PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
SARLA GEMS LIMITED
(REGISTERED OFFICE: 3, SAHEED NITYANANDA SAHA SARANI, KOLKATA-700001)

This Public Announcement ("PA") is being issued by VC Corporate Advisors Private Limited, ("VCAPL" or "Manager to the Offer") on behalf of Tara Holdings Private Limited and Kalpena Industries Limited, (hereinafter collectively referred to as the "Acquirers") pursuant to Regulation 10, 11(1), 12 and other applicable provisions as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as the "Regulations").

1. THE OFFER :

1.1. This Offer is being made by Tara Holdings Private Limited ("THPL") and & Kalpena Industries Limited ("KIL") both Companies incorporated under the Companies Act 1956, having their registered office at 16B, Shakespeare Sarani, 1st Floor, Kolkata – 700 071 and 2B, Pretoria Street, Kolkata – 700 071 respectively, to the Equity Shareholders of Sarla Gems Limited (hereinafter referred to as the "Target Company" or "SGL"). THPL is the existing promoter of the Target Company as per filing made by the Target Company to the Stock Exchanges as per clause – 35 of the Listing Agreement.

1.2. The present paid up and voting share capital of the Target Company consist of 22,68,500 equity shares of Rs. 10/- each, of which the promoter i.e., THPL holds 7,39,965 equity shares representing 32.62% of the present paid up equity and voting share capital of SGL. The Board of Directors of the Target Company ("Board"), at their meeting held on 6th August 2009 approved, amongst others, to issue and allot subject to the approval of the Shareholders of the Target Company at the Extra-Ordinary General Meeting to be held on 5th September 2009 ("EGM") and of the Stock Exchanges where the shares of the Target Company are listed, the issue of 12,60,035 equity shares to THPL and 20,00,000 equity shares to KIL, aggregating to 32,60,035 equity shares of the face value of Rs. 10/- each, at par on preferential basis ("Preferential Issue") in accordance with the provisions of Section 81 (1A) of the Companies Act, 1956 and the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto ("SEBI DIP Guidelines"). KIL is proposed to be designated as a co-promoter of the Target Company and will form the part of the Promoter Group of the Target Company.

1.3. Post Preferential Issue, the total equity and voting share capital of the Target Company will be 55,28,535 equity shares of Rs. 10/- each ("Emerging Voting Capital") of which the Acquirers shall be holding in aggregate 40,00,000 equity shares representing 72.36% of the Emerging Voting Capital of the Target Company, the details of which are as follows :

Particulars	Pre-Preferential Issue		Shares to be allotted pursuant to the Preferential Issue		Post- Preferential Issue	
	No. of Shares held	**%age of share holding**	**No. of Shares held**	**%age of share holding #**	**No. of Shares held**	**%age of share holding #**
(i) Tara Holdings Pvt. Ltd.	7,39,965	32.62	12,60,035	22.79	20,00,000	36.18
(ii) Kalpena Industries Ltd.	Nil	Nil	20,00,000	36.18	20,00,000	36.18
Total	**7,39,965**	**32.62**	**32,60,035**	**58.97**	**40,00,000**	**72.36**

(# Calculated as a %age of Emerging Voting Capital of the Target Company)

1.4. Accordingly, pursuant to Regulation 10 (in so far as it may apply to KIL on acquisition of 36.18% of the Emerging Voting Capital of the Target Company as mentioned in Para 1.3 above), Regulation 11(1) (insofar applicable to the THPL on acquisition of 22.79% of the Emerging Voting Capital of the Target Company as mentioned in Para 1.3 above) read with Regulation 12 (insofar as it may apply to KIL for being inducted as a co-promoter of the Target Company as disclosed in Para 1.2 above) of the Regulations, the Acquirers are making this Offer to the public shareholders of the Target Company to acquire from them 11,05,707 (Eleven Lacs Five Thousand Seven Hundred Seven Only) fully paid-up equity shares of Rs.10/- each, representing 20.00% of the Emerging Voting Capital at a price of Rs. 10/- per share ("Offer Price") payable in cash ("Offer" or "Open Offer"). SGL doesn't have any partly paid up shares as on date of this PA.

1.5. As on the date of this PA, THPL holds 7,39,965 equity shares in SGL representing 32.62% of the present Equity Capital of SGL. The Acquirers have not acquired any equity shares of the Target Company during twelve months preceding the date of this PA except those agreed to be acquired through the Preferential Issue the details of which are mentioned in Para 1.2 above.

1.6. The shares of SGL are listed on The Bombay Stock Exchange ("BSE"), Delhi Stock Exchange Association Ltd. ("DSE") and the Calcutta Stock Exchange Ltd. ("CSE"). The shares of the Target Company are suspended for trading in BSE w.e.f. 05.02.2001, in CSE w.e.f 26.05.2006 and DSE w.e.f 05.05.2002 due to non-compliance of the clauses of the Listing Agreement with the stock exchanges. The equity shares of SGL are therefore infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters:-

S. no.	Particulars	Price (in Rs. Per Share)
(a)	Negotiated Price under the Agreement	N.A.
(b)	Highest Price agreed to be paid by the Acquirers/PACs for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week periodprior to the date of Public Announcement	10/-
(c)	**Other Parameters**	Based on Audited Accounts for the year ended 31.03.2009
	Return on Net worth (%)	4.74
	Book Value per share (Rs.)	11.55
	Earning per Share (Rs.)	0.55
	Average Industry P/E Multiple *	6.5
	Offer price P/E Multiple**	18.18

*(Source: Capital Market Journal Vol. XXIV/11 July 27-Aug 2009, Industry- Diversified-Medium/small)

**Offer price/EPS

Mr. J. L. Maloo , Proprietor of Maloo & Company . (Membership No. 17649) Chartered Accountants having its office at 3, Mangoe lane , 2nd Floor, Kolkata – 700001 Ph: (033) 3022 0229, Tele Fax : (033) 2248 6040 , E-mail : malooco@yahoo.co.in vide certificate dated 06.08.2009, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the fair value of the equity shares of SGL is Rs. 7.43 per share.

In view of the above, the Offer price of Rs. 10.00/- per share is justified in terms of regulation 20(5) of the Regulations.

1.7. As on the date of PA, the Manager to the Offer does not hold any equity share in the Target Company. They declare and undertake not to deal in the shares of SGL during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

1.8. Due to the applicability of Regulation 2(1)(e)(2) of the Regulations, there could be certain entities deemed to be Persons Acting in concert with the Acquirers. However for the purpose of this Offer, there are no persons acting in concert with the Acquirers.

1.9. The Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional offer.

1.10. The Acquirers will accept all the equity shares of SGL those that are tendered in valid form in terms of this Offer upto a maximum of 11,05,707 equity shares of Rs. 10/- each representing 20.00% of the Emerging Voting Capital of SGL.

1.11. This is not a competitive bid.

1.12. The Acquirers, its Directors and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of SEBI Act or under any other Regulations made under the SEBI Act.

1.13. The Offer is not as a result of global acquisition resulting in indirect acquisition of SGL.

2. INFORMATION ABOUT THE ACQUIRERS

2.1 TARA HOLDINGS PRIVATE LIMITED ("THPL")

2.1.1 THPL was incorporated on 17th December 1992 as a Private Limited Company. The CIN of the Company is U65921WB1992PTC057192. The registered & corporate office of the Company is situated at 16B, Shakespeare Sarani, 1st Floor, Kolkata – 700 071. Tel No. (033) 4006-1278. Fax No. (033) 4006-1281. E-mail: tara_eou@yahoo.co.in.

2.1.2 THPL has been promoted by Mr. Surendra Surana and Mrs. Sarla Surana. They along with their relatives and associate companies are presently holding the entire equity share capital of THPL. The present Board of Directors of THPL are Mr. Tara Chand Jain & Mr. Sukumar Das.

2.1.3 THPL is presently engaged in the business of manufacturing of PVC COMPOUND having installed capacity of 8,000 M.T. per annum, PE COMPOUND having installed capacity of 5,000 M.T. per annum and HAWAI CHAPPAL having installed capacity of producing 60,00,000 pairs per annum. The manufacturing plant of THPL is located at Minerva Garden Complex, Shed No. 4 (4A, 4A/1, 4B, 4B/1) Diamond Harbour Road, Joka, 24 Parganas (S) – 700 104. THPL is also engaged in the activities of investment in shares and securities and providing loans and advances.

2.1.4 The Authorised Share Capital of THPL is Rs. 1200.00 Lacs comprising of 1,20,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Equity Share Capital is Rs. 1188.34 Lacs comprising of 1,18,83,400 fully paid up equity shares of Rs.10/- each.

2.1.5 The brief financials of THPL are as under:

(Rs. In Lacs)

Particulars	Year Ended March 31, 2009 (Audited)
Total Income	11927.58
Profit /(Loss) After Tax	90.52
Earning Per Share (Rs.)	0.76
Book Value Per Share (Rs.)	38.22
Networth	4541.43
Return on Networth (in %)	1.99

2.2 KALPENA INDUSTRIES LIMITED ("KIL")

2.2.1 KIL, a public listed company was originally incorporated on 3rd day of September 1985 under the name of Kalpana Plastics Private Limited. The name of the Company was subsequently changed to Kalpana Plastics Limited w.e.f. 11th November 1987. The name of KIL was further changed to Kalpana Mercantiles Limited w.e.f. 1st January 1988 and then to Kalpana Industries Limited w.e.f. 4th May 1992. The name of KIL was lastly changed to the present name w.e.f. 14th October 2008. The CIN of the Company is L19202WB1985PLC039431. The registered & corporate office of the Company is situated at 2B, Pretoria Street, Kolkata – 700 071. Tel No. (033) 2282 3744/3745/3699. Fax No. (033) 2282 3739. E-mail: kolkata@kalpena.co.in. KIL belongs to DC Surana Group of Kolkata.

2.2.2 KIL is presently engaged in the business of manufacturing of PVC Compound having installed capacity of 19,800 MT per annum, PE Compounds with an installed capacity of 48,000 MT per annum, PVC soles and Hawai Chappals with an installed capacity of 85,00,000 pairs per annum. The manufacturing plants of KIL are located at:

(i) Kolkata Works : Village – Bhasa, No. 14, P.O. & P.S. Bishnupur, Diamond Harbour Road, 24 Parganas (S) – 743503

(ii) Daman Works : 168/151-158, Dhabel Industrial Co-Operative Society Ltd, Daman – 396215.

(iii) Darda Works (I) : Survey No. 24/3, Village – Demini, Demini Road, Darda & Nagar Haveli – 396230.

(iv) Darda Works (II) : Survey No. 24/5/1/2, Village – Demini, Demini Road, Darda & Nagar Haveli – 396230.

2.2.3 Mr D.C.Surana and Mr N.K.Surana are the promoters of the KIL. They along with their relatives and associates companies are presently holding 74.31% equity and voting share capital of KIL. As on 30.06.2009 the shareholding pattern of KIL was as follows:-

Shareholder name	Nos. Of shares	% of shareholding
(A) Promoter & Promoter Group :	**85,86,026**	**74.31**
(B) Public Shareholding :		
(1) Institutions		
• *Mutual Funds / UTI*	10,100	0.09
• *FIIs*	2,93,725	2.54
(2) Non-Institutions		
• *Bodies Corporate*	7,72,341	6.68
• Individuals	18,91,408	16.37
Total (A)+(B)	**1,15,53,600**	**100.00**

2.2.4 The present Board of Directors of KIL comprises of Mr. D.C. Surana, Non-Executive Chairman, Mr. N.K. Surana, Managing Director and Chief Executive Officer, Dr. R. Dasgupta, Mr. N. Guha and Dr. P. Ghosh.

2.2.5 The shares of KIL are listed at Bombay Stock Exchange ("BSE"), Calcutta Stock Exchange ("CSE"), The Delhi Stock Exchange Limited ("DSE"), Ahmedabad Stock Exchange Limited ("ASE") and the Hyderabad Stock Exchange ("HSE"). HSE has been derecognised by SEBI with effect from August 29, 2007

2.2.6 The Authorised Share Capital of KIL is Rs. 1200.00 Lacs comprising of 1,20,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Equity Share Capital is Rs. 1155.36 Lacs comprising of 1,15,53,600 fully paid up equity shares of Rs.10/- each.

2.2.7 The brief financials of KIL are as under:

(Rs. In Lacs)

Particulars	Year Ended March 31, 2009 (Audited)
Total Income	60410.97
Profit /(Loss) After Tax	2185.15
Earning Per Share (Rs.)	18.91
Book Value Per Share (Rs.)	61.96
Networth	7158.19
Return on Networth (in %)	30.53
Price/Earning ratio:	* 5.32

*based on closing market Price as on August 11th 2009 of Rs.100.60.

2.3 THPL is one of the promoter of KIL.

3. INFORMATION ABOUT SARLA GEMS LIMITED ("TARGET COMPANY" OR "SGL"):

3.1. Sarla Gems Limited (SGL) having its Registered Office at 3, Saheed Nityananda Saha Sarani, Kolkata – 700 001, Ph. (033) 2221 5440; Fax: (033) 2455 3193 was incorporated on 11th of October 1989 under the Companies Act, 1956 in the State of West Bengal. The CIN of the Company is L36911WB1989PLC047702. The Target Company has already established connectivity with National securities Depository Limited (NSDL) . The ISIN No is INE465K01016.

3.2. As on the date of this PA, the Authorised Share Capital of the Company is Rs. 500.00 Lacs comprising of 50,00,000 Equity Shares of Rs. 10/- each. The Board in its meeting held on 06th August 2009 have approved, subject to the approval of the shareholders in the EGM , the increase in authorised capital of the Target company from Rs. 500 Lacs to Rs. 800 Lacs divided into 80,00,000 equity shares of Rs 10/- each. The present issued, subscribed and paid-up capital of the Target Company is Rs. 226.85 Lacs comprising of 22,68,500 fully paid-up Equity Shares of Rs. 10/- each. SGL does not have any partly paid-up Equity Shares.

3.3. SGL is engaged in the business of marketing and exporting of Gem and Jewellery. The Target Company has presently diversified into activities relating to exporting, buying and selling of synthetics, resins, rubbers, and plastics.

3.4. The present Board of Directors of SGL are Mr. B.L. Bohara, Mr. K.N. Agarwal, Mr. M.K. Tiwari, and Mr. J. Tiwari.

3.5. The Equity Shares of SGL are listed at Bombay Stock Exchange ("BSE"), Calcutta Stock Exchange ("CSE"), The Delhi Stock Exchange Limited ("DSE"). The shares of the Target Company are not admitted as permitted security in any other Stock Exchange. Presently the trading in Shares of Target Company are under suspension from BSE, DSE and CSE.

3.6. The brief financials of the Target Company are as follows:

(Rs. In Lacs)

Particulars	Year Ended March 31, 2009 (Audited)
Total Income	11087.65
Profit /(Loss) After Tax	12.42
Earning Per Share (Rs.)	0.55
Book Value Per Share (Rs.)	11.55
Networth	261.93
Return on Networth (in %)	4.74

4. REASONS FOR THE OFFER AND FUTURE PLANS ABOUT TARGET COMPANY:

4.1. The Offer has been made pursuant to regulation 10, 11(1), 12 and other provisions of the Chapter III and in compliance with the Regulations.

4.2. The Acquirers intend to improve the operational performance of the Target Company by inducting funds to augment the resources for the long term working capital requirements and general corporate purpose of the Target Company and also to consolidate its equity share holding in the Target Company.

4.3. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of SGL in the next two years except in the ordinary course of business of SGL and / or for the purposes of entering into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of SGL, subject to applicable shareholders approval.

4.4. The Acquirers undertake not to sell, dispose of 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.

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

5.1. The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any.

5.2. As on the date of this PA, to the best of the knowledge of the Acquirers, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

5.3. In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

5.4. To the best of the knowledge of the Acquirers, no approval from banks / financial institutions are required to make this Offer.

6. OPTION IN TERMS OF REGULATION 21:

In the event, pursuant to this Offer or otherwise, if the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers 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 Exchange within the specified time and in accordance with the prescribed procedure under clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

7. FINANCIAL ARRANGEMENTS:

7.1 The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net worth and no borrowings from any Bank and/or Financial Institutions are envisaged. Mr. D.C. Dharewa, Chartered Accountant (Membership No. 53838) having office at 41, Netaji Subhash Road, Room No. 503, Kolkata - 700 001. Tel: (033) 2210 2496, Fax: (033) 2210 2510, E-mail: dcdharewa@yahoo.co. in has certified vide certificate dated 06.08.2009 that sufficient resources are available with the Acquirers for fulfilling the obligations under this "Offer" in full.

7.2 The maximum consideration payable by the Acquirers assuming full acceptance of the Offer would be Rs. 1,10,57,070 (Rupees One Crores, Ten Lacs Fifty Seven Thousand Seventy Only). In accordance with regulation 28 of the Regulations, the Acquirer has opened an Escrow Account in HDFC Bank Limited, 3A, Gurusaday Road Kolkata - 700 019 ('Escrow Banker') and made therein a Cash deposit of Rs. 28,00,000/- (Rupees Twenty Eight Lacs Only) being more than 25% of the consideration payable under the Open Offer.

7.3 The Manager to the Offer is authorized to operate the above-mentioned Escrow Account to the exclusion of all others and to instruct the Escrow Banker to issue cheques/Pay orders/ demand drafts, if required, in accordance with the Regulations.

7.4 Based on the aforesaid financial arrangements and based on the confirmations received from the Escrow Banker and the Chartered Accountant, 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.

8. OTHER TERMS OF THE OFFER:

8.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of SGL (except the Acquirers) whose name appear on the Register of Members and to the beneficial owners of the shares of the SGL whose names appear on the beneficial records of the Depository Participant, at the close of business hours on 28.08.2009 ("Specified Date").

8.2. 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 A.M to 5 P.M) and on Saturday between (10 A.M to 2 P.M) or by Registered Post so as to reach on or before the Closing of the Offer, i.e. 19.10.2009 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

8.3. The Registrar to the Offer has opened a Special Depository Account with Lohia Securities Limited (Registered with NSDL), styled " ABS CONSULTANT PRIVATE LIMITED - SGL - OPEN OFFER ESCROW ACCOUNT". The DP ID is IN302189 and Client ID is 10027104.

8.4. Beneficial owners and Shareholders holding shares in the 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 the Special Depository Account, to the Registrar to the Offer either by hand delivery on weekdays between (10 A.M to 5 P.M) and on Saturday between (10 A.M to 2 P.M) or by Registered Post, on or before the Closing of the Offer, i.e 19.10.2009, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

8.5. All owners of the shares, Registered or Unregistered (except the Acquirers) 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 Transfer Deeds and the original Contract Note issued by the Broker through whom they acquired their shares. No indemnity is required from unregistered owners.

8.6. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name & Address 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 8.5 so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e. 19.10.2009. 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 19.10.2009.

8.7. 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.

8.8. The Letter of Offer along with the form of acceptance would also be available at SEBI's website at *www.sebi.gov.in* and the Eligible persons to the Offer may download the form of acceptance from the website as one of the alternatives available to them for applying in the Offer.

8.9. Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialised 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.

8.10. While tendering the equity shares under the Offer, NRIs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirers reserve the right to reject such equity shares tendered. While tendering shares under the Offer, NRI/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, the Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.11. As per the provisions of Section 196D(2) of the 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 of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.

8.12. The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form/s on behalf of the shareholders of SGL who have accepted the Offer, till the Cheques/Drafts/ECS credit for the consideration and/or the unaccepted shares/share certificates are despatched/returned/credited.

8.13. 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.

8.14. In case the shares tendered in the Offer by the shareholders of SGL 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 marketable lot for both physical and demat shares is 1(One). The rejected Applications / Documents will be sent by Registered Post.

8.15. The payment of acquisition of shares will be made by the Acquirers in cash through a crossed Demand Draft/Pay Order/ECS credit to the equity Share holders of SGL whose equity share certificates and other documents are found in order and accepted by the Acquirers, with in 15 Days from the date of Closing of the Offer.

8.16. In terms of Regulation 22(5A) of the Regulations, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing date by submitting the required documents, so as to reach the Registrar to the Offer on or before 14.10.2009. 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 Para 8.6 above. The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

8.17. 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)	28.08.2009	Friday
Last Date for a Competitive Bid, if any	02.09.2009	Wednesday
Date by which the Letter Of Offer will be Dispatched to the shareholders	23.09.2009	Wednesday
Date of Opening of the Offer	30.09.2009	Wednesday
Last date for revising the Offer Price/ Number of Shares	08.10.2009	Thursday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	14.10.2009	Wednesday
Date of Closing of the Offer	19.10.2009	Monday
Date of communicating rejection/acceptance and payment of consideration for applications accepted.	03.11.2009	Tuesday

9. GENERAL:

9.1. 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. 14.10.2009.

9.2. 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. 08.10.2009 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.

9.3. 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.

9.4. The Acquirers, its directors and the Target Company 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.

9.5. Pursuant to Regulation 13 of the Regulations, the Acquirers have appointed **VC Corporate Advisors Private Limited,** as Manager to the Offer.

9.6. The Acquirers have appointed ABS Consultant Pvt. Ltd., as the Registrar to the Offer, having office at Stpehen House, Room No. 99. 6th floor, 4, B.B.D. Bag (East), Kolkata – 700 001, Ph : (033) 2230 1043 / 2243 0153, Fax : (033) 2243 0153. The Contact Person is Mr. Vijay Sharma.

9.7. The Acquirers and the Directors of the Acquirers accept full responsibility for the information contained in this Public Announcement and also for the obligations of Acquirers laid down in Regulations.

9.8. 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. 30.09.2009 and apply in the same.

9.9. For further details, please refer to the LO & Form of Acceptance.

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

Manager to the Offer:

VC CORPORATE ADVISORS PRIVATE LIMITED
SEBI Registration No. INM000011096
(Contact Person: Mr. Anup Kumar Sharma)
31, Ganesh Chandra Avenue, 2nd Floor,
Suite No –2C, Kolkata – 700 013.
Phone No: (033) 2225-3940/ 3941/ 4116,
Fax: (033) 2225-3941
E-mail: mail@vccorporate.com

Place: Kolkata

Date: 12.08.2009