PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

NEHA INTERNATIONAL LIMITED

(Regd. Off.: Suite No. 501, Manbhum Jade Towers, 6-3-1090/A/12&13, Rajbhavan Road, Hyderabad-500 082; Tel.: 040- 6613 4759; Fax: 040- 6613 6435)

This Public Announcement ('PA') is being issued by Ashika Capital Limited ('Manager to the Offer'), for and on behalf of Mr. G. Vinod Reddy (hereinafter referred to as 'Acquirer') along with Dr. G. Deepthi Reddy (hereinafter referred to as 'Person Acting in Concert') pursuant to and in compliance with, among others, regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations').

1. BACKGROUND TO THE OFFER

a) This Open Offer ('Offer') is being made by Mr. G. Vinod Reddy (Acquirer) and Dr. G. Deepthi Reddy (Person Acting in Concert) to the shareholders (except the Promoter Group and allottees under Preferential Issue) of Neha International Limited (hereinafter referred to as 'NEHA' or 'Target Company').

b) The Board of Directors of NEHA in its meeting held on September 13, 2007, has considered and approved the issue and allotment of shares and warrants on a preferential basis ('Preferential Issue'), whose details are as under:

i. 75,22,958 fully paid up equity shares of Rs. 10/- each of the Target Company ('Subscription Shares'), at a price of Rs. 42/- (including premium of Rs. 32/-) per share on share swap basis against the consideration for acquisition of 100% stake in Globeagro Holdings, an overseas company, which has substantial stake in 3 Floriculture Units based in Ethiopia namely Holetta Roases Plc, Alliance Flowers Plc and Oromia Wonders Plc to its shareholders.

ii. 23,00,000 fully paid up equity shares of Rs. 10/- each of the Target Company ('Subscription Shares') to Non-Promoter Group for cash at a price of Rs. 42/- (including a premium of Rs. 32/-) per share,; and

iii. 42,50,000 warrants of the Target Company ('Subscription Warrants'), with entitlement to subscribe equivalent number of equity shares, to Promoters and Others for cash at a price of Rs. 42/- (including a premium of Rs. 32/-) per Subscription Warrant.

in accordance with Section 81(1A) of the Companies Act, 1956 and the applicable provisions of Guidelines for Preferential Issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto ('Guidelines') and in accordance with the relevant regulatory approvals, as applicable, for the Preferential Issue.

c) The Subscription Shares and the Subscription Warrants are hereinafter collectively referred to as the Subscription Instruments. The total number of Subscription Instruments to be issued under the Preferential Issue will be upto 1,40,72,958.

d) In the Annual General Meeting ('AGM') of the Target Company held on October 10, 2007 the shareholders have approved the above mentioned Preferential Issue by passing a Special Resolution under Section 81(1A) of the Companies Act, 1956 and other applicable provisions. The shareholders of the Target Company have also authorized the Board of Directors of the Target Company to issue and allot the Subscription Instruments in compliance with the requirements of the Companies Act, 1956 and other applicable provisions of the Guidelines/Regulations.

e) The Target Company has received prior in-principle approval from Bombay Stock Exchange Limited, Mumbai ('BSE') on November 19, 2007 for the issuance of the Subscriptions Instruments. Accordingly, the Board of Directors of the Target Company in its meeting held on December 3, 2007 has allotted 19,55,000 Subscription Shares and 42,50,000 Subscription Warrants to Non-Promoter Group and Promoter Group. The said Subscription Instruments will be subject to 'lock-in' as per the Guidelines. Out of 23,00,000 Subscription Shares for which the in-principle approval received from BSE, the Board of Directors of the Target Company could allot 19,55,000 Subscription Shares only since the subscription amount was received to that extent.

f) The Target Company has made the necessary application to Foreign Investment Promotion Board (FIPB) on 03.12.2007 for approval of 75,22,958 Subscription Shares to be allotted on Share Swap basis. The said shares will be allotted on receipt of the FIPB Approval.

g) The Issued & Subscribed Share Capital of the Target Company prior to the Preferential Issue was Rs. 4,28,53,600 ('Pre Issue Capital') consisting of 42,85,360 equity shares of Rs. 10/- each. Post Preferential Issue, the Issued & Subscribed Share Capital of the Target Company will be Rs. 1376.33 Lakhs comprising of 1,37,63,318 fully paid-up equity shares of Rs. 10/- each and outstanding warrants of Rs. 425.00 Lakhs consisting of 42,50,000 Subscription Warrants.

h) The Acquirer and PAC belong to the Promoter Group of the Target Company, which in aggregate owns 9,35,065 shares constituting 21.82% of the pre-issue voting capital of the Target Company. As a result of the above Preferential Issue, the Promoter Group can acquire upto a maximum of 1,11,22,958 shares and the total voting rights of the Promoter Group therefore stand increased to 1,20,58,023 shares constituting 66.94% the post issue voting capital of the Target Company. The voting rights before and after Preferential Issue is given below:

Particulars	No. of Shares & Voting Capital (%) before Preferential Issue		No. of Shares & Voting Capital (%) after Preferential issue (fully expanded voting capital)	
	No. of Shares	Voting Capital (%)	No. of Shares	Voting Capital (%)
Promoter Group	9,35,065	21.82	1,20,58,023	66.94
Non-Promoters/Others	33,50,295	78.18	59,55,295	33.06
TOTAL	**42,85,360**	**100.00**	**1,80,13,318**	**100.00**

2. THE OFFER:

a) Pursuant to the aforesaid Preferential Issue, the Acquirer and PAC is making this Open Offer ('Offer') to the Shareholders of NEHA (except the Promoter Group and allottees under Preferential Issue) to acquire upto 36,02,664 equity shares of Rs. 10/- each, representing 20% of the fully expanded voting capital of the Target Company (including the allotment of Shares as well as Warrants under the Preferential Issue), at a price of Rs. 43.60/- per share ('Offer Price') payable in cash in terms of regulation 20 of the Regulations.

b) The equity shares of NEHA are listed on Bombay Stock Exchange Limited, Mumbai (BSE), The Hyderabad Stock Exchange Limited, Hyderabad (HSE), Madras Stock Exchange Limited, Chennai (MSE) and Pune Stock Exchange Limited, Pune (PSE). However, the recognition granted to HSE has been withdrawn by SEBI with effect from August 29, 2007. The company has applied for delisting of its shares from MSE and PSE. Based on the information available (Source: bseindia.com), the Shares of the Target Company, within the meaning of explanation (i) to Regulation 20(5) of the Regulations, are frequently traded on BSE and infrequently traded on other Stock Exchange(s). Hence, the Offer Price has been determined taking into account the following parameters:

a)	Negotiated Price under the Agreement	:	Not Applicable
b)	Highest Price paid by the Acquirer/PAC for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of PA	:	Rs. 42/- per share
c)	The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the Board Meeting Date (September 13, 2007)	:	Rs.23.64
d)	The average of the daily high and low of the prices of the shares during two weeks period preceding the Board Meeting Date (September 13, 2007)	:	Rs. 43.58
e)	**Other Parameters based on the Audited Accounts for the year ended 30.06.2007**		
	Book Value per Equity Share (Rs.)	:	10.00
	Earnings Per Equity Share (Rs.)	:	2.70
	Return on Net worth (%)	:	26.98
	Price/Earnings Ratio (considering the Offer Price of Rs. 43.60/- per share)	:	16.15

In view of the above, the Offer Price of Rs. 43.60/- is justified in terms of regulation 20 of the Regulations.

c) As on date of this PA, the Manager to the Offer does not hold any equity share in the Target Company. The Manager to the Offer undertakes not to deal in the equity shares of NEHA upto a period of fifteen days after the closuring of the Offer.

d) For the purpose of this Offer, Dr. G. Deepthi Reddy is a PAC with the Acquirer, for the Offer in terms of regulation 2(1)(e) of the Regulations.

e) The Offer is unconditional and not subject to any minimum level of acceptance.

f) This is not a competitive bid.

3. INFORMATION ABOUT THE ACQUIRER/PAC:

a) Mr. G. Vinod Reddy, son of Late G. Ram Reddy, aged about 45 years is residing at 301B, My Home Hill View Apartments, Rajbhavan Road, Somajiguda, Hyderabad-500 082. He completed his M. A. (Master of Arts) degree in the year 1985 from Osmania University. He is having overall experience of around 20 years in the areas of Taxation, Administration & Floriculture. His Networth as on 04.12.2007 is Rs. 663.50 Lakhs as certified by Mr. Venkateswarlu D (Membership No. 028488) Partner of M/s. VDNR & Associates, Chartered Accountants having office at 201, Dwaraka Anenue, Dwarakapuri Colony, Panjagutta, Hyderabad-500 034; Tel.:040-23358594/55133687; E-mail: devarapally.v@gmail.com vide certificate dated 04.12.2007.

b) Dr. G. Deepthi Reddy, wife of Shri G. Pramod, aged about 40 years is residing at 301, Bindu Prestige, DD Colony, Vidhya Nagar, Hyderabad-500 007. She completed her M. D. S. (Master of Dental Surgery) Degree in the year 1995 from K L E University, Belgaum. Presently, she is a working as a professor of Orthodontia. She is having around 12 years of experience as a consultant and professor in the areas of Dental Surgery. Her Networth as on 04.12.2007 is Rs. 1674.00 Lakhs as certified by Mr. Venkateswarlu D (Membership No. 028488) Partner of M/s. VDNR & Associates, Chartered Accountants having office at 201, Dwaraka Anenue, Dwarakapuri Colony,Panjagutta,Hyderabad-500034;Tel.:040-23358594/55133687;E-mail: devarapally.v@gmail.com vide certificate dated 04.12.2007.

c) The Acquirer and PAC are family members.

d) As on date, Mr. G. Vinod Reddy is the Promoter and Chairman & Managing Director of the Target Company and presently controlling the management of the Target Company.

e) The Acquirer and PAC have not entered into any formal agreement with respect to the acquisition of shares through this Offer and acting together under an informal understanding.

f) The Adjudicating Officer of Securities and Exchange Board of India (SEBI) have passed an Order imposing a maximum monetary penalty of Rs. 5 Lakhs (Rs. Five Lakhs only) on Mr. G. Vinod Reddy for the non-compliance of the Regulations regarding the allotment of 16,00,000 shares on preferential basis in the year 1997.

4. INFORMATION ABOUT THE TARGET COMPANY:

a) NEHA was originally incorporated on 12.07-1993 in the name & style of 'Compasino International Limited' and received the Certificate of commencement of Business on 12.08.1993 from Registrar of Companies, Andhra Pradesh. The name of the company was changed to the present name 'Neha International Limited' and received the Fresh Certificate of Incorporation consequent on change of name from Registrar of Companies, Andhra Pradesh on 15.09.1993. The Registered Office of the company is situated at Suite No. 501, Manbhum Jade Towers, 6-3-1090/A/12&13, Rajbhavan Road, Hyderabad-500 082.

b) NEHA is presently engaged in business of floriculture.

c) The Authorised Share Capital of the Target Company is Rs. 2000.00 Lakhs comprising of 2,00,00,000 equity shares of Rs. 10/- each. Post Preferential Issue, the Issued & Subscribed Share Capital of the Target Company will be Rs. 1376.33 Lakhs comprising of 1,37,63,318 fully paid-up equity shares of Rs. 10/- each and Rs. 425.00 Lakhs consisting of 42,50,000 outstanding warrants.

d) As on date of PA, the Paid up Share Capital of the Target Company is Rs. 624.036 Lakhs comprising of 62,40,360 fully paid up equity shares of Rs. 10/- each. There are no partly paid-up shares. The Paid up Share Capital of the Target Company after the allotment of 75,22,958 Subscription Shares on Share Swap basis will be Rs. 1376.33 Lakhs comprising of 1,37,63,318 fully paid-up equity shares of Rs. 10/- each.

e) The equity shares of NEHA are listed on Bombay Stock Exchange Limited, Mumbai (BSE), The Hyderabad Stock Exchange Limited, Hyderabad (HSE), Madras Stock Exchange Limited, Chennai (MSE) and Pune Stock Exchange Limited, Pune (PSE). The company has applied for delisting of its shares from all other Stock Exchange(s) except BSE.

f) As per Audited Accounts for the year ended 30.06.2007, the company earned gross revenue of Rs. 325.32 Lakhs and Net Profit After Tax of Rs. 115.66 Lakhs. The Networth, Book Value per Equity Share, Earning Per Equity Share and Return on Networth for the year ended 30.06.2007 was Rs. 428.70 Lakhs, Rs. 10.00 per share, Rs. 2.70 and 26.98% respectively.

5. REASONS FOR THE ACQUISITION AND THE OFFER:

a) As stated in para 'Background to the Offer' above, pursuant to the Preferential Issue the Acquirer (Promoters Group) can acquire upto a maximum of 1,11,22,958 shares of Rs.10/- each of the Target Company. As a result the voting rights available to the Promoter Group would increase from 21.82% to 66.94%. Hence, this Offer is pursuant to Regulation 11(1) and other applicable provisions of the Regulations involving substantial acquisition of shares or voting rights without change in control or management.

b) The Target Company plans to expand its present operations. The funds raised by the Target Company, by way of issue and allotment of Subscription Instrument(s) under the Preferential Issue, will be utilised to fund the acquisition of business outside India, to meet the short-term working capital requirements and to meet the Capital Expenditure.

c) The Acquirer and PAC do not have any plans to sell, dispose off or otherwise encumber any assets of the Target Company in the next two years, except in the ordinary course of business. The Acquirer and PAC undertake not to sell, dispose off or otherwise encumber any substantial Assets of the Target Company except with the prior approval of the shareholders and in accordance with and subject to the applicable laws, permissions and consents, if any.

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

a) The Offer is subject to receiving 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.

b) As on date of this PA, to the best of the knowledge of the Acquirer and PAC, no other statutory approvals are required to acquire the shares that are tendered pursuant to the Offer.

c) In case of delay in receipt of Statutory Approvals, SEBI has power to grant extension of time to the Acquirer and PAC for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirer and PAC agreeing to pay interest for the delayed period as directed by SEBI under regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by Acquirer and PAC in obtaining the Approvals, regulation 22(13) of the Regulations will also become applicable.

7. OPTION 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 and PAC will, in accordance with regulation 21(2) of the Regulations, 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.

8. FINANCIAL ARRANGEMENTS:

a) The total fund requirement for the Offer is Rs. 15,70,76,150.40/- (Rupees Fifteen Crores Seventy Lakhs Seventy Six Thousand One Hundred Fifty and Forty Paise only). In accordance with regulation 28 of the Regulations, the Acquirer and PAC have made an escrow arrangement for the Offer comprising a Bank Guarantee issued by Union Bank of India, in favour of Manager to the Offer for an amount of Rs. 3,95,00,000/- (Rupees Three Crores and Ninety Five Lakhs only), being more than 25% of the total consideration payable, which will remain in force upto 05.06.2008. In addition, the Acquirers have also made a cash deposit with HDFC Bank Limited, Fort Branch, Mumbai for an amount of Rs. 16,00,000/- (Rupees Sixteen Lakhs only), being more than 1% of the total consideration payable, in the Escrow Account opened. The Acquirer and PAC has empowered the Manager to the Offer i.e. Ashika Capital Limited to instruct and to realize the value of above Bank Guarantee and Cash Deposit in terms of the Regulations.

b) The Acquirer and PAC have collectively made firm financial arrangements for financing the acquisition of equity shares under the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Venkateswarlu D (Membership No. 028488) Partner of M/s. VDNR & Associates, Chartered Accountants having office at 201, Dwaraka Anenue, Dwarakapuri Colony, Panjagutta, Hyderabad-500 034; Tel.:040-23358594/55133687; E-mail: devarapally.v@gmail.com vide certificate dated 04.12.2007 have confirmed that sufficient resources are available with the Acquirer and PAC for fulfilling the obligations under this 'Offer' in full.

c) Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer and PAC to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

9. OTHER TERMS OF THE OFFER:

a) The Letter of Offer ('LOO'), specifying the detailed terms and conditions, together with the Form of Acceptance cum Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of the Target Company whose names appear on the register of members of the Target Company and to the Beneficial Owners of the equity shares of the Target Company whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on December 28, 2007 ('Specified Date').

b) All owners of equity shares, registered or unregistered, of the Target Company (except the Promoters Group and allottees under Preferential Issue) are eligible to participate in the Offer anytime before the closing of the Offer. 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. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

c) Shareholders who hold equity shares of the Target Company 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 closing of the Offer, i.e. February 11, 2008 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

d) The Registrar to the Offer has opened a special depository account for the Open Offer with National Securities Depositories Ltd. ('NSDL') as Depository, Karvy Stock Broking Limited as Depository Participant called, 'XL Softech Systems Limited-NEHA Open Offer-Escrow Account'. The DPID is IN300394 and Client ID is 16107257. For equity shares which are tendered in electronic form, the bank account as obtained from the beneficiary provided by the Depository will be considered and the payment instrument will be issued with the said bank particulars. Shareholders of the Target Company having their beneficiary account in Central Depository Services Limited ('CDSL') shall use the inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL.

e) Beneficial owners and the shareholders holding the equity shares of Target Company in dematerialized form and wish to tender their equity shares pursuant to Offer will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post acknowledgement due, so as to reach on or before the closing of the Offer, i.e., February 11, 2008, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

f) Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closing of Offer i.e., February 11, 2008 are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting their equity shares dematerialized is completed in time for the credit in the special depository account to be received on or before the closing date of the Offer, i.e., February 11, 2008.

g) Unregistered owners or shareholders who have not received the Letter of Offer, 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, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, 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 special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

h) Shareholders of the Target Company who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialization should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

i) Unregistered owners or eligible shareholders who have not received the Letter of Offer, may (i) download the Letter of Offer from the SEBI's website (www.sebi.gov.in), (ii) obtain a copy of the same by writing to the Registrar to the Offer at XL Softech Systems Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad-500 034, or (iii) make an application to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closing of the Offer, i.e., February 11, 2008, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, 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 '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 closing of the Offer, i.e., February 11, 2008.

j) Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

k) The Registrar to the Offer will hold in trust the Equity Shares/Share Certificates, Equity Shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Deed(s) on behalf of the shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted equity shares/share certificates are dispatched/returned.

l) If the aggregate of the valid responses to the Offer exceed the number of shares proposed to be acquired under the Offer, the Acquirer and PAC shall accept the applications received from the shareholders on a proportionate basis, as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, subject to a minimum of 100 Shares or the entire holding if less than 100 shares, in case of physical mode. Incase, the equity shares are surrendered in dematerialized mode, minimum acceptance will be one (1) equity share only.

m) Unaccepted Share Certificates, Transfer Forms 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. Unaccepted equity shares held in dematerialized 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.

n) As per the provisions of Section 196D (2) of the Income Tax Act, 1961, and as amended ('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 115AD of the Income Tax Act.

o) Non-Resident shareholders should submit a copy of the permission received from Reserve Bank of India for acquisition of the equity shares of Target Company. In case of its non-submission, Acquirer and PAC reserves their right to reject the equity shares tendered in the Offer.

p) However, while tendering their equity shares under the Offer, Non Resident Individuals 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 and PAC 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 and PAC 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.

q) The consideration to the equity shareholders of Target Company 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, within 15 Days from the date of Closing of the Offer. 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. The Acquirer and PAC are required to deduct tax on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

r) Pursuant to regulation 22(5A) of the Regulations, shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer as per the mode of delivery indicated therein on or before February 6, 2008.

i. The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

ii. In case of non-receipt of the 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 of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Distinctive Numbers, Folio Number, Number of Shares offered; and
- In case of dematerialised shares: Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, DP name, DP ID, Number of Shares offered, beneficiary account number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favor of the special depository account.

s) The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

t) Equity shares tendered in the Offer by the shareholders of Target Company shall be free from lien, charges or encumbrances of any kind whatsoever.

u) A Schedule of some of the key events in respect of the Offer is given below:

Activities	Date	Day
Specified Date*	December 28, 2007	Friday
Last Date for a Competitive Bid, if any	December 28, 2007	Friday
Date by which the Letter of Offer to be Despatched to the shareholders	January 16, 2008	Wednesday
Date of Opening of the Offer	January 23, 2008	Wednesday
Last date for revising the Offer Price/ Number of Shares	January 31, 2008	Thursday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	February 6, 2008	Wednesday
Date of Closing of the Offer	February 11, 2008	Monday
Date by which communicating acceptance /rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	February 26, 2008	Tuesday

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer would be sent and owners (registered or unregistered) of the shares (except the Acquire, PAC and allottees under Preferential Issue) are eligible to participate in the Offer any time before the Closing of the Offer.*

10. GENERAL:

a) In accordance with Regulation 22(5A) of the Regulations, the shareholders of the Target Company who have accepted the Offer by tendering the requisite documents in terms of this Public Announcement and the Letter of Offer can withdraw the same up to three working days prior to the Offer Closing Date.

b) If there is any upward revision in the Offer Price by the Acquirer and PAC before the last date for revising the Offer Price i.e., January 31, 2008 or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers where this Pubic Announcement appears. If Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted this Offer and tendered their Shares at any time during the tenure of the Offer to the extent their Shares are acquired by the Acquirer and PAC.

c) If there is a Competitive Offer/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 working days prior to the Closing date of the Offers/ bids, 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.

d) The Acquirer, Person Acting in Concert and Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto (SEBI Act) or any other regulations made under the SEBI Act.

e) Pursuant to regulation 13 of the Regulations, the Acquirer has appointed Ashika Capital Limited, as Manager to the Offer.

f) The Acquirer has appointed XL Softech Systems Limited as Registrar to the Offer having office at 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad-500 034; Tel: 040-23545914/5; Fax: 040-23553214. E-mail: xlfield@rediffmail.com. The Contact Person is Mr. Ram Prasad.

g) The Acquirer and PAC accept responsibility jointly and severally for the information contained in this Public Announcement. The Acquirer and PAC are responsible for fulfillment of their obligations as laid down in terms of the Regulations.

h) This Public Announcement will also be available on SEBI's website (www.sebi.gov.in).

i) For further details, shareholders are requested to refer to the Letter of Offer and Form of Acceptance cum Acknowledgement.

Issued by Manager to the Offer on behalf of the Acquirer and PAC:

ASHIKA CAPITAL LIMITED

1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai-400021.
Tel: 022-6611 1700; Fax: 022-6611 1710
E-Mail: mbd@ashikagroup.com
Contact Person: Mr. Niraj Atul Kothari

ASHIKA
Growing & Sharing with You

Place: Mumbai **Date: December 7, 2007**