PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
SECUNDERABAD HEALTH CARE LIMITED
(Regd. Off.: 22-A/1, Phase-II, APIIC Colony, Jeedimetla, Hyderabad-500 055)

This Public Announcement (PA) is being issued by Ashika Capital Limited (hereinafter referred to as "Manager to the Offer"), for and on behalf of Mr. Medasani Munisekhar (hereinafter referred to as "Acquirer") pursuant to regulation 10 & 12 and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "Regulations").

1. THE OFFER:

a) The Open Offer is being made by **Mr. Medasani Munisekhar,** S/o. Sri M. Venkatamuni Naidu, aged about 42 years, resident of Flat No. 304, Vasantha Emerald Gardens, Madhapur, Hyderabad-500 081 to the Equity Shareholders of **SECUNDERABAD HEALTH CARE LIMITED** (hereinafter referred to as "Target Company" or "SHCL").

b) The Acquirer has decided to acquire 8,43,500 fully paid up equity Shares of Rs. 10/- each aggregating to 23.70% of subscribed capital and 26.16% of voting capital of the Target Company at a price of Re. 1.00 per share and accordingly entered into a Share Purchase Agreement on March 18, 2006 with Mr. G. Vasudeva Reddy (24,150 shares)-Promoter, Mr. B. Daniel Solomon (24,925 shares)-Promoter and Group of Shareholders, duly represented by Mr. G. Vasudeva Reddy (7,94,425 shares)-Promoter Group (hereinafter collectively referred to as "Sellers").

c) The Acquirer is now making this Open Offer (the "Offer") to the Shareholders of SHCL (other than the parties to the Agreement) to acquire 7,12,000 Equity Shares of Rs. 10/- each comprising of 6,44,900 fully paid-up shares at a price of Rs. 4.50 per share and 67,100 partly paid-up shares at a price of Rs. 2.00 per share ("Offer Price") representing 20.00% of its subscribed & voting capital, payable in cash.

d) The Equity Shares of SHCL are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and The Hyderabad Stock Exchange Limited, Hyderabad (HSE). Based on the information available, the shares of SHCL deemed to be infrequently traded on the Stock Exchanges in terms of Explanation (i) to 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	Re. 1.00/- per fully paid-up the 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 Public Announcement	Nil	
c)	Other parameters	Based on Audited Accounts for the year-ended 31.03.05	Based on Certified Accounts for the period ended 15.02.2006
	Return on Networth	Negative	Negative
	Book Value	4.70	3.60
	Earning per Share	Negative	Negative
	Price Earning	-	-

In view of the aforesaid financial parameters, the Offer Price of 4.50 per fully paid-up equity share and Rs. 2.00 per partly paid-up equity share is justified in terms of regulation 20 of the Regulations.

e) For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the regulation 2(1)(e) of the Regulations.

f) As on date of this PA, the Acquirer does not hold any Equity Shares of SHCL. The Acquirer has not acquired either directly or through any other person any Shares of SHCL during the twelve months preceding the date of this PA.

g) The Manager to the Offer does not hold any equity shares in the Target Company, as on the date of this PA.

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

i) This is not a competitive bid.

j) The Acquirer has not entered into any separate non-compete agreement with the Sellers.

k) The Acquirer has 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.

2. INFORMATION ABOUT THE ACQUIRER:

a) **Mr. Medasani Munisekhar,** S/o. Sri M. Venkatamuni Naidu, aged about 42 years is a resident of Flat No. 304, Vasantha Emerald Gardens, Madhapur, Hyderabad-500 081. He completed his Master of Business Administration (Business Administration) from The University of Hull, United Kingdom in the year 2003. He has 17 years of experience in the areas of Finance, Administration, Marketing, Legal and Procurements. He is a Promoter/Director of Astrel Genome Limited, Hyderabad which is engaged in the business of Health Care Products.

b) His Networth as on 10.03.2006 is Rs. 214.80 Lakhs as certified by Mr. P. Murali Mohana Rao (Membership No. 23412), Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad- 500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 vide certificate dated 10.03.2006.

3. INFORMATION ABOUT THE TARGET COMPANY:

a) SHCL was originally incorporated on 31.10.1991 under the Companies Act, 1956 in the name & style of "Secunderabad Health Care Limited". The Certificate for Commencement of Business was obtained from Registrar of Companies (ROC), Andhra Pradesh on 30.03.1992. The Registered Office of the Company is situated at 22-A/1, Phase-II, APIIC Colony, Jeedimetla, Hyderabad- 500055.

b) As on this Public Announcement, the Authorised Share Capital of the company is Rs. 400.00 Lakhs and the issued share capital is Rs. 355.96 Lakhs. The subscribed Capital of the Company is Rs. 339,20,500/- comprising of 32,24,500 fully paid up Equity Shares of Rs. 10/- each and 3,35,100 partly Paid-up Equity Shares.

c) SHCL is presently carrying on the business of providing Medical & Health Care Services.

d) The Equity Shares of SHCL are listed on BSE and HSE. The equity shares of the company are infrequently traded on BSE and HSE in terms of explanation (i) to regulation 20(5). The trading in equity shares of the company is presently under suspension on BSE due to delay in compliance of provisions of the Listing Agreement.

e) As per Audited Accounts for the year ended 31st March 2005, the company earned gross revenue of Rs. 195.27 Lakhs thereby incurring Net Loss After Tax of Rs. 41.18 Lakhs. The Networth, Book Value, Earning Per Share and Return on Networth for the year ended 31.03.2005 was Rs. 117.60 Lakhs, Rs. 4.70 per share, Negative and Negative respectively.

4. REASONS FOR THE ACQUISITION AND THE OFFER:

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

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

c) The Acquirer is having experience in the areas of health care products and through this acquisition, the Acquirer intends to expand his present activities and also derive benefits of a Listed Company.

d) The Acquirer does not have any plans to sell, dispose off or otherwise encumber any assets of SHCL in the next two years, except in the ordinary course of business. The Acquirer will not dispose off, sell or otherwise encumber any substantial Assets of SHCL except with the prior approval of the Shareholders.

e) To augment the resources in future, the Acquirer intend to participate in any Equity/Debt/Quasi Debt offering from SHCL, be it subscription to the Rights Issue/Public Issue, Preferential allotment etc. Reorganisation and/or streamlining of the business, including diversification, will be considered in the larger interest of SHCL by its Board of Directors in accordance with the applicable rules and laws.

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

a) The Offer along with any obligation relating to payment for, and purchase of, the shares tendered is subject to the receipt of necessary approval(s), if any, from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 ("FEMA") and subsequent amendments thereto, for acquisition of shares under the Agreement and Offer.

b) As on the date of this PA, to the best of the knowledge of the Acquirer, 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 a power to grant extension of time to the Acquirer for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirer agreeing to pay interest for the delayed period as directed by SEBI under regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by Acquirer in obtaining the Approvals, regulation 22(13) of the Regulations will also become applicable.

6. OPTION IN TERMS OF REGULATION 21:

Pursuant to the Agreement and this Offer or otherwise, if the public shareholding in SHCL fall below the limit specified in the Listing Agreement with Stock Exchange(s) for the purpose of listing on continuous basis, the Acquirer undertake to acquire only such number of Equity Shares under Share Purchase Agreement so as to maintain the minimum specified public shareholding in the Company.

7. FINANCIAL ARRANGEMENTS:

a) The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. P. Murali Mohana Rao (Membership No. 23412) Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad-500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 has certified vide letter dated 18.03.2006 that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

b) In accordance with regulation 28 of the Regulations, the Acquirer has opened an Escrow Account in HDFC Bank Limited, Lakdikapul Branch, Hyderabad and made a Cash deposit of Rs. 7,65,000/- (Rupees Seven Lakhs Sixty Five Thousand only) in the account being more than 25% of the total consideration payable of Rs. 30,36,250/-.

c) The Manager to the Offer i.e. Ashika Capital Limited has been solely authorised by the Acquirer to operate and realise the value of Escrow Account in terms of the Regulations.

d) 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:

a) The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of SHCL (except the Acquirer and Sellers) whose name appear on the Register of Members and to the beneficial owners of the shares of the SHCL whose names appear on the beneficial records of the respective Depository Participant, at the close of business hours on March 24, 2006 ("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. May 30, 2006, 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 UTI Securities Limited (Registered with NSDL), styled "AARTHI-SHCL OPEN OFFER-ESCROW ACCOUNT ". The DP ID is IN 300360 and Client ID is 10335674. 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 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 (10.00 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. May 30, 2006, 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 Acquirer and Sellers) 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.

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. May 30, 2006, 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. May 30, 2006.

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, 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 SHCL 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 SHCL 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 Post.

k) The payment of acquisition of shares will be made by the Acquirer in Cash through a crossed Demand Draft/Pay Order to the equity Share holders of SHCL whose equity share certificates and other documents are found in order accepted, with in 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 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. 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. The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

m) 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)	March 24, 2006	Friday
Last Date for a Competitive Bid, if any	April 12, 2006	Wednesday
Date by which the Letter Of Offer to be Despatched to shareholders	May 04, 2006	Thursday
Date of Opening of the Offer	May 11, 2006	Thursday
Last date for revising the Offer Price/ Number of Shares	May 19, 2006	Friday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	May 25, 2006	Thursday
Date of Closing of the Offer	May 30, 2006	Tuesday
Date by which communicating acceptance / rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	June 14, 2006	Wednesday

9. 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. May 25, 2006.

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. May 19, 2006 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 Acquirer, the Sellers and SHCL 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 Takeover Regulations, the Acquirer has appointed **Ashika Capital Limited**, as Manager to the Offer.

f) The Acquirer has appointed **Aarthi Consultants Pvt. Ltd.,** as the Registrar to the Offer, having office at 1-2-285, Domalguda, Hyderabad-500 029. Tel: +91-40-27642217/27638111; Fax: +91-40-27632184. E-mail: aarcons@hd2.dot.net.in is the Registrar to the Offer. The Contact Person is Mr. G. Bhaskar.

g) The Acquirer accept full responsibility for the information contained in this Public Announcement and also for the obligations of Acquirer laid down in SEBI (SAST) Regulations 1997 and subsequent amendments thereof.

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. May 11, 2006 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 Acquirer:

ASHIKA

ASHIKA CAPITAL LIMITED
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Contact Person: Mr. Rajendra Kanoongo

Place: Hyderabad
Date: March 22, 2006