style of 'Ishwar Textiles Limited' and subsequently the name of the Company was changed to 'Neemtek Organic Products Limited' vide fresh certificate of incorporation dated 21.10.2003. The Registered Office of the company is situated at Unit No.307, Solaris Premises II, Saki Vihar Road, Opp. L&T Gate No.6, Powai, Andheri (East), Mumbai400072.

5.2. The Target Company is engaged in the business of neem based and other organic products.

5.3. The equity shares of NOPL are listed on the Bombay Stock Exchange Limited, Mumbai.

5.4. As on the date of this PA the issued & subscribed capital is Rs.183.10 Lakhs comprising of 18,31,000 fully paid-up equity shares of Rs.10/- each. There are no partly paid-up equity shares. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity shares at any later date. There are no shares under lock-in period.

5.5. There has been no merger / de-merger, spin off in the last three years in the target company.

5.6. The financial highlights of the Target Company are given below:

Particulars	**Amount (Rs in Lakhs)**	
Period ended	31.03.2006	31.12.2006
Months	12	9
Type	Audited	Certified
Total Income	47.38	93.44
Profit After tax	(41.75)	(16.24)
Paid up equity capital	183.10	183.10
Reserves (excl Revaluation Reserves)	27.34	27.34
Earning Per Share (Annualized) (Rs. per share)	(2.35)	(0.89)
Return on Networth (Annualized) (%)	(33.17)	(14.37)
Book value (Rs. per share)	6.87	6.18

Source: Annual Reports and certified financials

6. Reason for the Acquisition and future plans

6.1. The Offer to the shareholders of NOPL, as explained in paragraph 2.1 above, is made pursuant to regulations 10 & 12 of the Regulations for substantial acquisition of 12,78,530 equity shares accompanied by change in the control / management.

6.2. The Acquirer intends to invest, incubate in corporate opportunities and also provide extensive insight and support on the development of the said business. The Acquirer will suitably strengthen the Company with human resource capital as well as financial capital and intends to help grow the existing business of the Target Company. While the acquirer will impart support systems in the financial/human resources aspects for the existing business, they reserve the right to modify the present structure of the business in a manner which is useful to the larger interests of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The acquirer will review various options available to use the existing structure of the corporate as also converge the long term plans of building multiple revenue streams under the existing corporate structure.

6.3. The Acquirer does not currently intend to dispose of or otherwise encumber any significant assets of the Target Company in the next two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

7. Statutory Approvals and Other Approvals for the Offer

7.1. The Offer is subject to the receipt of necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders, if any.

7.2. To the best of knowledge and belief of the Acquirer, as on the date of this PA there are no other statutory approvals or approvals from the lenders required, for the acquisition of equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals.

7.3. In case of delay in receipt of any approval, SEBI has the power to grant an extension of the time required for payment under the Offer provided that the Acquirer agrees to pay interest in accordance with regulation 22(12) of the Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulations 22(13) of the Regulations will also become applicable.

8. Option to the Acquirer in terms of Regulation 21

In the event, pursuant to this Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

9. Funding Arrangement for the Offer

9.1. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged.

9.2. The total fund requirement for the Offer assuming full acceptance of the Offer would be Rs. 36,62,000 (i.e. 3,66,200 fully paid up Equity Shares of Rs. 10/- each at the rate of Rs. 10/- per Equity Share).

9.3. In accordance with regulation 28 of the Regulations, the Acquirer has made a cash deposit of Rs. 9,25,000/- in a bank account with HDFC Bank Limited, Fort Branch, Mumbai-400001 ('Escrow Account'). The amount placed in the Escrow Account is more than 25% of the total Offer consideration, assuming full acceptance which is higher than the amount required under regulation 28 of the Regulations.

9.4. Shri Deepak Kanabar (Membership No 41157) Proprietor of M/s. D. N. Kanabar & Co., Chartered Accountants, having office at 404, Maker Chambers V, 221, Nariman Point, Mumbai-4000021; Tel No. 022-56356695/96; Fax. 022-22020228, vide certificate dated April 10, 2007 have confirmed that the Acquirer has adequate resources to implement the Offer in full.

9.5. The Manager to the Offer has been duly authorised by the Acquirer to operate and realise the value of Escrow Account in terms of the Regulations.

9.6. Based on the above, the Manager to the Offer has satisfied that the Acquirer has the ability to implement the Offer in accordance with the Regulations and firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

10. Other Terms of the Offer

10.1. The Letter of Offer together with the Form of Acceptance cum Acknowledgement ('Form of Acceptance') and Transfer Deed (for shareholders holding equity shares in the physical form only) will be mailed to the shareholders of NOPL whose names appear on the Register of Members of NOPL and to the Beneficial Owners of the Equity Shares of NOPL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on April 21, 2007 (the 'Specified Date'). No Letter of Offer together with a Form of Acceptance cum Acknowledgement will be mailed to the Acquirer and the Sellers. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the open offer in any manner whatsoever.

10.2. All owners of equity shares, registered or unregistered, except the Acquirer and Sellers are eligible to participate in the Offer anytime before closure of the Offer.

10.3. Shareholders who hold equity shares of NOPL in physical form and wish to tender their Equity Shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and transfer deed(s) duly signed to the Registrars to the Offer, so as to reach on or before the closure of the Offer, i.e. June 19, 2007, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

10.4. The Registrars to the Offer, Mondkar Computers Pvt. Ltd., has opened a special depository account with HDFC Bank as the Depository Participant in National Securities Depository Limited ('NSDL'). Beneficial Owners and shareholders holding Equity Shares of NOPL in the dematerialised form, will be required to send their Form of Acceptance to the Registrars to the Offer, on or before the closure of the Offer, i.e. June 19, 2007, along with a photocopy or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of 'MCPL Escrow Account NOPL Open Offer' and filled in with the details given below:

DP Name:	HDFC Bank
DP ID Number:	IN 301151
Client ID Number:	22052020
ISIN	INE 706D01018
Market	'Off-market'
Depository:	National Securities Depository Ltd.

Form of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions atleast two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the special depository account with NSDL.

10.5. All owners of Equity Shares, registered or unregistered, who own the Equity Shares of NOPL, except the Acquirer and the Sellers, at any time prior to the closure of the Offer, are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrars to the Offer, Mondkar Computers Pvt. Ltd., on or before the closure of the Offer, i.e. June 19, 2007 on plain paper stating Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in 'Off-market' mode in case of Equity Shares held in dematerialised form and the original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

10.6. 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, alongwith the documents as mentioned above, so as to reach the Registrar to the Offer on or before the close of the Offer, i.e by June 19, 2007 or in the 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 photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in the 'Off-Market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. June 19, 2007.

10.7. Shareholders of equity shares of NOPL who have sent their equity shares for transfer should enclose, Form of Acceptance duly completed and signed, copy of the letter sent to NOPL (for transfer of shares) and valid share transfer form(s). Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance and other documents as applicable along with the copy of the dematerialisation request form duly acknowledged by their DP.

10.8. In case the number of shares tendered for sale by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportional basis as per Regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

10.9. The Registrars to the Offer will hold in trust the Equity Shares and Share Certificate(s), Equity Shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of NOPL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted Equity Shares/Share Certificates are despatched/ returned.

10.10. Equity Shares tendered in the Offer by the shareholders of NOPL shall be free from lien, charges and encumbrances of any kind whatsoever.

10.11. Equity Shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of NOPL may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such Equity Shares are received together with the Equity Shares tendered under the Offer prior to the date of closure of the Offer.

10.12. As per the provisions of Section 196D(2) of the Income Tax Act, 1961 ('Income Tax Act'), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ('FII') as defined in section 115 AD of the Income Tax Act. However, while tendering their Equity Shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate (NOC) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.

10.13. The consideration to those shareholders whose Shares or share certificates and /or other documents are found complete, valid and in order, will be paid by crossed account payee cheques/demand drafts. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity Shares held in dematerialised form, to the extent not accepted, 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 or otherwise. All despatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk

10.14. A schedule of some of the key events in respect of the Offer is given below:

Activities	Date	Day
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	April 21, 2007	Saturday
Last date for a Competitive Bid	May 3, 2007	Thursday
Date by which Letter of Offer will be posted to shareholders	May 21, 2007	Monday
Date of Opening of the Offer	May 31, 2007	Thursday
Last date for revising the Offer Price / No. of equity Shares	June 8, 2007	Friday
Last date of withdrawal of tendered application by the shareholders of Neemtek Organic Products Limited	June 14, 2007	Thursday
Date of Closing of Offer	June 19, 2007	Tuesday
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted Equity Shares / Share Certificate(s) will be dispatched / credited	July 4, 2007	Wednesday

11. General

11.1. In accordance with regulation 22(5A) of the Regulations, the shareholders of NOPL who have accepted the Offer by tendering the requisite documents in terms of the public announcement /Letter of Offer can withdraw the same up to three working days prior to the date of closure of the Offer.

11.2. The Acquirer is permitted to revise the Offer Price of Shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than June 8, 2007, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their Equity Shares at any time during the period between the date of opening of the Offer and the date of closing of the Offer to the extent that their Shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where this Public Announcement appears.

11.3. If there is a competitive bid:

a. The public offer under all the subsisting bids shall close on the same date.

b. As the Offer Price cannot be revised during the seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final offer price of each bid and tender their acceptances accordingly.

11.4. The Acquirer and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 or any other regulation made under the SEBI Act.

11.5. Pursuant to regulation 13 of the Regulations, the Acquirer has appointed Ashika Capital Limited as Manager to the Offer and Mondkar Computers Pvt. Ltd. as Registrars to the Offer.

11.6. Please note that some financial data contained in this PA has been rounded off to the nearest Lakhs, except where stated otherwise.

11.7. For further details please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

11.8. 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.

Eligible persons to the Offer may also download a copy of Letter of Offer, Form of Acceptance and the Form of Withdrawal which will be available on SEBI's website at www.sebi.gov.in or www.sebi.com from the date of Opening of the Offer, i.e. May 31, 2007 and can apply on the same.

PUBLIC ANNOUNCEMENT IS ISSUED ON BEHALF OF THE ACQUIRER

Smt. Sarayu Somaiya

113, Jupiter Apts., Cuffe Parade, Mumbai400005.

Place: Mumbai
Date: April 12, 2007.

Issued by Manager to the Offer:

ASHIKA
Growing & Sharing with You

ASHIKA CAPITAL LIMITED
1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai-400021.
Tel: +91-22-66111700; Fax: +91-22-66111710
E-Mail: mbd@ashikagroup.com
Contact Person: Mr. Narendra Kumar Gamini

Registrar to the Offer

MCPL

Mondkar Computers Pvt. Ltd.,
21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai 400 093;
Tel. No. 022-28366620; Fax No.: 022-28262920;
E-mail: info@mondkarcomputers.com
Contact Person: Mr. Devanand Dalvi