Advertisement under Regulation 18(7) in terms of the SEBI
(Substantial Acquisition of Shares and Takeovers) Regulations, 2011

OFFER OPENING PUBLIC ANNOUNCEMENT
SHANTHI GEARS LIMITED ("Target")

a company incorporated under the Companies Act, 1956 with its registered office at
304-A, Trichy Road, Singanallur, Coimbatore 641 005, Tamil Nadu.
Tel: + 91-(0422) 2273722-34, Fax: + 91-(0422) 2273884-85

This advertisement is being issued by Enam Securities Private Limited, (**"Manager to the Offer"**), on behalf of Tube Investments of India Limited (**"Acquirer"**), pursuant to Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended (**"SEBI (SAST) Regulations"**) in respect of the Open Offer (the **"Offer"**) to acquire upto 2,12,46,122 Equity Shares, constituting 26% of the Voting Share Capital of the Target. The Detailed Public Statement (**"DPS"**) with respect to the aforementioned Offer was published on July 20, 2012 in the following newspapers:

Newspaper	Language	Editions	Date of Publication
Financial Express	English	All editions	July 20, 2012
Jansatta	Hindi	All editions	July 20, 2012
Mumbai Lakshdeep	Marathi	Mumbai	July 20, 2012
Dinamani	Tamil	Coimbatore	July 20, 2012

1. The offer price is ₹ 81/- (Rupees Eighty One Only) per Equity Share (**"Offer Price"**). There has been no revision in the Offer Price
2. The summary of reasons for recommendation of the Committee of Independent Directors (**"IDC"**) of the Target dated July 30, 2012 is mentioned below:

   IDC is of the opinion that the offer price is fair and reasonable and in accordance with the SEBI (SAST) Regulations. It is fair and reasonable based on the following reasons:

   - The proposed substantial acquisition of equity shares and consequent change in control of the Target Company by the Acquirer would help the Target Company to cater to a larger customer base and scale up the operations which are presently running at limited capacity. Further, the expertise and management potential of the Acquirer would certainly go a long way in ensuring the increased productivity and profitability of the Target Company.
   - The Target Company would stand to benefit from the existing business activities of the Acquirer and align its business to related divisions of the Acquirer such as the metal forming division which produces door frames, automotive chains and industrial chains and synergy would be achieved by the acquisition of the Target Company by the Acquirer.
   - The Committee also examined the valuation report with regards to the open offer provided by Mr. Jeetendra Kulkarni, Chartered Accountant dated 21st July, 2012 (**"Valuation Report"**). In view of the past and prevailing market prices and the Valuation Report and other relevant factors, the offer price of ₹ 81/- per share can be considered as fair and reasonable.

   Recommendation of IDC of the Target was published in above mentioned newspapers on July 31, 2012.
3. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The letter of offer dated October 04, 2012 (**"LOF"**) has been dispatched to all Shareholders of the Target on October, 09, 2012.
5. Please note that a copy of the LOF (including Form of Acceptance) is also available on Securities and Exchange Board of India (**"SEBI"**) website (http://www.sebi.gov.in) Registered / unregistered Shareholders / owner of shares who have sent the shares to the Target for transfer, if they so desire may also apply on the Form of Acceptance downloaded from the SEBI's website. Further, in case of non-receipt / non-availability of the Form of Acceptance, the application can be made on plain paper along with the following details:

   a) In case of physical shares: Name of the Shareholder, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio numbers together with the original Equity Share certificate(s), valid transfer deeds duly signed to the Registrar to the Offer, Karvy Computershare Private Limited (**"Registrar to the Offer"**), either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer i.e., not later than Wednesday, October 31, 2012 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.

   b) In case of dematerialized shares: Name of the Shareholder, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account:

Depository Participant Name	Karvy Stock Broking Limited	**Depository**	NSDL
DP ID	IN300394	**Client ID**	18470576
Account Name	KCPL-SHANTHI GEARS LTD-OPEN OFFER ESCROW A/C		

   Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slips for crediting their shares in favour of the Special Depository Account with NSDL.

   c) The Equity Share certificate(s), transfer deed, Form of Acceptance and other documents, as required should be sent only to the Registrar to the Offer, at the collection centres mentioned in paragraph 83 of the LOF or to Karvy Computershare Private Limited, Unit :- Tube Investments of India Ltd - Open Offer, Plot nos. 17-24, Vithalrao Nagar, Madhapur, Hyderabad - 500 081. Tel: +91 40 44655000 / 23420815-23, Fax: +91 40 23431551 so as to reach the Registrar to the Offer on or before Wednesday, October 31, 2012 (i.e. the date of closing of the Offer).
6. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, the draft Letter of Offer had been submitted to SEBI on July 27, 2012. We have received the final observations in terms of Regulation 16(4) of the Regulations from SEBI on September 27, 2012 which have been incorporated in the LOF.
7. Since the date of the PA, as per the Share Purchase Agreement dated July 13, 2012 (**"SPA"**), the Acquirer has completed the acquisition of 44.12% shares of the Target Company from the Promoters upon compliance with Regulation 22(2) of the SEBI (SAST) Regulations, on September 3, 2012. All other terms and conditions of the Open Offer remain unchanged. Other than this and save as disclosed in the DPS and the LOF, there have been no material changes in relation to the Offer.
8. As on date, to the best of the knowledge of the Acquirer, there are no statutory approvals required to implement the Offer. However, in case of any regulatory or statutory approval being required at a later date before the closure of the Offer, the Offer shall be subject to all such approvals and the Acquirer shall make the necessary applications for such approval.
9. The SEBI registration certificate of Karvy Computershare Private Limited, the Registrar to the Issue, had expired on July 31, 2012. As required under Regulation 8A(2) of the SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2011, an application dated April 27, 2012 for permanent registration was made by Karvy Computershare Private Limited to SEBI. The approval of SEBI is awaited.
10. Schedule of Activities

Activity	Original Day and Dates	Revised Day and Dates
Public Announcement (PA) date	Friday, July 13, 2012	Friday, July 13, 2012
Detailed Public Statement (DPS) date	Friday, July 20, 2012	Friday, July 20, 2012
Last date for a Competing Offer	Friday, August 10, 2012	Friday, August 10, 2012
Identified Date*	Wednesday, August 22, 2012	Monday, October 01, 2012
Last date by which Letter of Offer will be dispatched to the shareholders of the Target	Wednesday, August 29, 2012	Tuesday, October 09, 2012
Issue opening Public Announcement date	Tuesday, September 04, 2012	Monday, October 15, 2012
Last date by which Board of Target Company shall give its recommendation	Monday, September 03, 2012	Friday, October 12, 2012
Date of commencement of tendering period (Offer opening date)	Wednesday, September 05, 2012	Tuesday, October 16, 2012
Date of expiry of tendering period (Offer closing date)	Tuesday, September 18, 2012	Wednesday, October 31, 2012
Date by which all requirements including payment of consideration would be completed.	Monday, October 01, 2012	Thursday, November 16, 2012

* Identified 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. All the owners (registered or unregistered) of equity shares of Target Company (except the Acquirer, and the Sellers) anytime before the closure of the tendering period, are eligible to participate in the Offer.

Capitalized terms used in this announcement, but not defined, shall have the same meaning assigned to them in the PA, DPS and the LOF.

This Public Announcement to be read in continuation and in connection with the Detailed Public Announcement dated July 19, 2012, issued on July 20, 2012 (**"Detailed Public Statement"/ "DPS"**), corrigendum to the Public Announcement dated September 03, 2012, issued on September 04, 2012 (**"First Corrigendum to the PA"**) and Letter of Offer dated October 4, 2012 (**"LOF"**) pursuant to and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the **"SEBI (SAST) Regulations" or "Regulations"**).

This Advertisement is expected to be available on the SEBI website at http://www.sebi.gov.in

On Behalf of Tube Investments of India Limited, issued by Manager to the Offer

ENAM

ENAM Securities Private Limited
1st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400025.
Tel. No.: + 91 22 4325 3101 / 4325 3140; Fax No.: +91- 22- 4325 3000
Email: sgl@enam.com; Website: www.enam.com
Contact Person: Sachin K Chandiwal / Sonal Sinha

Date : October 14, 2012
Place : Mumbai

PRESSMAN

Size: 12 (w) X 36 (h)