PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF
SRI RAMAKRISHNA MILLS (COIMBATORE) LTD (SRMC)

Regd. Office: No. 3, Bhavani River Street, Ariappampalayam, Sathyamangalam, 638 402, Tel. No. (04295) 220681, Fax No. (04295) 220681, E-mail ID: srmc@vsnl.com
Administrative Office: 1493, Sathyamangalam Road, Ganapathy, Coimbatore 641 006, Tel (0422) 2531022, 2531122, Fax (0422) 2531579, E mail Id: srmc@vsnl.com

This Public Announcement is being issued by Fedex Securities Limited, on behalf of Sri R Doraiswami, Smt. D Ranganayaki, Sri. D Lakshminarayanaswamy, Smt. L Nagaswarna, Smt. L Suhasini and Smt. L Swathy (hereinafter referred to as "the Acquirers") pursuant to and in compliance with Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [hereinafter referred to as "Regulations"] and subsequent amendments thereto.

The Offer

a. This Offer is in compliance with Regulation 11(1) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").
b. Sri. R Doraiswami S/o. S N Rangaswamy Naidu, Smt. D Ranganayaki, wife of Sri R Doraiswami, both residing at New No.11 (Old NO.6) Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037 (Tel.No. (0422) 2243777), Sri. D Lakshminarayanaswamy, son of Sri. R Doraiswami, Smt. L Nagaswarna wife of Sri. D. Lakshminarayanaswamy, Smt. L Suhasini Daughter of Sri. D Lakshminarayanaswamy, and Smt. L Swathy, Daughter of Sri. D Lakshminarayanaswamy, all residing at New No. 15 (Old No.7), Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037, Tamil Nadu State (Tel No. (0422) 2243788 Fax No (0422) 2531579, E Mail ID: lnss96@yahoo.co.in) promoter group Shareholders of SRMC (hereinafter collectively referred to as "the Acquirers") are making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirers and promoter group Shareholders of SRMC) of Sri Ramakrishna Mills (Coimbatore) Limited ("SRMC", "the Target Company") to acquire 14,23,666 Equity Shares of Rs. 10/- each, at a price of Rs. 20/60 (Rupees twenty and paise sixty only), representing 20.00 % of subscribed, paid up & voting Capital of SRMC after the exercise of Warrants allotted on a preferential allotment basis to the promoter group Shareholders and others. The Board of Directors of SRMC, in their meeting held on 28.06.2006 had resolved to convene an Extraordinary General Meeting of members on 25th July 2006 to consider preferential allotment of 31,35,000 Equity Warrants (Warrant/Warrants) which entitles the holders of the Warrants to get 1 (one) Equity Share of SRMC per Warrant, within 18 months from the date of allotment at a price of Rs. 20/60 and the members in the said Extra Ordinary General Meeting approved the same. The preferential allotment was made by the Board of Directors of SRMC on 7.8.2006. Out of the 31,35,000 Warrants so allotted, 10,00,000 Warrants were allotted to Smt. L Nagaswarna, Smt. L Suhasini and Smt. L Swathy, promoter group shareholders and 21,35,000 Warrants to Clearwater Capital Partners (Cyprus) Limited. Sri. R Doraiswami, Smt. D Ranganayaki, Sri. D Lakshminarayanaswamy and Smt. L Nagaswarna, promoter group shareholders have, on 21-01-2008, acquired 11, 35,000 Warrants from Clearwater Capital Partners (Cyprus) Limited at a consideration of Rs. 2/84 per Warrant which includes Rs. 2/06 paid by them at the time of allotment of the Warrants and Rs. 0.78 premium. The last date for exercise of the Warrants is 6.2.2008 and this has triggered this Open Offer in terms of the Regulations. The Offer is at a price of Rs. 20/60 (Rupees Twenty and paise sixty only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares. The paid Up Capital of SRMC, prior to the impending conversion of Warrants is 39,83,330 Equity Shares of Rs. 10/- each and post conversion of Warrants, 71,18,330 Equity Shares of Face Value of Rs. 10/- each.
c. There are no Persons acting in Concert (PAC) with the Acquirers.
d. The consideration shall be paid in cash.
e. The Offer is not conditional on any minimum level of acceptance.
f. This is not a competitive bid.
g. The Acquirers will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the exercise of Warrants.
h. Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.
i. There is no agreement by the Acquirers with any other person/entity in connection with the Offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other person/entity proposes to take part in the acquisition. There is no agreement among the Acquirers with respect to the quantum of Shares that will be acquired by each of the Acquirers and quantum each will acquire will be decided later.
j. The Equity Shares of the Target Company are at present listed only at Bombay Stock Exchange Ltd, Mumbai (BSE). The Company's Equity Shares were listed at the Madras and Coimbatore Stock Exchanges but were delisted subsequently. The Shares are not admitted as permitted Security in any other Stock Exchange.
k. The Acquirers presently hold 5, 56,032 Equity Shares of SRMC, constituting 13.96% of the present voting capital. They also hold 10, 95,960 Equity Shares jointly with other promoter group Shareholders / Group Companies, constituting 27.51% of the present voting capital.
l. During the 12 months period preceding this Public Announcement, the Acquirers have, on 24.2.2007, acquired 7100 Equity Shares through off market deals . The Highest price paid for the said acquisition is Rs. 19/- per Share and average price Rs. 18.14. None of the other promoter group Shareholders has acquired any Equity Shares of SRMC in any manner during the said period.

Justification of Offer Price

a. The Acquirers have not been allotted any Equity Shares of SRMC by way of allotment in a Public or Rights issue or preferential allotment in the 26 weeks preceding this Public announcement. In the 26 weeks preceding this Public Announcement, the Acquirers have not acquired Equity Shares or voting rights of SRMC in any other manner. The Equity Shares of SRMC are not infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, during the 6 months preceding the month in which the Board of Directors convened Extra Ordinary Meeting of members to consider the preferential allotment. (i.e. during the months December 2005 to May 2006) at BSE as the traded volume is 1,28,337 Equity Shares constituting annualized turnover of 7.94 % of the then listed capital. The Equity Shares are also not infrequently traded during the 6 months period(i.e. July 2007 to December 2007) preceding this Public Announcement as the trading volume is 8,24,517 Equity Shares constituting 41.40 % (annualized) of the listed capital. The Offer price has been calculated as per the parameters set under Reg. 20(4) of the Regulations read with Reg. 20(11) (ii) and other sub clauses and explanations therein. The offer price is higher than Rs. 20/43, being the average of the weekly high and low of the closing prices of SRMC in the preceding 26 weeks from the date of meeting of the Board of Directors of SRMC which decided on calling EGM of members to consider the preferential allotment and is also higher than Rs.18/95, being the average of the daily high and low of the traded prices at BSE during the 2 weeks preceding the date on which the Board of Directors of SRMC decided to call EGM of members to consider the preferential allotment. The Offer Price also is justified as it is equal to the price being paid for acquisition of Shares by the Acquirers through conversion of Warrants allotted on a Preferential Allotment basis as detailed above.
b. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 20/60 per fully paid Equity Share is justified.
c. There is no non-compete agreement for payment to any person.
d. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.
e. In the event of any further acquisition of Equity Shares by the Acquirers upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirers shall not be acquiring any Equity Shares of SRMC during the period of 7 working days, prior to the date of closure of the Offer.

Information about the Acquirers

a. Sri R Doraiswami, LTM (Honors.) from VJTI, Bombay, S/o S N Rangaswamy Naidu, aged 88 years., residing at New No.11 (Old NO.6) Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037 (Tel.No. (0422) 2243777), E Mail Id: lnss96@yahoo.co.in) is having over 6 decades experience in Textile Industry. After working in a Textile mill at Coimbatore as Manager, he along with his brothers promoted Sri Ramakrishna Mills (Coimbatore) Ltd., Coimbatore in 1946. He has vast experience as Manager, Managing Agent and Managing Director in the Textile industry. He is a Doyen in the Textile Industry and held senior positions in various bodies connected with the textile industry like, SIMA, ICMF, and SITRA. He is one of the Founder Trustees of M/s S N R Sons' Charitable Trust which manages Multi Speciality Hospital, Engineering, Science and Arts Colleges, Schools, etc.
Smt D Ranganayaki, W/o Sri R Doraiswami, aged 86 years residing at New No.11 (Old No.6) Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037 (Tel.No. (0422) 2243777) is a House wife and Investor.
Sri. D Lakshminarayanaswamy , B. Tech, MBA, son of Sri. R. Doraiswami, aged 57 years, residing at New No. 15 (Old No.7), Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037, Tamil Nadu State (Telephone No. (0422) 2243788 Fax No (0422) 2531579, E Mail ID: lnss96@yahoo.co.in), is an Industrialist with over 33 years' experience. He is one of the promoters and Managing Director of SRMC. He is involved with SRMC for the last 27 years and is Managing Director since 1981. He is also promoter of other Companies belonging to the family. He is not on the Board of Directors of any other listed Company. He is on the Board of Directors of Sri Jaganatha Textiles Ltd, Suhasini Spinners Ltd, Silesh Finance Company Ltd, Sentra Yarns Ltd and Flow Link Systems Ltd, which are unlisted Companies. He is also trustee in a few family trusts and a partner in a few ventures promoted by the family. Sri. D. Lakshminarayanaswamy has over 33 years' experience in managing textile and allied industries.
Smt. L Nagaswarna, aged 55 years, B Com, MBA, wife of Sri. D Lakshminarayanaswamy, residing at New No. 15 (Old No.7), Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037, Tamil Nadu State (Tel No. (0422) 2243788 Fax No (0422) 2531579, E Mail ID: lnss96@yahoo.co.in), joined as Administrative Officer at SRMC on 1.10.1982 and is at present its Chief Executive. Prior to joining SRMC, she was working in M/s Lakshmi Machine Works Ltd, a leading textile machinery manufacturer as Finance Controller. She has about 30 years' experience in Administration, Finance and working of textile mills. She is not on the Board of Directors of any listed Company. She is a Director in Sentra Yarns Ltd, Sri Ramakrishna Yarn Carriers Ltd and Suhasini Spinners Ltd, unlisted Companies promoted by the family.
Smt. L Suhasini, aged 31 years, D/o. D Lakshminarayanaswamy, residing at New No. 15 (Old No.7), Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037 , Tamil Nadu State (Tel No. (0422) 2243788 Fax No (0422) 2531579, E Mail ID: lnss96@yahoo.co.in), is B.S. in Textiles from North Carolina State University, USA. She was looking after administration in various group Companies. On 24.3.2000, she joined as Executive Director in M/s Jayadevi Mills Private Ltd. Since 1.4.2003, she is acting as Technical Consultant for M/s Sadhu Spinning Mills Ltd. Thus, She has about 10 years' experience in management. She is not on the Board of Directors of any listed Company. Apart from M/s Jayadevi Mills Pvt. Ltd, she is Director in M/s Swathy Processors Ltd and M/s Shri. Govindaraja Textiles Pvt. Ltd., unlisted Companies.
Smt. L. Swathy, aged 29 years, D/o. D Lakshminarayanaswamy, residing at New No. 15 (Old No.7), Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037 , Tamil Nadu State (Tel No. (0422) 2243788 Fax No (0422) 2531579, E Mail ID: lnss96@yahoo.co.in) holds B.S. (Engineering) Degree from University of Virginia, USA. She is associated with various textile mills under the control of the family overseeing Marketing, Finance and Administration. She is Managing Director of M/s Swathy Processors Ltd, since 1.10.2004 . She is not on the Board of Directors of any listed Company. Apart from M/s Swathy Processors Ltd, She is also Director in M/s Suhasini Spinners Ltd, M/s Sentra Yarns Ltd and M/s Sri Ramakrishna Yarn Carriers Ltd, all unlisted Companies.
b. Except Sri R Doraiswami, Chairman and Sri. D. Lakshminarayanaswamy, Managing Director of SRMC, none of the Acquirers are on the Board of Directors of any listed Company.
c. Sri R Doraiswami is father and Smt D Ranganayaki is the mother of Sri D Lakshminarayanaswamy. Smt. L. Nagaswarna is wife of Sri. D Lakshminarayanaswamy. Smt. L. Suhasini and Smt. L Swathy are their daughters.
d. Among the Acquirers, Sri. D Lakshminarayanaswamy Managing Director and Sri. R. Doraiswami, Chairman of SRMC belong to the promoter group and as such they represent the Acquirers. They shall recuse themselves and not participate in any matter(s) concerning or 'relating' to the offer including any preparatory steps leading to the offer.
e. There is no person acting in concert with the Acquirers
f. There are no pending litigations against the Acquirers. No action has been taken by SEBI or Stock Exchanges against the Acquirers or ventures promoted by them or in which they are Directors.

Information about the Target Company

a. SRMC was incorporated on 6th September 1946 as a public limited Company in the State of Madras (Presently, Tamil Nadu) and commenced commercial operations in 1951. SRMC got its Equity Shares listed at Madras Stock Exchange (MSE) in March 1957, then Bombay Stock Exchange (BSE) in September 1994 and the Coimbatore Stock Exchange (CSX) on 8.6.1993.
b. The Registered Office is at No. 3, Bhavani River Street, Ariappampalayam, Sathyamangalam, 638 402, Tel. No. (04295) 220681,Fax No. (04295) 220681, E-mail ID: srmc@vsnl.com. The Administrative Office is situated at 1493, Sathyamangalam Road, Coimbatore 641 006, Tel (0422) 2531022, Fax (0422) 2531579, E Mail Id: srmc@vsnl.com
c. SRMC has four factories. The factories are located at Ganapathy, Coimbatore 641 006, VKR Puram, Nagari 517 590, Chittoor Dist, Andhra Pradesh and Ariappampalayam, Sathyamangalam, Erode Dist, Tamil Nadu, 638 402 (Two factories).
d. The Authorized Capital is Rs. 1500 Lacs, divided into 1,00,00,000 Equity Shares of Rs10/- each and 5,00,000 preference Shares of Rs. 100/- each. The paid up Equity Share Capital is 39,83,330 Equity Shares of Rs. 10/- each aggregating Rs. 398.33 Lacs. All the outstanding Equity Shares are fully paid up, listed and admitted for trading at BSE.
e. The Fixed Assets held include Land, Building, Plant & Machinery, equipments, Miscellaneous fixed assets , furniture and fixtures and office equipments.
f. As on date of this Public Announcement, the promoter group/persons in control, hold 16,51,992 Equity Shares, each fully paid up, representing 41.47% of the listed Capital. Post exercise of Warrants, the promoter group holding will be 37, 86,992 Equity Shares constituting 53.20% of the expanded Equity Share Capital.
g. SRMC has signed agreements with NSDL and CDSL for offering Shares in dematerialized form. The ISIN Number is INE 306D01017. The Marketable lot for the Shares of SRMC for the purpose of this Offer shall be 1 (one only).
h. The Directors of SRMC are Sri. R. Doraiswami (Chairman, Executive), Sri. D Lakshminarayanaswamy (Managing Director), Sri. L Damodaraswamy (Non Executive, Independent) , Sri. N Jothikumar (Non Executive, Independent), Sri. R Narayanamurthy (Non Executive, Independent) and Sri. R. Radhakrishnan (Non Executive, Independent)
i. SRMC has, as its main objects, (1) to carry on business viz. cotton spinning , doubling, linen manufacturing, wool combing, worsted spinning etc. and clothes and other goods and fabrics whether textile, felted netted or looped (2) to carry on all or any business of silk mercerising, weaving, apparel, wholesale and retail dealers etc (3) to process all materials and articles of weaving, apparel, clothes etc. (4) to carry on the business of manufacturers, producers, importers, exporters, dealers etc. in all kinds of dyes, dyestuff, chemical drugs, paints, etc. (5) to carry on the business of real estate developers etc.
j. SRMC is presently engaged in manufacture of cotton yarn, man made fibre yarns and their blends of various counts ranging from 6s to 100s which include Carded, Combed, Autolevelled, Autoconed, Doubled TFO yarn , Gassed, Bleached and Mercerized Yarn suitable for knitting and weaving. The Company has installed 75180 Spindles and 1104 Open End Rotors spread across its 4 factories. The products are well accepted in Domestic and International markets. SRMC commenced exports in 1986 and was a recognized Export House.
k. SRMC has no Subsidiaries.
l. The Equity Shares of SRMC are listed at only The Bombay Stock Exchange Ltd (BSE). The Shares are not admitted as a permitted security at any other Stock Exchange. All the outstanding issued Equity Shares of SRMC are listed and admitted for trading. There are no partly paid Equity Shares. 31,35,000 Warrants convertible into Equity Shares are outstanding and the last date for exercise of option under the Warrants is 6.2.2008. Other than this, there are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in.
m. SRMC has no arrears of listing fee to Stock Exchanges. No action is taken by BSE or SEBI against SRMC, its promoters or Directors.
n. SRMC is complying with the provisions of Clause 49 of the Listing Agreement.
o. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made by SRMC from 1997 to 2002. Out of this, returns under Reg. 6(2) for 1997 was filed late on 12.9.1997 but has been regularized under SEBI (Regularization) Scheme 2002 on 17.2.2003. Filing under Reg. 8(3) from 1998 to 2002 were not done but were regularized under the Scheme on 17.2.2003. From 2003 to 2007, filing under Reg. 8(3) has been made in time. The promoters of SRMC have filed returns under Reg. 6 for the year 1997 & Reg. 8 for the years 1998 to 2007, in time.
p. As per the Audited results as on 31.03.2007, SRMC had a Gross Income of Rs. 9449.17 Lacs, comprising of sales income Rs. 6021.68 Lacs and other Income of Rs. 3427.49 Lacs. The Other Income includes Extraordinary Income of Rs. 3123.96 Lacs on account of OTS. The total expenditure was Rs. 6638.17 Lacs, comprising of Raw material cost Rs. 3301.55 Lacs, Other production/administrative costs including wages and salary Rs. 2244.00 Lacs, Finance Charges Rs. 510.81 Lacs, Depreciation Rs. 219.70 Lacs, Repairs Rs.134.28 Lacs and other expenses Rs. 227.83 Lacs. There was decrease in Stock to the extent of Rs. 526.08 Lacs. The Net Profit after tax for the year was Rs. 3330.01 Lacs. Prior period adjustments to the tune of Rs. 144.82 Lacs was given effect to and post prior period adjustments the Net Profit was Rs. 3185.19 Lacs and excluding extra-ordinary income on OTS and prior period adjustments was Rs.83.60 Lacs. The fully diluted EPS after extraordinary income and prior period adjustments is Rs. 5.17. The Reserves and Surplus excluding revaluation reserves as on 31.3.2007 is Rs. 610.13 Lacs. The Net Worth (inclusive of upfront payment received on Warrants which is non refundable) is Rs 850.24 Lacs, giving the Equity Shares a Book Value of Rs 21.34. The Return on Net Worth for the year ended 31.03.2007 is 391.66 %. As per the unaudited results for the 6 months ended 30.09.2007, the Gross income was Rs. 3066.10 Lacs and Net Loss Rs. 362.44 Lacs. The EPS (annualized) based on 6 months results as on 30.09.2007 is negative and the Return on Net Worth is also negative.
q. There has not been any merger or demerger or spin-off of activity in the preceding 3 years.
r. The performance of the Company was affected by the protracted recession faced by the textile industry during 1998-2005. The entire net worth was eroded. Due to resources crunch, SRMC could not take steps for periodical modernization and renovation of the machinery. This also affected the competitiveness and consequently the financial performance. SRMC had overdue liabilities to Banks/FIs and had sought restructuring of its debts which was approved by the CDR Empowered Group on 15.9.2003. SRMC was referred to BIFR and declared a Sick Industrial Company in December 2005. SRMC further settled its secured creditors under OTS in July 2006. The Company has been discharged from BIFR with effect from 12.03.2007. At present, the Company does not have any overdue liabilities to Banks/FIs. There is no overdue liability to public depositors and there was no default in the past.
s. The Compliance Officer of SRMC is Sri. N. Narasimhalu who will be available at the Administrative office address of SRMC and shall attend to all investor grievances.

Reasons for the Acquisition and Offer and future plans of the Target Company

a. The objects of the acquisition are substantial acquisition of Shares of SRMC resulting in consolidation of holdings of the promoters/promoter group.
b. Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth. SRMC is engaged in manufacture of yarns of various grades both man made and cotton. The recession faced by the Textile Industry from late 90s till 2005 had affected the performance of SRMC and Company became a Sick Company. However, with settlement of Overdue liabilities to Banks/FIs and availing of fresh bank finance has helped Company to revamp operations and financial performance has improved, though modestly. The Company had returned Net profit in the Financial Year ended March 2007 but has again slipped into the red in current Financial Year. The conversion of Warrants will infuse additional funds which will help SRMC to meet increased working capital requirements and also meet normal Capital expenditure. The promoters including the Acquirers have significant experience in the Textile Industry.
c. The Offer will not result in change in control of SRMC. No change in the Board of Directors is contemplated by the Acquirers, consequent to this acquisition.
d. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of SRMC in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.

Statutory Approvals/ other approvals required for the Offer

a. As on the date of this Public Announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.
b. Barring unforeseen circumstances, the Acquirers would endeavour to obtain all approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirers agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirers fails to obtain requisite statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.
c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

Option to the Acquirers in terms of Regulation 21(2)/Compliance with Clause 40A of the Listing Agreement

a. The acquisition of 20 % of the voting capital of SRMC under this Offer together with the Shares being acquired through exercise of Warrants will not result in public Shareholding falling below the level required for continued Listing and hence continued listing will be ensured. Assuming full acceptance under this Offer and exercise of the entire Warrants, the post offer holding of the Public shall be 26.80 % of the issued, subscribed and listed Capital. If consequent to this offer, and any further acquisitions by the Acquirers/promoter group, the public holding falls below the level required for continued listing, then the Acquirers will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein. The Acquirers undertake and declare that they do not have any intention to delist the Equity Shares of Target Company after this Open Offer. They also undertake that they will comply with the provisions of Clause 40A of the listing agreement, in this regard, within the time limits stipulated therein.

Financial Arrangements

a. The Acquirers have adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged
b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs.2,93,27,520/- (Rupees Two crores ninety three lacs twenty seven thousand five hundred and twenty only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have created an Escrow Account in the form of Deposit for Rs. 73.50 Lacs (Rupees Seventy three lacs fifty thousand only), which is more than 25 % of the total consideration payable under the Offer, with The South Indian Bank Ltd., Industrial Finance Branch, 1084, Trichy Road, Coimbatore 641 018 on 24-01-2008 and lien has been marked on the said account in favour of Fedex Securities Ltd., Manager to the Offer.
c. The Acquirers have authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.
d. As per Certificates dated 25-01-2008 from Sri K Chandrasekaran, (Membership No. 22011), Chartered Accountant, Kovai Tower, 2nd Floor, 44-A, Balasundaram Road, Coimbatore 641018 (Tel.Nos. (0422) 2248575, Fax No. (0422) 2248595, Email ID: krishchand@dataone.in) the Net worth of the Acquirers as on 31.03.2007 are as follows:

Name	Address	Net worth (Rs in Lacs)
R Doraiswami	New No.11 (Old No.6) Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037	141.36
D Ranganayaki	-do-	46.87
D Lakshminarayanaswamy	New No.15 (Old No.7) Nethaji Road, Pappanaickenpalayam, Coimbatore 641 037	146.75
L Nagaswarna	-do-	219.61
L Suhasini	-do-	362.21
L Swathy	-do-	253.33

e. Sri. K. Chandrasekaran (Membership No. 22011), Chartered Accountant, Kovai Tower, 2nd Floor, 44-A, Balasundaram Road, Coimbatore 641 018 (Tel. Nos. (0422) 2248575, Fax No (0422) 2248595, E Mail ID:krishchand@dataone.in) has, vide his Certificate dated 25-01-2008, has certified that the Acquirers have adequate liquid resources to meet the funds requirements of the Offer. The liquid resources available with the Acquirers are Cash and Bank balance Rs. 5.49 Lacs, Investments in Mutual Funds, Shares and Bonds Rs. 275.37 Lacs, Company Deposits Rs. 671.03 Lacs and Balance held in Current Accounts Rs. 198.89 Lacs. Thus the aggregate liquid resources is Rs. 1150.78 Lacs
f. Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

Other terms of the Offer

a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.
b. The Letter of Offer shall be mailed to all shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of SRMC) whose name appear in the register of Target Company as on Friday, February 22, 2008, the Specified Date.
c. All shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of SRMC) who own Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.
d. Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. SKDC Consultants Ltd, No. 11, S N Layout, Street No.1, Tatabad, Coimbatore 641 012 (Tel. No. (0422) 6549995, Fax No. (0422) 2499574, E Mail ID: info@skdc-consultants.com) (Contact Person: Sri. K. Jayakumar) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Wednesday, April 9, 2008 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with SRMC/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by SRMC/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.
e. Beneficial owners (holders of shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off -market" mode or counterfoil of the delivery instruction in "Off -market" mode, duly acknowledged by the Depository Participant (DP) in favour of a Special Depository account to be opened by the Registrar to the Offer, in accordance with instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-acknowledgement.
Shareholders having their beneficiary account in Central Depository Service (India) Limited (CDSL) must use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with NSDL.
f. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of SRMC in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.
g. In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications 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 photocopy of the delivery instruction in "Off-market", 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 closure of the Offer.
h. Persons who hold Equity Shares of SRMC on the Specified Date but who are not registered as Shareholders/beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (f) or (g) above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above.
i. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. SKDC Consultants Ltd, No. 11, S N Layout, Street No.1, Tatabad, Coimbatore 641 012 (Tel. No. (0422) 6549995, Fax No. (0422) 2499574, E Mail ID: info@skdc-consultants.com) (Contact Person: Sri. K. Jayakumar) between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.
j. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non -receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.
k. Unregistered owners and those who hold Shares in Street Name can send their 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, distinctive numbers, folio numbers together with the original share certificate(s) valid transfer deeds and the original contract notes issued by the SEBI Registered Broker through whom they acquired their shares. No indemnity is required from the unregistered owners.
l. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.
m. The acceptance of this Offer by the Shareholders of SRMC must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
n. The Acquirers shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.
o. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.
p. Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Coimbatore and sent by Registered Post/Under Certificate of Posting.
q. The Equity Shares Certificate(s) and the transfer form(s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirers pay the Offer Price.
r. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Friday, April 4, 2008
s. The Withdrawal option can be exercised by making an application on plain paper along with the following details:
   a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form
   b. Name, Address, DP Name, DP ID, Client ID No. of the Account from where Shares were tendered and number of Shares tendered/withdrawn, if held in electronic form (dematerialized form)
t. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.
u. **The schedule of the activities pertaining to the Offer are given below: -**

Activity	Date
Public Announcement (PA)	Wednesday, January 30, 2008
Specified date	Friday, February 22, 2008
Last date for a competitive bid	Wednesday, February 20, 2008
Letter of Offer to be posted to shareholders	Thursday, March 13, 2008
Date of opening of the Offer	Friday, March 21, 2008
Last date for withdrawing acceptance from the Offer	Friday, April 04, 2008
Date of closing of the Offer	Wednesday, April 09, 2008
Last date for revising the Offer price/ number of shares.	Monday, March 31, 2008
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Thursday, April 24, 2008

Specified date is only for the purpose of determining the names of the Shareholders as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of Shares of Sri Ramakrishna Mills (Coimbatore) Limited anytime before the closure of the Offer, are eligible to participate in the Offer

General

a. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public announcement / Letter of Offer, can withdraw the same, upto 3 working days prior to the date of closure of the Offer i.e. on or before Friday, April 4, 2008**
b. The Acquirers can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. **The last date for such revision is Monday, March 31, 2008.**
c. **If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.**
d. **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 shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.**
e. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirers have appointed Fedex Securities Ltd., 3rd Floor, Jay Chambers, Service Road, Adj. Western Express Highway, Vile Parle (East), Mumbai 400 057 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Sri. R. Ramakrishnan. (Telephone Nos. (022) 26136460/61, Fax No. (022) 2618 6966, E mail Id : fedex@vsnl.com)
f. The Acquirers have appointed M/s. SKDC Consultants Ltd, No. 11, S N Layout, Street No.1, Tatabad, Coimbatore 641 012 (Tel. No. (0422) 6549995, Fax No. (0422) 2499574, E Mail ID: info@skdc-consultants.com) (Contact Person: Sri. K. Jayakumar) as Registrar to the Offer.
g. The Acquirers, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the Regulations made under the SEBI Act.
h. **Sri R Doraiswami, Smt D Ranganayaki, Sri. D Lakshminarayanaswamy, Smt. L Nagaswarna , Smt. L Suhasini and Smt. L Swathy,** the Acquirers, jointly and severally accept full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirers, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY MANAGER TO THE OFFER

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers, Service Road,
Adj. Western Express Highway,
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460 /61,
Fax No. (022) 2618 6966,
E-Mail ID: fedex@vsnl.com
Contact Person: Shri. R. Ramakrishnan

On behalf of the Acquirers
Sri R Doraiswami, Smt D Ranganayaki
residing at New No.11 (Old NO.6) Nethaji Road,
Pappanaickenpalayam, Coimbatore 641 037
Tel.No. (0422) 2243777
&
Sri. D Lakshminarayanaswamy, Smt. L Nagaswarna
Smt. L Suhasini and Smt. L Swathy
residing at New No. 15 (Old No.7), Nethaji Road,
Pappanaickenpalayam, Coimbatore 641 037 , Tamil Nadu State
Tel No. (0422) 224 3788, Fax No (0422) 2531579,
E Mail ID: lnss96@yahoo.co.in

Place: Mumbai
Date: January 29, 2008