PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF PORWAL AUTO COMPONENTS LIMITED

Regd. Office: Kanti Mansion, 6-Murai Mohalla, Indore (Madhya Pradesh)

This Corrigendum to the Public Announcement is being issued by Keynote Corporate Services Limited (**"Manager to the Offer"**), on behalf of Porwal Finsec Private Limited (**"Acquirer"**) to the equity shareholders of Porwal Auto Components Limited (**"PACL" / "Target Company"**) pursuant to Regulation 10 of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 [SEBI (SAST) Regulations, 1997] & subsequent amendments thereto (hereinafter referred to as the **"Regulations"**).

Equity shareholders of Porwal Auto Components Limited are requested to note the following changes in the original Public Announcement of the open offer made on 12/05/2006. The revised activity schedule of the offer is as follows:

Activity	Original		Revised	
	Date	Day	Date	Day
Public Announcement	12/05/2006	Friday	12/05/2006	Friday
Last date for a competitive bid	01/06/2006	Thursday	01/06/2006	Thursday
Specified Date	10/06/2006	Saturday	10/06/2006	Saturday
Date by which the Letter of Offer will be dispatched to shareholders	24/06/2006	Saturday	17/02/2007	Saturday
Date of opening of the Offer	05/07/2006	Wednesday	22/02/2007	Thursday
Last date for revising the offer price/ number of shares	13/07/2006	Thursday	01/03/2007	Thursday
Last date for withdrawal of acceptance	19/07/2006	Wednesday	07/03/2007	Wednesday
Date of closing of the Offer	24/07/2006	Monday	13/03/2007	Tuesday
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/demat delivery instruction for the rejected Shares will be dispatched/issued	07/08/2006	Monday	28/03/2007	Wednesday

The offer price has been revised from Rs. 11.85 (i.e. base price of Rs. 11.60 + Rs. 0.25 as the interest at the rate of 8% p.a. for the delay in payment of consideration) per equity share of Rs. 10/- each to Rs. 12.66 (i.e. base price of Rs. 11.60 + Rs. 1.06 as the interest at the rate of 10% p.a. for the delay in payment of consideration) per equity share.

Mr. Pravin Jain and Mr. Atul Jain have been deemed as Persons Acting in Concert with the Acquirer and their details are set forth as under:

Mr. Pravin Jain and Mr. Atul Jain reside at Kamala Nehru School Road, Opposite Anand Petrol Pump, Kibe Compound, Indore 452 001, Madhya Pradesh. Mr. Pravin Jain and Mr. Atul Jain are brothers. Their principal area of business is the management of the activities of Porwal Finsec Pvt, Ltd. They have had experience of approximately 20 years in the field of selling and distribution of interior and exterior paints and have also operated a C&F agency for ICI Paints. As per the certificates dated 18/09/2006 submitted by Rajkumar Barjatya, Chartered Accountant, the net worth of Mr. Pravin Jain as on 31/03/2006 is Rs. 274.33 lacs and the net worth of Mr. Atul Jain as on 31/03/2006 is Rs. 303.37 lacs.

In-principle approval for the preferential allotment of equity shares under consideration for listing has been obtained from OTCEI vide their letter no. 152/LSTG/06/36 dated 23/01/2006.

The total number of public shareholders in the company apart from the Acquirer is 1,292. The Promoters and persons forming part of the promoter group of the Target Company will not tender the equity shares held by them in this open offer. Hence the Acquirer has made an Offer to public shareholders of the Target Company. The extent of the public holding is 9,00,100 equity shares amounting to 8.91% of the equity capital, post preferential allotment. Accordingly the monetary value of the offer would be Rs. 113.97 lacs. The Acquirer has opened an Escrow Account with UTI Bank Ltd, Nariman Point Branch, Mumbai, in favour of the Manager to the Offer for an amount of Rs. 59.90 lacs by way of fixed deposit and of Rs. 35,000/- by way of current account, totaling more than 52.86% of the total monetary value of the offer.

There has been a delay of 96 days in ensuring compliance with regulation 7(3) of Chapter II and a delay of 10 days in ensuring compliance with regulation 8(3) of the Regulations for the financial year 2005-2006 by PACL. In view of such delayed compliance SEBI may initiate appropriate action against PACL. There has been a delay of 104 days in complying with regulation 7(1) and 7(2) of Chapter II of the SEBI (SAST) Regulations by PFPL. SEBI will take appropriate action for the non-compliance. There is a likelihood of penalty being imposed on the Acquirer.

The offer price shall not be less than the highest price paid by the Acquirer for any acquisition of shares of the Target Company from the date of the Public Announcement upto seven working days to the closure of the offer.

The brief certified financials of the Acquirer for the period ended 31/01/2007 are given below:-

(Rs. In lacs)

	Ten Months Ended
PROFIT & LOSS STATEMENT	**31/01/2007**
Income from operations	0.00
Other Income	-
Total Income	0.00
Total Expenditure	0.09
Profit/(Loss) Before Extraord. item, Depreciation, Interest and Tax	(0.09)
Less: Depreciation	-
Interest	0.01
Extraordinary item	-
Profit/ (Loss) Before Tax	(0.10)
Provision for Tax - Current Tax	-
-Deferred Tax	-
Profit/(Loss) After Tax	(0.10)

(Rs. In lacs)

	As at
BALANCE SHEET STATEMENT	**31/01/2007**
Sources of funds	
Paid up share capital	135.10
Reserves and Surplus (excluding revaluation reserves)	202.27
Miscellaneous Expenditure (to the extent not written off)	(2.13)
Networth	**335.24**
Share Application Money & Premium	60.00
Unsecured Loans	57.64
Total	**452.88**
Uses of funds	
Investments	370.00
Net Current Assets	82.88
Total	**452.88**

The final letter of offer has been despatched to the shareholders of PACL. This announcement is being made with a view to apprise the shareholders of PACL of the aforesaid changes. A copy of this Public Announcement would be made available at SEBI's website at www.sebi.gov.in.

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

KEYNOTE
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Place: Indore
Date : 20/02/2007