PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF
ROHIT PULP & PAPER MILLS LIMITED
(Regd. Off.: Rohit Chambers, Janmabhoomi Road, Fort, Mumbai-400 001)

This Public Announcement ('PA') is being issued by Ashika Capital Limited ('Manager to the Offer'), for and on behalf of Marathon Realty Limited, Chetan R. Shah and Mayur R. Shah (hereinafter collectively referred to as 'Acquirers') pursuant to and in compliance with, among others, regulation 10 and 12 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) The Open Offer ('Offer') is being made by the Acquirers, in compliance with regulations 10 and 12 of the Regulations, to the shareholders ('other than Parties to the Agreement') of Rohit Pulp & Paper Mills Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Rohit Chambers, Janmabhoomi Road, Fort, Mumbai-400 001 (hereinafter referred to as 'Target Company' or 'RPPML').

b) The Acquirers has entered into a Share Purchase Agreement ('Agreement') on August 7, 2007 with the Promoter Group (hereinafter referred to as 'Sellers') to acquire 21,72,665 fully paid up equity shares (hereinafter referred to 'Sale Shares') being 60.782% of equity capital (45.034% of voting capital) of RPPML, at a price of Rs. 6.75/- per share ('Negotiated Price').

c) The details of acquisitions by the Acquirers are as follows:

Name of the Acquirers	No. of Equity Shares	% of Equity Share Capital	% of Voting Capital
Marathon Realty Limited	9,29,370	26.000	19.264
Chetan R. Shah	6,22,900	17.426	12.911
Mayur R. Shah	6,20,395	17.356	12.859
TOTAL	**21,72,665**	**60.782**	**45.034**

d) The Acquirers and the Sellers have mutually agreed upon and appointed Messrs Kanga and Company, Advocates and Solicitors, a partnership firm registered under the Indian Partnership Act, 1932 with its principal place of business at Readymoney Mansion, 43, Veer Nariman Road, Fort, Mumbai 400 001 through its Partners Mr. M. L. Bhakta and Ms. Preeti Mehta, as an Escrow Agent.

e) On execution of the Agreement, the Sellers deposited the original shares certificate(s) representing the Sale Shares along with transfer deeds duly executed by them with the Escrow Agent.

2. THE OFFER:

a) Pursuant to the aforesaid acquisition, provisions of regulation 10 read with regulation 12 of the Regulations have been attracted. The Acquirers are now making this Open Offer ('Offer') to the Shareholders of RPPML ('other than Parties to the Agreement') to acquire upto 9,64,900 shares of Rs. 10/- each at a price of Rs. 26/- per share ('Offer Price') representing 20% of its voting capital, payable in cash in terms of regulation 20.

b) The equity shares of RPPML are listed on Bombay Stock Exchange Limited, Mumbai (BSE) only. Based on the information available, the shares of RPPML are frequently traded in terms of regulation 20(5) of the Regulations and hence, the Offer Price has been determined taking into account the following parameters:

a)	Negotiated Price under the Agreement	:	Rs. 6.75/- per share
b)	Highest Price paid by the Acquirers 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	:	Not Applicable
c)	The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the date of PA (August 13, 2007)	:	Rs. 20.75
d)	The average of the daily high and low of the prices of the shares during two weeks period preceding the date of PA (August 13, 2007)	:	Rs. 25.69

In view of the aforesaid financial parameters, the Offer Price of Rs. 26/- is justified in terms of regulation 20 of the Regulations.

c) As on date of this PA, the Acquirers do not hold any Equity Shares of RPPML. The Acquirers has not acquired either directly or through any other person any Shares of RPPML during the twelve months preceding the date of this PA.

d) 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 RPPML upto a period of fifteen days after closure of the Offer.

e) For the purpose of this Offer, apart from the Acquirers, there is no Person Acting in Concert.

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

g) This is not a competitive bid.

h) The Acquirers have not entered into any separate non-compete agreement with the Sellers. There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made to the Acquirers as non-compete fee.

i) The shares acquired under the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.

j) The Acquirers have undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement with the Sellers.

3. **INFORMATION ABOUT THE ACQUIRERS:**

a) Marathon Realty Limited (MRL) was originally incorporated in the name & style of 'Marathon Realty Private Limited' on 23.12.1994 under the Companies Act, 1956 and converted into limited company and fresh certificate consequent to change of name has been received on 02.04.1997 from Registrar of Companies, Maharashtra. The Registered Office of the company is situated at 101, Marathon House, Devidayal Road, Mulund (W), Mumbai 400 080.

   i) MRL is promoted by Mr. Chetan R. Shah and Mr. Mayur R. Shah.

   ii) MRL is engaged in the business of construction, development and its related activities.

   iii) The present Board of Directors of the company consists of Mr. Ramnik Z. Shah, Mr. Chetan R. Shah and Mr. Mayur R. Shah. The shares of MRL are not listed on any of the Stock Exchange(s). Currently none of the directors of MRL is on the Board of the Target Company.

   iv) As per the certified financial results of MRL as on 31.03.2007, the Authorised Share Capital is Rs. 300.00 Lakhs comprising of 30,00,000 equity shares of Rs.10/-each and Issued, Subscribed & Paid up Equity Share Capital is Rs. 235.20 Lakhs comprising of 23,52,000 fully paid up equity shares of Rs.10/- each. For the period ended 31.03.2007, MRL has generated an income of Rs. 9181.13 Lakhs and net profit after tax of Rs. 3018.97 Lakhs. The Networth, Book Value, Earnings Per Share and Return on Networth as on 31.03.2007 are Rs. 4494.33 Lakhs, Rs. 191.08 per share, Rs. 128.35 & 92.77% respectively.

b) Mr. Chetan R. Shah, son of Sri Ramniklal Shah, aged about 51 years is residing at Kailash, Devidayal Road, Mulund (West), Mumbai-400080. He completed his Bachelor Degree (B. Tech.) in Civil Engineering from IIT, Mumbai and also completed his Masters Degree (M. S.) in Structural Engineering from the University of Houston, Texas, USA. He is having around 32 years of experience in building and construction activities. His Networth as on 31.03.2007 is Rs. 1019.42 Lakhs as certified by Mr. Vimal R. Bhabhra (Membership No. 046043) Proprietor of M/s. V. R. Bhabhra & Co. Chartered Accountants, having Office at C/115, Jumbo Darshan, Andheri (East), Mumbai-400069; Tel No.: 022-32412853; Fax: 022-26775905; E-mail: vimalbhabhra@yahooo.co.in vide certificate dated August 6, 2007.

c) Mr. Mayur R. Shah, son of Sri Ramniklal Shah, aged about 42 years is residing at Kailash, Devidayal Road, Mulund (West), Mumbai-400080. He completed his Bachelor's Degree (B. E.) in Civil Engineering from Mumbai University and also completed his Master's Degree (M. S.) in Structural Engineering from University of Oklahoma, USA. He is having around 26 years of experience in building and construction activities. His Networth as on 31.03.2007 is Rs. 498.33 Lakhs as certified by Mr. Vimal R. Bhabhra (Membership No. 046043) Proprietor of M/s. V. R. Bhabhra & Co. Chartered Accountants, having Office at C/115, Jumbo Darshan, Andheri (East), Mumbai-400069; Tel No.: 022-32412853; Fax: 022-26775905; E-mail: vimalbhabhra@yahooo.co.in vide certificate dated August 6, 2007.

d) The individual acquirers are brothers and they are promoter/director of the acquirer company.

e) The Acquirers belong to Marathon Group. Mr. Chetan R. Shah and Mr. Mayur R. Shah are also promoter/director of the companies such as Marathon Nextgen Reality & Textiles Limited, Marathon Prachin Infrastructure Pvt. Ltd., Columbia Chrome (India) Pvt. Ltd., Vinotak Investments Pvt. Ltd., Fibre Box (Bombay) Pvt. Ltd.

f) Out of the above companies, Marathon Nextgen Reality & Textiles Limited (MNRTL) is listed at Bombay Stock Exchange Limited, Mumbai. Mr. Chetan R. Shah and Mr. Mayur R. Shah are the members of the Board of Directors of MNRTL.

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

4. **INFORMATION ABOUT THE TARGET COMPANY:**

a) RPPML was incorporated on 26.07.1960 as a Limited Company and received the Certificate of Commencement of Business from Registrar of Companies, Maharashtra on 15.09.1960. The Registered Office of the company is situated at Rohit Chambers, Janmabhoomi Road, Fort, Mumbai-400 001.

b) As on date of PA, the Authorised Share Capital of the company is Rs. 1000.00 Lakhs comprising of 70,00,000 equity shares of Rs. 10/- each & 3,00,000 preference shares of Rs.100/-each and the Issued, Subscribed and Paid up Share Capital is Rs. 482.45 Lakhs comprising of 35,74,500 fully paid up equity shares of Rs. 10/- each and 1,25,000, 13% Cumulative redeemable preference shares of Rs. 100/- each. The preference shares of the company are not listed on any of the stock exchanges. As the dividend on preference shares is un-paid since 2000-01, the provisions of Section 87 of the Companies Act, 1956 have been attracted and accordingly the voting rights have accrued in the hands of preference shareholders. Accordingly, the voting capital of the company stands at Rs. 482.45 Lakhs as on date.

c) As on date of PA, 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.

d) The main Object Clause of RPPML includes interalia to carry on the business of manufacturers of and dealers of all kinds & classes of paper.

e) The equity shares of RPPML are listed on BSE. The equity shares of the company are frequently traded in terms of regulation 20(5) of the Regulations. The company suspended its activities from 26.05.2003 and had not carried out any production thereafter. The company has become a Sick Company under Section 3 (1) (o) of the Sick Industrial Companies (Special Provision) Act, 1985 (SICA) and was registered with Board for Industrial & Financial Reconstruction (BIFR) as Sick Company from 05.08.2003. However, BIFR disposed off the reference of the company as non-maintainable since the company ceased to be an industrial undertaking (in view of the disposal of its entire assets during the financial year 2004-05) vide its Order dated 09.01.2006.

f) As per Audited Accounts for the year ended 31st March 2007, the company earned gross revenue of Rs. 12.40 Lakhs and incurred a Net Loss After Tax of Rs. 22.37 Lakhs. The Networth, Book Value per equity share, Earning Per equity share and Return on Networth for the year ended 31.03.2007 were Negative.

5. **REASONS FOR THE ACQUISITION AND THE OFFER:**

a) The Offer has been made pursuant to regulation 10 & 12 and other provisions of Chapter III and in compliance with the Regulations.

b) The prime object of the Offer is to have substantial acquisition of shares/voting rights accompanied with the change of control and management of the company.

c) The Acquirers are presently engaged in building and construction related activities. The object of acquisition is to expand the business horizon under corporate status for diversifying into different activities subject to approval of the shareholders. The Acquirers reserve the right to modify the present structure of the business for conducting real estate and construction business, in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be effected will be in accordance with the laws applicable. The acquirers may reorganize and/or streamline various businesses for commercial reasons and operational efficiencies.

d) The Acquirers do 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 Acquirers undertake 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.

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 Acquirers, 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 Acquirers for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirers 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 Acquirers in obtaining the Approvals, regulation 22(13) of the Regulations will also become applicable.

7. **OPTION IN TERMS OF REGULATION 21:**

Pursuant to the Agreement and this Offer or otherwise, if the public shareholding in the Target Company falls below the limit specified in the Listing Agreement with the stock exchanges for listing on continuous basis, the Acquires take the required steps within the specified time and in accordance with the prescribed procedure under amended clause 40A of the Listing Agreement and in compliance with the Regulations.

8. **FINANCIAL ARRANGEMENTS:**

a) The total fund requirement for the Offer is Rs. 2,50,87,400/- (Rupees Two Crore Fifty lakhs Eighty Seven Thousand Four Hundred only). In accordance with regulation 28 of the Regulations, the Acquirers have opened an Escrow Account in HDFC Bank Ltd. and made a Cash deposit of Rs.63,00,000/- (Rupees Sixty Three Lakhs only) in the account, being more than 25% of the total consideration payable to the shareholders under the Offer. A lien has been marked on the said Escrow Account in favour of the Manager to the Offer by the bank. The Manager to the Offer i.e. Ashika Capital Limited has been solely authorised by the Acquirers to operate and realise the value of Escrow Account in terms of the Regulations.

b) The Acquirers have 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. Mr. Vimal R. Bhabhra (Membership No. 046043) Proprietor of M/s. V. R. Bhabhra & Co. Chartered Accountants, having Office at C/115, Jumbo Darshan, Andheri (East), Mumbai-400069; Tel No.: 022-32412853; Fax: 022-26775905; E-mail: vimalbhabhra@yahooo.co.in vide certificate dated August 6, 2007 have confirmed that sufficient resources are available with the Acquirers 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 Acquirers 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 together with the Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of RPPML (other than the parties to the Agreement) whose names appear on the Register of Members of RPPML at the close of business hours on August 17, 2007 ('Specified Date').

b) Shareholders holding equity shares in physical form who wish to accept the Offer and tender their shares will be required to send their duly signed Form of Acceptance cum Acknowledgement, Original Share Certificate (s) and duly signed and executed Transfer Deed (s) to the Registrar to the Offer, either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post so as to reach on or before the Closing of the Offer, i.e. October 16, 2007, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

c) The Registrar to the Offer has opened a Special Depository Account with Stock Holding Corporation of India Limited (Registered with NSDL), styled 'ADROIT ESCROW A/C FOR ROHIT PULP AND PAPER MILLS LTD OPEN OFFER'. The DP ID is IN301330 and Client ID is 20145789. Shareholders having their beneficiary account in CDSL have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account.

d) Beneficial owners and Shareholders holding shares in the Dematerialised Form and 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 the Special Depository Account, to the Registrar to the Offer either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post, on or before the Closing of the Offer, i.e. October 16, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

e) All owners of the shares, Registered or Unregistered (except the parties to the Agreement) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer. Unregistered owners can send their 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, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their shares. No indemnity is required from unregistered owners.

f) 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 of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Registered Folio Number, Share Certificate Numbers, Distinctive Numbers, Number of Shares held, Number of Shares offered, along with documents as mentioned in above point 'e', so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e. October 16, 2007, in 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 '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. October 16, 2007.

g) Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the closure of the Offer, else the application would be rejected.

h) The Registrar to the Offer will hold in trust the Share Certificates, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form(s) on behalf of the shareholders of RPPML who have accepted the Offer, till the Cheques/Drafts for the consideration and/or the unaccepted shares/share certificates are despatched/returned.

i) Share Certificates, Transfer Forms and other documents in respect of shares not accepted under the Offer, if any, will be returned by Registered Post at the Shareholders/Unregistered Owners sole risk to the sole/first shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

j) In case the shares tendered in the Offer by the shareholders of RPPML are more than the shares to be acquired under the Offer, the acquisition of the shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis. The rejected Applications / Documents will be sent by Registered/Speed Post.

k) The payment of acquisition of shares will be made by the Acquirers in Cash through a crossed Demand Draft/Pay Order to the equity Share holders of RPPML whose equity share certificates and other documents are found in order and accepted, within 15 Days from the date of Closing of the Offer.

l) In terms of Regulation 22(5A) of the Regulations, shareholders shall have the option to withdraw acceptance tendered up to three working days prior to the date of Closing of the Offer by submitting the required documents, to the Registrar to the Offer. The withdrawal option can be exercised by submitting the Form of Withdrawal enclosed with Letter of Offer. Incase of non-receipt of Form of Withdrawal, the withdrawal can be exercised by making it on plain paper along with the details as mentioned in the point 'f' above.

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

n) A Schedule of some of the major activities in respect of the Offer is given below:

Activities	Date	Day
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	August 17, 2007	Friday
Last Date for a Competitive Bid, if any	September 3, 2007	Monday
Date by which the Letter of Offer to be Despatched to the shareholders	September 20, 2007	Thursday
Date of Opening of the Offer	September 27, 2007	Thursday
Last date for revising the Offer Price/ Number of Shares	October 5, 2007	Friday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	October 11, 2007	Thursday
Date of Closing of the Offer	October 16, 2007	Tuesday
Date by which communicating acceptance /rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	October 31, 2007	Wednesday

10. **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 up to three working days prior to the date of Closure of the Offer i.e. October 11, 2007.

b) If there is any upward revision in the Offer Price up to seven working days prior to the date of Closure of the Offer i.e. October 5, 2007 or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same Newspapers where this original Public Announcement appeared and such revised Offer Price would be payable to all the shareholders who have tendered their shares any time during the Offer and accepted under the Offer.

c) **If there is a Competitive 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 Acquirers, the Sellers and RPPML have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any other Regulations made under the SEBI Act.

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

f) The Acquirers have appointed Adroit Corporate Services Pvt. Ltd., having their office at 19, Jeferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai-400 059; Tel.: 022-28594060/28596060; Fax:022-28503748; E-mail: adroits@vsnl.net . The Contact Person is Ms. Veena Shetty.

g) The Acquirers and the Directors of MRL accept full responsibility jointly and severally for the information contained in this Public Announcement and also for the obligations of Acquirers laid down in the Regulations.

h) This Public Announcement will be available on SEBI's website at www.sebi.gov.in. Eligible persons to the Offer may also download a copy of Letter of Offer along with Form of Acceptance cum Acknowledgement and Form of Withdrawal, which will also be available on SEBI's website from the Offer opening date i.e. September 27, 2007 and apply in the same.

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

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

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

ASHIKA
Growing & Sharing with You

Place: Mumbai
Date: August 13, 2007.

Contact Person: Mr. Narendra Kumar Gamini

Aditya